
CITY COUNCIL MEETING AGENDA

Notice is hereby given that the Rockport City Council will hold a regular meeting on Tuesday, March 12, 2024, at 6:30 p.m. The meeting will be held in person at the Training Room of the Rockport Service Center, 2751 State Highway 35 Bypass, Rockport, Texas. **The live stream link to view the meeting is:** <https://www.youtube.com/@rockporttxgov>.

Public participation is valued and citizens wishing to express their views on any topic or agenda item can electronically submit a citizen participation form in order to register to speak by going to <https://rockport.seamlessdocs.com/f/CouncilCitizenParticipation> or scanning the QR code to the right, or if attending the meeting in person register before the meeting begins. Using the same form, citizens can also provide written comments to the City Secretary by 4:00 p.m. on the day of the meeting. The comments will be read at the meeting.



The matters to be discussed and acted upon are as follows:

Opening Agenda

1. Call meeting to order.
2. Pledge of Allegiance.
3. Proclamation: Aransas Nature Fest Week – March 16-23, 2024.
4. Citizens to be heard.

At this time, comments limited to three (3) minutes will be taken from the audience from persons who have signed the speaker's card located on the table in the back of the Training Room of the Service Center and delivered to the City Secretary before the meeting begins, or written comments received by 4:00 p.m. on the day of the meeting, on any **Agenda** item or any subject matter, will be read at the meeting. Persons wishing to address the Council and who have registered using the Citizen Participation Form will have up to three minutes to speak. In accordance with the Open Meetings Act, Council may not discuss or take action on any item that has not been posted on the agenda. While civil public criticism is not prohibited; disorderly conduct or disturbance of the peace as prohibited by law shall be cause for the chair to terminate the offender's time to speak.

Consent Agenda

All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

5. Deliberate and act on approval of City Council Special Closed Session Meeting of February 27, 2024 and the City Council Regular Meeting Minutes of February 27, 2024.
6. Deliberate and act on 1st quarter report from Rockport Little Theater for Fiscal Year 2023-2024 art performances and signage expenditures.
7. Deliberate and act on single-sum payment to Christmas on the Beach for Fiscal Year 2023-2024 marketing expenditures.

Regular Agenda

8. Deliberate and act on a Resolution of the City of Rockport suspending the April 4, 2024 effective date of AEP Texas Inc.'s requested rate change to permit the City time to study the request and to establish reasonable rates; approving cooperation with the cities served by AEP Texas and authorizing intervention in AEP Texas Inc.'s requested rate change proceedings before the Commission; hiring Lloyd Gosselink Attorney's and Consulting Services to negotiate with the company and direct any necessary litigation and appeals; requiring reimbursement of cities' rate case expense; finding that the meeting at which this Resolution is passed is open to the public as required by law; requiring notice of this Resolution to the Company and Legal Counsel.
9. Deliberate and act on second and final reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R2 (2nd Single Family Dwelling District) for property located at 202 East Cornwall; also known as East one-half of Lot 8, all of Lot 9, Block 13, Hunter Subdivision; to B-1 (General Business District); repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.
10. Deliberate and act on second and final approval of an Ordinance of the City of Rockport declaring unopposed candidates in the May 4, 2024, City General Election, elected to office; cancelling the Saturday, May 4, 2024 Mayor At-Large, Council Member Ward 2, and Council Member Ward 4 Elections; and finding and declaring that the meeting at which this Ordinance is adopted was open to the public, that the public notice of time, place and the subject matter of the public business to be considered was posted as required by law, including this Ordinance.

Deliberar y actuar sobre la segunda y última aprobación de una Ordenanza de la Ciudad de Rockport que declare elegidos para el cargo a los candidatos sin oposición en las Elecciones Generales de la Ciudad del 4 de mayo de 2024; cancelar las elecciones del sábado 4 de mayo de 2024 para alcalde general, miembro del consejo del distrito 2 y miembro del consejo del distrito 4; y encontrar, declarar que la reunión en la que se adopta esta Ordenanza estaba abierta al público, que el aviso público de la hora, el lugar y el tema del asunto público a considerar se publicó según lo exige la ley, incluida esta Ordenanza.

11. Deliberate and act on the approval of an Emergency Change Order for repairs to the East Clarifier at the Wastewater Treatment Plant (WWTP).
12. Discussion of a draft Resolution that dissolves the current Stormwater Management Committee and creates a Stormwater Management Technical Committee.
13. Deliberate and act on presentation and acceptance of Annual Comprehensive Financial Report for the City of Rockport for Fiscal Year 2021-2022.
14. City Manager Report.
15. Reports from Council.
At this time, the City Council will report/update on activities in respective Wards, and all committee assignments, which may include the following: Aransas County Alliance Local Government Corporation; Aransas Pathways

Steering Committee; Building and Standards Commission; Coastal Bend Bays and Estuaries Program; Coastal Bend Council of Government; Coastal Bend Mayors Group; Park & Leisure Services Advisory Board; Planning & Zoning Commission; Rockport-Fulton Chamber of Commerce; Aransas County Storm Water Management Advisory Committee; Swimming Pool Operations Advisory Committee; Tourism Development Council; Tree & Landscape Committee; Texas Maritime Museum, Fulton Mansion, Rockport Center for the Arts, Aransas County, Aransas County Independent School District, Aransas County Navigation District, Town of Fulton, and Texas Municipal League. No formal action can be taken on these items at this time.

Executive Session

City Council will hold an executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:

16. Section 551.071 Consultations with Attorney seeking the advice of attorney about pending or contemplated litigation, or a settlement offer; and 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: 1) City Hall; 2) Concho Street & General Land Office (GLO) drainage projects; and 3) Data Pros Settlement.

17. Section 551.074 Personnel Matters - deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Secretary.

Open Session

City Council will reconvene into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

18. Adjournment.

Special Accommodations

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodation or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (361) 729-2213, ext. 225 or FAX (361) 790-5966 or email khenry@cityofrockport.com for further information. Braille is not available. The City of Rockport reserves the right to convene into executive session under Government Code §§ 551.071-551.074 and 551.086.

In accordance with the requirements of Texas Government Code Section 551.127, a member of the governing body may participate in this meeting from a remote location. A quorum of the governing body as well as the presiding officer shall be physically present at the above posted location, which shall be open to the public. Those participating remotely shall be visible and audible to the public for all open portions of the meeting. A member of a governmental body who participates in a meeting remotely as provided by law, shall be counted as present at the meeting for all purposes.

Certification

I certify that the above notice of meeting was posted on the bulletin board at the Rockport Service Center, 2751 State Highway 35 Bypass, Rockport, Texas on Friday, March 8, 2024, by 5:00 p.m. and on the City's website at www.cityofrockport.com. I further certify that the following News Media were properly notified of this meeting as stated above: *The Rockport Pilot*.



Kimberly Henry, Interim City Secretary

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, March 12, 2024

AGENDA ITEM: 3

Proclamation: Aransas Nature Fest Week – March 16-23, 2024.

SUBMITTED BY: Council Member Ward 4, Andrea Hattman

APPROVED FOR AGENDA:

BACKGROUND: Please see the accompanying Proclamation.

FISCAL ANALYSIS: N/A

RECOMMENDATION: N/A



PROCLAMATION

Recognizing March 16 – 23, 2024 as Aransas Nature Fest Week

WHEREAS, Nature Fest is an event that celebrates the tremendous benefits we find in our natural environment. Nature Fest is an opportunity to appreciate, promote and explore the tangible and intangible value nature brings to our community, and to educate our citizens of the benefits of nature through information, programs, and visual and physical experiences, and

WHEREAS, nature provides us with essential benefits, such as clean air, water, food, medicine, recreation, and inspiration, and

WHEREAS, nature also supports our physical, mental, and emotional health and well-being, and

WHEREAS, nature fosters a sense of wonder, awe, and curiosity, and enriches our culture, art, and spirituality, and

WHEREAS, nature in Aransas County, TX is a major reason for tourism that draws thousands of short and long term visitors who account for significant revenue to our community, and

WHEREAS, it is our collective responsibility and opportunity to protect, restore, and celebrate nature and its gifts to humanity, and

NOW THEREFORE, WE the City Council of the City of Rockport, hereby proclaim the week of March 16 – 23, 2024 as Aransas Nature Fest and we urge all citizens and visitors to celebrate, learn, explore, and participate in many of the activities available with our natural environment; and

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the City of Rockport, Texas, to be affixed this 12th day of March 2024.

CITY OF ROCKPORT, TEXAS

Tim Jayroe, Mayor

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, March 12, 2024

AGENDA ITEM: 5

Deliberate and act on approval of City Council Special Closed Session Meeting of February 27, 2024 and the City Council Regular Meeting Minutes of February 27, 2024.

SUBMITTED BY: Interim City Secretary Kimberly Henry

APPROVED FOR AGENDA: VRS

BACKGROUND: Please see the accompanying Special City Council Meeting and Regular City Council meeting minutes of February 27, 2024.

FISCAL ANALYSIS: N/A

RECOMMENDATION: Staff recommend the Council approve the Minutes, as presented.

CITY OF ROCKPORT

MINUTES

CITY COUNCIL SPECIAL CLOSED SESSION MEETING

CITY SECRETARY CANDIDATES

6:30 p.m., Wednesday, December 13 , 2023

Rockport Service Center, 2751 State Highway 35 Bypass

On the 27th day of February 2024, the City Council of the City of Rockport, Aransas County, Texas, convened in a Special Closed Session Meeting at 8:30 a.m., at the Training Room of the Rockport Service Center and notice of meeting giving time, place, date, and subject was posted as described in V.T.C.A., Government Code § 551.041.

CITY COUNCIL MEMBERS PRESENT

Mayor Tim Jayroe
Mayor Pro-Tem Andrea Hattman, Ward 4
Council Member Stephanie Rangel, Ward 1
Council Member Danielle Hale, Ward 2
Council Member Brad Brundrett, Ward 3

CITY COUNCIL MEMBER(S) ABSENT

STAFF MEMBERS PRESENT

City Manager Vanessa Shrauner

ELECTED OFFICIALS PRESENT

Opening Agenda

1. Call meeting to order.

With a quorum of the Council Members present, the Regular Meeting of the Rockport City Council was called to order by Mayor Jayroe at 8:30 a.m. on Tuesday, February 27, 2024, in the Training Room of the Rockport Service Center, 2751 State Highway 35 Bypass, Rockport, Texas.

Executive Session

City Council will hold an executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:

2. Section 551.074 Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Secretary Candidates.

At 8:31 a.m., Mayor Jayroe convened the City Council into executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in Section 551.074 Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Secretary Candidates.

Open Session

City Council will reconvene into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

At 3:14 p.m., Mayor Jayroe reconvened the Rockport City Council into open session pursuant to the provisions of Chapter 551 of the Texas Government Code.

3. Adjournment.

At 3:15 p.m., Council Member Hale moved to adjourn the meeting. Motion was seconded by Council Member Brundrett. Motion carried unanimously.

APPROVED:

Tim Jayroe, Mayor

ATTEST:

Kimberly Henry, Interim City Secretary

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING

6:30 p.m., Tuesday, February 27, 2024

Rockport Service Center, 2751 State Highway 35 Bypass

Members of the public could view the meeting via live stream. Public participation is valued and citizens wishing to express their views on any topic or agenda item could electronically submit a Citizen Participation Form in order to register to speak by going to <https://rockport.seamlessdocs.com/f/CouncilCitizenParticipation> or scanning the QR code provided on the Agenda, or if attending the meeting in person register before the meeting begins. Using the same form, citizens could also provide written comments to the City Secretary by 4:00 p.m. on the day of the meeting. The comments were read and summarized in the minutes of the meeting.

On the 27th day of February 2024, the City Council of the City of Rockport, Aransas County, Texas, convened in a Regular Meeting at 6:30 p.m., at the Training Room of the Rockport Service Center and notice of meeting giving time, place, date, and subject was posted as described in V.T.C.A., Government Code § 551.041.

CITY COUNCIL MEMBERS PRESENT

Mayor Tim Jayroe
Council Member Stephanie Rangel, Ward 1
Council Member Danielle Hale, Ward 2
Council Member Brad Brundrett, Ward 3

CITY COUNCIL MEMBER(S) ABSENT

Mayor Pro-Tem Andrea Hattman, Ward 4

STAFF MEMBERS PRESENT

PRESENT

City Manager Vanessa Shrauner
City Attorney Art Rodriguez, Jr.
Interim City Secretary/Assistant to the City Manager Kimberly Henry
Director of Public Works and Building & Development Services Mike Donoho
Director of Information Technology Bob Argetsinger
Communications Center Director Lee Brown
Director of Finance Robbie Sorrell
Interim Police Chief Rusty Pancoast

ELECTED OFFICIALS

The matters to be discussed and acted upon are as follows:

Opening Agenda

1. Call meeting to order.

With a quorum of the Council Members present, the Regular Meeting of the Rockport City Council was called to order by Mayor Jayroe at 6:30 p.m. on Tuesday, February 27, 2024, in the

Training Room of the Rockport Service Center, 2751 State Highway 35 Bypass, Rockport, Texas.

2. Pledge of Allegiance.

Council Member Hale led the Pledge of Allegiance to the U.S. flag.

3. Presentation of Aransas County Harm Reduction Program.

Patricia Arnold of Aransas County Medical Services Inc. (ACMSI) and Municipal Court Judge Diana McGinnis provided a presentation about opioid awareness and the use of Narcan. All police, fire, and EMS staff have been provided Narcan in case of emergency. They included explanations of other training programs now being offered at the Aransas County Detention Center: Mental Health Awareness, Anger Management, GED, and general Drug Awareness. All resources are available at www.acmedicalservices.com.

4. Citizens to be heard.

At this time, comments limited to three (3) minutes will be taken from the audience from persons who have signed the speaker's card located on the table in the back of the Training Room of the Service Center and delivered to the City Secretary before the meeting begins, or written comments received by 4:00 p.m. on the day of the meeting, on any Agenda item or any subject matter, will be read and summarized in the minutes of the meeting. Persons wishing to address the Council and who have registered using the Citizen Participation Form will have up to three minutes to speak. In accordance with the Open Meetings Act, Council may not discuss or take action on any item that has not been posted on the agenda. While civil public criticism is not prohibited, disorderly conduct or disturbance of the peace as prohibited by law shall be cause for the chair to terminate the offender's time to speak.

Council Member Brundrett read the Citizen's Participation Form from Patrick Kane of 1123 E. Ceder St. Mr. Kane is opposed to agenda item # 11 for the use of Hotel Occupancy Funds for a Information Center and Restroom facility.

Consent Agenda

All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

5. Deliberate and act on approval of City Council Regular Meeting Minutes of February 13, 2024.

6. Deliberate and action on a request by the Rockport Center for the Arts to reallocate funds from Sprint Art Fair to the Art Summit event.

Mayor Jayroe called for requests to remove any item from the Consent Agenda for separate discussion.

MOTION: Council Member Brundrett moved to approve the Consent Agenda, as presented. Council Member Rangel seconded the motion. Motion carried unanimously.

Public Hearings

- 7. Conduct a Public Hearing to consider a request to rezone the property located at 202 East Cornwall; also known as East one-half of Lot 8, all of Lot 9, Block 13, Hunter Subdivision, to B-1 (General Business District), currently zoned R2 (2nd Single Family Dwelling District).**

Mayor Jayroe opened the Public Hearing at 6:49 p.m.

Community Planner Carey Dietrich stated this request is to provide parking for those individuals using the warehouse on the adjoining property. Mr. Crowley couldn't be at this meeting due to a conflict of events.

Mayor Jayroe closed the Public Hearing at 6:49 p.m.

Regular Agenda

- 8. Deliberate and act on first reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R2 (2nd Single Family Dwelling District) for property located at 202 East Cornwall; also known as East one-half of Lot 8, all of Lot 9, Block 13, Hunter Subdivision; to B-1 (General Business District); repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.**

Community Planner Carey Dietrich stated this complies with the Future Land Use Map, there were no complaints against this requested zoning change, and the Planning and Zoning Commission recommended approval of this request.

MOTION: Council Member Brundrett moved to pass to a second reading an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R2 (2nd Single Family Dwelling District) for property located at 202 East Cornwall; also known as East one-half of Lot 8, all of Lot 9, Block 13, Hunter Subdivision; to B-1 (General Business District); repealing all ordinances in conflict therewith; providing for severability; and providing an effective date. Council Member Rangel seconded the motion. Motion carried unanimously.

- 9. Deliberate and act on second and final reading of an Ordinance authorizing the closing, vacating and abandonment of 0.18 acre of land being a 20-foot wide alleyway lying between Lots 1 through 8 and Lots 9 through 16, Block 134, Manning Addition, City of Rockport, Aransas County, Texas, according to the Plat recorded in Volume 1, Page 7, Plat Records of Aransas County, Texas; providing for the terms and conditions of such vacation and abandonment; authorizing the Mayor to execute a Quitclaim Deed for the 0.18 acre to be closed, vacated and abandoned; and providing for an effective date.**

Interim City Secretary Kimberly Henry stated there were no changes since the last meeting.

MOTION: Council Member Brundrett moved to approve the second and final reading of an Ordinance authorizing the closing, vacating and abandonment of 0.18 acre of land being a 20-foot wide alleyway lying between Lots 1 through 8 and Lots 9 through 16, Block 134, Manning Addition, City of Rockport, Aransas County, Texas, according to the Plat recorded in Volume 1, Page 7, Plat Records of Aransas County, Texas; providing for the terms and conditions of such vacation and abandonment; authorizing the Mayor to execute a Quitclaim Deed for the 0.18 acre to be closed, vacated and abandoned; and providing for an effective date. Council Member Rangel seconded the motion. Motion carried unanimously.

10. Deliberate and act on second and final reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 26 “Businesses” by adding Article III Short Term Rentals; repealing all ordinances to the extent they are in conflict; providing for severability; providing for penalties; and providing an effective date.

City Manager Vanessa Shrauner suggested the removal of the duplicative wording following Section 6 within the Ordinance itself and within Exhibit A to change the wording of Section 26-35 to read as follows: The number of sleeping rooms and applicable occupancy limit of the proposed short term rental unit. For purposes of this section a sleeping room is a room designated and used primarily for sleeping and rest on a bed, air mattress, cot or couch. This shall not be interpreted to include living rooms, family rooms and other similar rooms in which furniture such as fold-down beds or convertible couches are provided on a permanent basis for regular accommodation of residents, temporary or otherwise.

Citizen speaking were: George Riekers of 802 E. Market St., Jim Godfrey of 802 E. Market St., Summer Terrell of 5451 Hwy 35 N., and a statement read from Patrick Kane of 1123 E. Cedar St. Statements made included: requesting the agenda item be postponed for more people to attend; request the removal of owner responsibility of tenant actions; appreciate the work and the fact that we can never get everyone to agree 100%; and request the removal of RV rentals from the Ordinance.

Council and Staff discussed that even though RV rentals can’t be taxed, this would allow a means to permit and register them. There is nothing within the Ordinance that needs to be changed for clarification.

MOTION: Council Member Brundrett moved to approve the second and final reading with amendments as read by City Manager Shrauner of an Ordinance amending the City of Rockport Code of Ordinances Chapter 26 “Businesses” by adding Article III Short Term Rentals; repealing all ordinances to the extent they are in conflict; providing for severability; providing for penalties; and providing an effective date. Council Member Hale seconded the motion.

City Manager Shrauner explained this will take a little bit of time to phase this program into place. We need to purchase the software and then provide public training.

Mayor Jayroe thanked the staff and public for all of the work that went into the Ordinance. There was a lot of give and take from both sides of this issue.

Mayor Jayroe called for the vote and the motion carried unanimously.

11. Deliberate and act on second and final reading of an Ordinance of the City of Rockport, Texas amending Ordinance No. 1911 which adopted the 2023-2024 budget beginning October 1, 2023, and ending September 30, 2024; repealing all prior ordinances in conflict herewith; providing for publication; and providing for an effective date.

Finance Director Robbie Sorrell stated there were no changes since the last reading.

MOTION: Council Member Hale moved to approve the second and final reading of an Ordinance of the City of Rockport, Texas amending Ordinance No. 1911 which adopted the 2023-2024 budget beginning October 1, 2023, and ending September 30, 2024; repealing all prior ordinances in conflict herewith; providing for publication; and providing for an effective date. Council Member Rangel seconded the motion. Motion carried unanimously.

12. Deliberate and act on a request by Council Member Ward 3 Brad Brundrett for FY 2023-2024 grant funds from the Hotel Occupancy Tax Fund Account for Oysterfest.

Mayor Jayroe announced that Council Member Brundrett withdrew his request for this item from the agenda. Council Member Brundrett stated that due to the short time frame they did not believe they could ask for funds at this time.

13. Deliberate and act to accept a Certification of Unopposed Candidates by the City Secretary for the May 4, 2024, General Election.

Deliberar y actuar para aceptar una Certificación de Candidatos Sin Oposición por parte del Secretario de la Ciudad para las Elecciones Generales del 4 de mayo de 2024.

Interim City Secretary Kimberly Henry certified that the following individuals are unopposed candidates and thereby Rockport has an uncontested election for May 4, 2024:

Mayor: Tim Jayroe

Council Member Ward 2: Matt Anderson

Council Member Ward 4: Andrea Hattman

MOTION: Council Member Hale moved to accept a Certification of Unopposed Candidates by the City Secretary for the May 4, 2024, General Election. Council Member Rangel seconded the motion. Motion carried unanimously.

14. Deliberate and act on approval of an Ordinance of the City of Rockport declaring unopposed candidates in the May 4, 2024, City General Election, elected to office; cancelling the Saturday, May 4, 2024 Mayor At-Large, Council Member Ward 2, and Council Member Ward 4 Elections; and finding and declaring that the meeting at which this Ordinance is adopted was open to the public, that the public notice of time, place and the subject matter of the public business to be considered was posted as required by law, including this Ordinance.

Deliberar y actuar sobre la aprobación de una Ordenanza de la Ciudad de Rockport que declare elegidos para el cargo a los candidatos sin oposición en las Elecciones Generales de la Ciudad del 4 de mayo de 2024; cancelar las elecciones del sábado 4 de mayo de 2024 para alcalde general, miembro del consejo del distrito 2 y miembro del consejo del distrito 4; y encontrar, declarar que la reunión en la que se adopta esta Ordenanza estaba abierta al público, que el aviso público de la hora, el lugar y el tema del asunto público a considerar se publicó según lo exige la ley, incluida esta Ordenanza.

MOTION: Council Member Hale moved to pass to the second and final reading an Ordinance of the City of Rockport declaring unopposed candidates in the May 4, 2024, City General Election, elected to office; cancelling the Saturday, May 4, 2024 Mayor At-Large, Council Member Ward 2, and Council Member Ward 4 Elections; and finding and declaring that the meeting at which this Ordinance is adopted was open to the public, that the public notice of time, place and the subject matter of the public business to be considered was posted as required by law, including this Ordinance. Council Member Rangel seconded the motion. Motion carried unanimously.

15. City Manager Report:

City Manager Shrauner introduced Interim Police Chief Rusty Pancoast to the Council and Public.

A. Update on 2022 Audit

Ms. Shrauner announced that the 2022 Audit is nearing completion and thanked the Council for their patience. Within the Audit there will be a list of concerns that explains the long process.

B. Update on Gas Study

We are finalizing the valuation of the gas system, and staff will review the finished product before we begin the RFP process.

C. Updates on Utility Rate Study

The staff's production of information to the contractor has begun.

D. Upcoming Training for Boards/Commissions/Council

March 27, 2024 there will be an all day training course for Boards/Commissions. The Council Members are welcome to attend.

16. Reports from Council.

At this time, the City Council will report/update on activities in respective Wards, and all committee assignments, which may include the following: Aransas County Alliance Local Government Corporation; Aransas Pathways Steering Committee; Building and Standards Commission; Coastal Bend Bays and Estuaries Program; Coastal Bend Council of Government; Coastal Bend Mayors Group; Park & Leisure Services Advisory Board; Planning & Zoning Commission; Rockport-Fulton Chamber of Commerce; Aransas County Storm Water Management Advisory Committee; Swimming Pool Operations Advisory Committee; Tourism Development Council; Tree & Landscape Committee; Texas Maritime Museum, Fulton Mansion, Rockport Center for the Arts, Aransas County, Aransas County Independent School District, Aransas County Navigation District, Town of Fulton, and Texas Municipal League. No formal action can be taken on these items at this time.

Council Member Rangel stated she attended a meeting with the Rockport Center for the Arts recently and that was very informative. Also, she is really excited about the upcoming Lady Bug Launch scheduled for March 9, 2024, at the Railroad Depot. Get there early or you miss out on the goodies.

Council Member Hale thanked the Police Department for their recent traffic study in her Ward to find out there wasn't a speeding concern as originally suspected.

Council Member Brundrett stated he and the Mayor recently met with the Key Allegro HOA where they discussed both the STR Ordinance and the Golf Cart Ordinance. He thanked everyone for their recent thoughts and concerns for his son who was involved in a pedestrian/vehicle accident and got to experience his first helicopter ride. He is doing well and bouncing back like a typical kid.

Mayor Jayroe stated he recently attended the Memorial for Bobby Jackson who was a retired teacher from here in Rockport. Bobby was a well-known, respected, and appreciated Texas History Teacher and loved by all of the students that went through his classes for the way he brought history to life for his students.

Executive Session

City Council will hold an executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:

17. Section 551.071 Consultations with Attorney seeking the advice of attorney about pending or contemplated litigation, or a settlement offer; and 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: 1) City Hall; 2) Concho Street & General Land Office (GLO) drainage projects; and 3) Data Pros Settlement.

18. Section 551.074 Personnel Matters - deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Secretary.

At 7:21 p.m., Mayor Jayroe convened the City Council into executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in: Section 551.071 Consultations with Attorney seeking the advice of attorney about pending or contemplated litigation or a settlement offer; and 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: 1) City Hall; 2) Concho Street & General Land Office (GLO) drainage projects, and Data Pros Settlement; and Section 551.074 Personnel Matters - deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Secretary.

Open Session

City Council will reconvene into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

At 8:06 p.m., Mayor Jayroe reconvened the Rockport City Council into open session pursuant to the provisions of Chapter 551 of the Texas Government Code.

Council Member Brundrett made a motion to authorize the Mayor to negotiate a conditional contract for City Secretary pending a satisfactory background check. The motion was seconded by Council Member Hale. The motion was approved unanimously.

19. Adjournment.

At 8:07 p.m., Council Member Brundrett moved to adjourn the meeting. Motion was seconded by Council Member Rangel. Motion carried unanimously.

APPROVED:

Tim Jayroe, Mayor

ATTEST:

Kimberly Henry, Interim City Secretary

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, March 12, 2024

AGENDA ITEM: 6

Deliberate and act on 1st quarter report from the Rockport Little Theatre for Fiscal Year 2023-2024 art performances and signage expenditures.

SUBMITTED BY: Interim City Secretary Kimberly Henry

APPROVED FOR AGENDA: VRS

BACKGROUND: The Rockport Little Theatre has been allocated \$94,000.00 in FY 2023-2024 Hotel Occupancy Tax (HOT) funds. According to our agreement with the Rockport Little Theatre, HOT funds are paid in advance and a report of the previous quarter's expenditures is required. See the accompanying 1st quarter HOT expenditure report for additional information.

FISCAL ANALYSIS: Charged to account 6602097. YTD expenses are \$13,023.00 out of \$94,000.00 budgeted.

STAFF RECOMMENDATION: Staff recommends approval of the Rockport Little Theatre FY 2022-2023 Hotel Occupancy Tax funds 1st quarter expenditures and authorization to disburse the 2nd quarter funds in the amount of \$23,500.00, as presented.



ROCKPORT LITTLE THEATRE
P.O. Box 1241 Rockport, Texas 78381
99 North Austin St. Rockport, Texas 78382

www.rockportlittletheatre.org
(361) 450-1465

February 29, 2024

Vanessa Shrauner
City Manager
2751 State HWY 35 Bypass
Rockport, TX 78382

RE: HOT Funds 1st QTR Expense Report

Dear Vanessa,

Attached, please find Rockport Little Theatre's 1st QTR spending report on the initial \$23,500 payment of a total consideration of \$94,000 in Hotel Occupancy Tax (HOT) funds for fiscal year 2023-2024. These funds are to be allocated for the sole purpose of funding five to six major performances and the purchase of digital signage in accordance with our agreed contract.

First quarter spending is weighted heavily in favor of license/rights acquisition for the major performances of 2023-2024. Licenses for all performances have been purchased, allowing for promotion of our entire calendar of major shows. Additional spending this quarter was allocated in support of our two 2023 performances, including sets/props/costumes, printing costs and promotions. No funds were allocated to the purchase of the proposed signage, but designs and estimates are in the works. Event support and infrastructure cost were also not allocated at this time. Currently, taking into consideration 2nd QTR spending, the remaining available 1st QTR HOT funds balance is \$1,868.48.

Included in the report, please find ticketing data from our online ticket service and POS Square kiosks in support of the Heads-in Beds initiative. Future reports will also include social media and customer survey data to further support this effort. All receipts of expenses are on file. If you need additional information or find it necessary for me to modify my report in any way, please feel free to email me at rltrockport@gmail.com or call 361-230-2660.

Sincerely,

George V. Sherman III
RLT Board President

Rockport Little Theatre

HOT FUNDING EXPENSE REPORT FY 2023-2024							* Number of Heads in Beds
Description of Expense	Approved Budget	1 st Quarter Expenses	2 nd Quarter Expenses	3 rd Quarter Expenses	4 th Quarter Expenses	TOTAL	
Performance Licenses & Rights	\$12,000	\$9,078				\$9,078	
Set/Props/Costume	\$10,000	\$1,048				\$1,048	
Printing & Copying	\$7,000	\$2,076				\$2,076	
Promotion & Advertising	\$6,000	\$823				\$823	
Event Support	\$8,000	\$0				\$0	
Building & Infrastructure	\$5,000	\$0				\$0	
Signage: Digital Display	\$30,000	\$0				\$0	
Signage: Foundation & Wiring	\$16,000	\$0				\$0	
TOTAL REQUESTED	\$94,000	\$13,025				\$13,025	70

*Must attach supporting documentation.

Description of Administrative Expenses	Current Fiscal Year Administrative Expenses Projection	Fiscal Year Administrative Actual Expenses	Percentage of Fiscal Year Projections
TOTALS			



Rockport Little Theatre

HOT Funds Expenses 1st QTR

October - December, 2023

DATE	TRANSACTION TYPE	NUM	NAME	CLASS	MEMO/DESCRIPTION	SPLIT	AMOUNT	BALANCE
Ordinary Revenue/Expenditures								
Expenditures								
67000 Event Related Expenses								
67400 H.O.T. Funds Expenditure (Events)								
11/19/2023	Check	1001	The Rockport Pilot	Annie Talent Search	ANIE Talent Search 3x4.25 Ad x 2 Printings	1007 HOT Fund Account 222434205	174.68	174.68
11/19/2023	Check	1001	The Rockport Pilot	12 Angry Men	12 Angry Jurors 3x3 Ad x 4 Printings	1007 HOT Fund Account 222434205	246.60	421.28
11/20/2023	Check	1002	Rockport Little Theatre	12 Angry Men	12 Angry Jurors: Play License Reimbursement	1007 HOT Fund Account 222434205	1,818.23	2,239.51
11/24/2023	Check	1005	Rockport Little Theatre	ONE CHRISTMAS EVE/Evergreen	One Christmas Eve/Evergreen Mail: License & Rights Reimbursement	1007 HOT Fund Account 222434205	1,102.00	3,341.51
11/24/2023	Check	1004	Rockport Little Theatre	12 Angry Men	12 Angry Jurors: Playbill Reimbursement	1007 HOT Fund Account 222434205	1,116.00	4,457.51
11/27/2023	Check	1006	Rockport Little Theatre	12 Angry Men	12 Angry Jurors: Set design, build & paint (Reimbursement)	1007 HOT Fund Account 222434205	750.42	5,207.93
11/27/2023	Expenditure	HOT2944	Pronto Reprographics	ONE CHRISTMAS EVE/Evergreen	One Christmas Eve/Evergreen Mail: Playbill Printing	1007 HOT Fund Account 222434205	873.45	6,081.38
11/30/2023	Expenditure	HOT2944	Music Theatre International	Summer Workshop: Little Mermald Jr.	Little Mermald Jr.: License & Rights	1007 HOT Fund Account 222434205	1,845.00	7,926.38
11/30/2023	Check	1007	Rockport Little Theatre	12 Angry Men	12 Angry Jurors: Advertising Posters (Reimburse)	1007 HOT Fund Account 222434205	90.00	8,016.38
11/30/2023	Check	1007	Rockport Little Theatre	Songwriters of the Coastal Bend	Songwriters of the Coastal Bend: Advertising Flyers (Reimburse)	1007 HOT Fund Account 222434205	54.80	8,071.18
11/30/2023	Check	1007	Rockport Little Theatre	ONE CHRISTMAS EVE/Evergreen	One Christmas Eve/Evergreen Mail: Advertising Flyers (Reimburse)	1007 HOT Fund Account 222434205	32.20	8,103.38
11/30/2023	Check	1007	Rockport Little Theatre	ONE CHRISTMAS EVE/Evergreen	One Christmas Eve/Evergreen Mail: Costumes (Reimburse)	1007 HOT Fund Account 222434205	10.90	8,114.18
11/30/2023	Check	1007	Rockport Little Theatre	ONE CHRISTMAS EVE/Evergreen	One Christmas Eve/Evergreen Mail: Costumes (Reimburse)	1007 HOT Fund Account 222434205	58.02	8,172.20
11/30/2023	Check	1007	Rockport Little Theatre	ONE CHRISTMAS EVE/Evergreen	One Christmas Eve/Evergreen Mail: Set Design (Reimburse)	1007 HOT Fund Account 222434205	110.31	8,282.51
12/07/2023	Check	1009	Rockport Printing	ONE CHRISTMAS EVE/Evergreen	One Christmas Eve/Evergreen Mail: Set Design (Reimburse)	1007 HOT Fund Account 222434205	118.16	8,400.67
12/07/2023	Check	1008	The Rockport Pilot	ONE CHRISTMAS EVE/Evergreen	One Christmas Eve/Evergreen Mail: Color Posters, Flyers & BW copies	1007 HOT Fund Account 222434205	75.82	8,476.49
12/07/2023	Check	1009	Rockport Printing	ONE CHRISTMAS EVE/Evergreen	One Christmas Eve/Evergreen Mail: 3x3 in Newspaper Ads	1007 HOT Fund Account 222434205	148.99	8,625.48
12/11/2023	Expenditure	HOT2944	Dramatisis Play Service	Dail M for Murder	Dail M for Murder: License & Rights	1007 HOT Fund Account 222434205	86.10	8,711.58
12/20/2023	Expenditure	HOT2944	Concord Theatricals	The Rainmaker	The RAINMAKER: Scripts & Workbooks	1007 HOT Fund Account 222434205	1,327.00	10,038.58
12/20/2023	Expenditure	HOT2944	Concord Theatricals	The Rainmaker	The RAINMAKER: License & Rights	1007 HOT Fund Account 222434205	235.08	10,273.66
12/20/2023	Expenditure	HOT2944	Concord Theatricals	Calendar Girls	Calendar Girls: License & Rights	1007 HOT Fund Account 222434205	1,170.00	11,443.66
12/20/2023	Expenditure	HOT2944	Concord Theatricals	Calendar Girls	Calendar Girls: Scripts & Workbooks	1007 HOT Fund Account 222434205	1,170.00	12,613.66
Total for 67400 H.O.T. Funds Expenditure (Events)							411.06	13,024.72
Total for 67000 Event Related Expenses							\$13,024.72	
Total for Expenditures							\$13,024.72	
Net Revenue							\$-13,024.72	

Rockport Little Theatre

Development & Promotion of the Performing Arts

Budget Item	Full Year	QTR 1 Tot	QTR 1 Act	QTR 2 Tot	QTR 2 Act	QTR 3 Tot	QTR 3 Act	QTR 4 Tot	QTR 4 Act
Performance Licences & Scripts	\$12,000	\$3,000	\$9,078	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0
Set/Props/Costume	\$10,000	\$2,500	\$1,048	\$2,500	\$0	\$2,500	\$0	\$2,500	\$0
Printing & Copying	\$7,000	\$1,750	\$2,076	\$1,750	\$0	\$1,750	\$0	\$1,750	\$0
Promotion & Advertising	\$6,000	\$1,500	\$823	\$1,500	\$0	\$1,500	\$0	\$1,500	\$0
Event Support	\$8,000	\$2,000	\$0	\$2,000	\$0	\$2,000	\$0	\$2,000	\$0
Building & Infrastructure	\$5,000	\$1,250	\$0	\$1,250	\$0	\$1,250	\$0	\$1,250	\$0
Total Expense	\$48,000	\$12,000	\$13,025	\$12,000	\$0	\$12,000	\$0	\$12,000	\$0

Promotional Signage

Budget Item	Full Year	QTR 1 Tot	QTR 1 Act	QTR 2 Tot	QTR 2 Act	QTR 3 Tot	QTR 3 Act	QTR 4 Tot	QTR 4 Act
Sign: Digital Display	\$30,000	\$7,500	\$0	\$7,500	\$0	\$7,500	\$0	\$7,500	\$0
Sign: Foundation	\$8,000	\$2,000	\$0	\$2,000	\$0	\$2,000	\$0	\$2,000	\$0
Sign: Electrical/Internet	\$8,000	\$2,000	\$0	\$2,000	\$0	\$2,000	\$0	\$2,000	\$0
Total Expense	\$46,000	\$11,500	\$0	\$11,500	\$0	\$11,500	\$0	\$11,500	\$0
HOT Fund Revenue Totals	\$94,000.00	\$23,500	\$13,025	\$23,500	\$0	\$23,500	\$0	\$23,500	\$0

HOT Funds 1st QTR Ticket Sales Summary
Heads-in-Beds Data

Production Name	Tickets Tix.com	Tickets Square POS	Total Tickets	Zip Code +75 Miles
12 Angry Jurors	275	127	402	19
One Christmas at Evergreen Mall	231	161	392	51
Totals			794	70

HOT Funds Customer Demographics (+75 Miles)

Event: 12 Angry Jurors

TIX.com

Address1	City	State	Postal Code	Day Phone	Email	Ticket #	# Guest
1238 Grants Place	Denver	PA	17517	(702) 460-5129	florcortez4@gmail.com	2	1
455 Crestview Road	Southern Pines	NC	27387	(919) 810-0286	brendalocker@hotmail.com	6	1
8935 SW 102nd Lane	Ocala	FL	34481	(404) 788-0702	jle@aimgdc.ca	2	1
2009 Kings Road	Carrollton	TX	75007	(469) 682-0321	Sandyharbst50@gmail.com	2	1
5501 Woodway Drive	Fort Worth	TX	76133	(817) 721-5896	tbclay1964@gmail.com	3	1
13395 Shiloh rd	Troy	TX	76579	(254) 760-9260	Linda_k_smith1@aol.com	2	1
304 Avondale St, Unit C	Houston	TX	77006	(713) 497-9392	snipe2084@gmail.com	4	1
9142 Winkbow Dr	Houston	Tx	77040	(713) 397-9140	tennischickpam@gmail.com	2	1
6722 Woodbend Park N.	Houston	TX	77055	(713) 854-7915	vapn@aol.com	4	1
1918 Red Cedar Trail	Rosenberg	TX	77471	(281) 818-1288	Rstpet@gmail.com	2	1
2428 Miramar CT	Seabrook	TX	77586	(832) 580-3447	Cara.smyth@gmail.com	3	1
6625 Ascension Drive	Bulverde	TX	78163	(361) 876-6250	stephanie.solansky@gmail.com	2	1
214 Blue Bonnet Blvd	San Antonio	TX	78209	(210) 710-3582	Jensamplepre@gmail.com	2	1
207 Ash dr	Buda	TX	78610	(512) 557-2693	ggandre@hotmail.com	2	1
202 West Sequoia Spur	Georgetown	TX	78628	(512) 639-1493	ijjdvega@yahoo.com	3	1
2604 Water Well Lane	Austin	TX	78728	(512) 632-0548	jennbacon.tx@gmail.com	2	1
2223 Waterloo City Lane, Apartment 152	Austin	TX	78741	(425) 492-4131	david_boucher@outlook.com	3	1
8260 Gagnier Blvd	Las Vegas	NV	89113	(702) 561-4100	Boblin8260@yahoo.com	2	1
				(979) 966-3126	dkolek@cvtx.com	2	1
						50	19

HOT Funds 1st QTR Ticket Sales (Tix.com)

Event: 12 Angry Jurors

Production Name	Event Date	Sold	Comp	Available	Total	Face Value	Discount	Service Fee	Revenue
12 Angry Jurors	9/29/2023, 7:00 PM	29	0	91	120	\$580.00	\$0.00	\$72.50	\$652.50
12 Angry Jurors	9/30/2023, 7:00 PM	12	3	105	120	\$300.00	\$60.00	\$27.50	\$267.50
12 Angry Jurors	10/1/2023, 3:00 PM	34	10	76	120	\$880.00	\$200.00	\$85.00	\$765.00
12 Angry Jurors	10/6/2023, 7:00 PM	36	5	79	120	\$820.00	\$100.00	\$90.00	\$810.00
12 Angry Jurors	10/7/2023, 7:00 PM	31	6	83	120	\$740.00	\$120.00	\$77.50	\$697.50
12 Angry Jurors	10/8/2023, 3:00 PM	39	10	71	120	\$980.00	\$200.00	\$97.50	\$877.50
12 Angry Jurors	10/13/2023, 7:00 PM	37	0	83	120	\$740.00	\$0.00	\$87.50	\$827.50
12 Angry Jurors	10/14/2023, 7:00 PM	28	0	92	120	\$560.00	\$0.00	\$60.00	\$620.00
12 Angry Jurors	10/15/2023, 3:00 PM	29	2	89	120	\$620.00	\$40.00	\$72.50	\$652.50
Total Count: 9		275	36	769	1080	\$6,220.00	\$720.00	\$670.00	\$6,170.00

HOT Funds 1st QTR Ticket Totals (SQUARE)

Event: 12 Angry Jurors

Walk-Up Ticket Sales

Date	Gross Sales	Card	Cash	Fees	Net Total	Description	# Tickets
10/1/2023	\$60.00	\$60.00	\$0.00	(\$1.66)	\$58.34	3 x 12 Angry Jurors (October 1, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	3.00
10/1/2023	\$60.00	\$0.00	\$60.00	\$0.00	\$60.00	3 x 12 Angry Jurors (October 1, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	3.00
10/1/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 1, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/1/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 1, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/1/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 1, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/1/2023	\$20.00	\$20.00	\$0.00	(\$0.62)	\$19.38	7 x 12 Angry Jurors (October 6, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/6/2023	\$140.00	\$140.00	\$0.00	(\$3.74)	\$136.26	2 x 12 Angry Jurors (October 7, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	7.00
10/6/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 6, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/6/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 6, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00

10/6/2023	\$40.00	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 6, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/6/2023	\$40.00	\$40.00	\$40.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 6, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/6/2023	\$20.00	\$20.00	\$20.00	\$0.00	(\$0.62)	\$19.38	12 Angry Jurors (October 6, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/6/2023	\$20.00	\$20.00	\$20.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 6, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/6/2023	\$20.00	\$20.00	\$20.00	\$20.00	\$0.00	\$20.00	2 x 12 Angry Jurors (October 7, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/7/2023	\$40.00	\$40.00	\$40.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 7, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/7/2023	\$40.00	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 7, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/7/2023	\$40.00	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 7, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/7/2023	\$40.00	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	12 Angry Jurors (October 7, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/7/2023	\$20.00	\$20.00	\$20.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 7, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/7/2023	\$20.00	\$20.00	\$20.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 7, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00

10/8/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	2.00
10/8/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	2.00
10/8/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	2.00
10/8/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 6, 2023) - 12 Angry Jurors Tickets Sell by show date	2.00
10/8/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	1.00
10/8/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	1.00
10/8/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	1.00
10/8/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	1.00
10/8/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	1.00
10/8/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	1.00
10/8/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	1.00
10/8/2023	\$20.00	\$20.00	\$0.00	(\$0.62)	\$19.38	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date	1.00

10/8/2023	\$20.00	\$20.00	\$0.00	(\$0.62)	\$19.38	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/8/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 8, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/8/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 6, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/11/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 13, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/13/2023	\$120.00	\$120.00	\$0.00	(\$3.22)	\$116.78	6 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	6.00
10/13/2023	\$80.00	\$80.00	\$0.00	(\$2.18)	\$77.82	4 x 12 Angry Jurors (October 13, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	4.00
10/13/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 13, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/13/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 13, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/13/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 13, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/13/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/13/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00

10/13/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 13, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/13/2023	\$20.00	\$20.00	\$0.00	(\$0.62)	\$19.38	12 Angry Jurors (October 13, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/13/2023	\$20.00	\$20.00	\$0.00	(\$0.62)	\$19.38	12 Angry Jurors (October 13, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/13/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	2 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	1.00
10/14/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/14/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/14/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/14/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/14/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/14/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/14/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00
10/14/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date \$20	2.00

10/14/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 14, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	1.00
10/15/2023	\$80.00	\$0.00	\$80.00	\$0.00	\$80.00	4 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	4.00
10/15/2023	\$60.00	\$60.00	\$0.00	(\$1.66)	\$58.34	2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	2.00
10/15/2023	\$44.00	\$0.00	\$44.00	\$0.00	\$44.00	\$20, 4 x Raffle Tix (Regular) 2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	2.00
10/15/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	20, 2 x Water (Regular) 2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	2.00
10/15/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	2.00
10/15/2023	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00	2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	2.00
10/15/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	2.00
10/15/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	2.00
10/15/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	2.00
10/15/2023	\$40.00	\$40.00	\$0.00	(\$1.14)	\$38.86	2 x 12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	2.00
10/15/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	1.00

10/15/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	1.00
10/15/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	1.00
10/15/2023	\$20.00	\$20.00	\$0.00	(\$0.62)	\$19.38	12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	1.00
10/15/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	1.00
10/15/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	1.00
10/15/2023	\$20.00	\$20.00	\$0.00	(\$0.62)	\$19.38	12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	1.00
10/15/2023	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00	12 Angry Jurors (October 15, 2023) - 12 Angry Jurors Tickets Sell by show date	\$20	1.00
Totals	\$2,564.00	\$1,260.00	\$1,304.00	(\$35.66)	\$2,528.34			127.00

HOT Funds Customer Demographics (+75 Miles)
Event: One Christmas Eve at Evergreen Mall

TX.com & Customer Survey

Full Name	Address1	City	State	Postal Code	Day Phone	Email	Ticket #	# Guest
Connelly, John	3668 Shoreline Dr	Livonia	NY	14487	(585) 703-1322	jconnelly3668@gmail.com	2	1
Engle, Michele	80 Mason Rd	Hedgesville	WV	25427	(410) 925-4969	ghkoepke@comcast.net	2	1
Pollock, Freda	311 N Howard St	Indianola	IA	50125	(515) 490-7706	Fp128660@gmail.com	2	1
RICHARDS, Julie	4559 Orchard Dr NW	Cedar Rapids	IA	52405	(319) 330-8009	Ponce1950@hotmail.com	1	1
Schlapper, Debra	W7740 Trout Road	SHELL LAKE	WI	54871	(715) 635-8126	dschlapper@centurytel.net	4	1
WOODWARD, FREDERICK	28669 Lakelawn Dr	Lindstrom	MN	55045	(651) 247-5374	fwoodward@gmail.com	4	1
Weller, Rose	1901 GOLDFINCH DR	BUFFALO	MN	55313-5673	(763) 276-5511	rdweller7319@gmail.com	1	1
Kleckner, Rita	20505 Ermine Dr	Burtrum	MN	56318	(320) 360-1738	gma301951@gmail.com	1	1
Humphries, Joyce		Brainerd	MN	56401	(218) 820-3214		3	1
Davidson, Allen	514 Americas Way,	Box Elder	SD	57719	(320) 224-2760	davidsona897@gmail.com	4	1
May, Kris	1243 Water Tower Place #198	Arnold	MO	63010	(314) 420-3153	Kris.may1973@gmail.com	2	1
Frankum, Pamela	220 Rainbow Drive # 12085	Livingston	TX	77399	(361) 813-7728	Pfrankum@gmail.com	2	1
Smith, Houston	131 Rainbow Dr	Livingston	TX	77399	(210) 827-4995	houstonstx0608@gmail.com	1	1
Zequeira, Amy	1418 Crossfield Dr.	Katy	TX	77450	(713) 306-3975	amy.zequeira@gmail.com	2	1
Muldrow, Jennifer	2400 N. Pruett St.	Baytown	TX	77520	(713) 569-3161	jmuldrow49@gmail.com	2	1
Dominguez, Dante	125 Lilly Creek	Boerne	TX	78006	(512) 618-9399	Dante@ded-law.com	2	1
Arisemendez, Sid	2474 Wofford lane	Beeville	TX	78102	(361) 542-1498	sidarismendezlaw@yahoo.com	2	1
Cartwright, Debbie	13511 Fairfield Farms	San Antonio	TX	78232	(210) 413-6385	debbie.cartwright@sbcglobal.net	4	1
Everhart, Bobbie	6751 Gass Rd	San Antonio	TX	78253	(210) 771-0502	baeverhart@gmail.com	2	1
WILSON, JEAN	118 Moku Manu Drive	Bastrop	TX	78602	(512) 581-8375	jaowilson@austin.rr.com	2	1
Porterfield, Linda	2520 Summit Ridge Dr	San Marcos	TX	78666	(512) 557-4426	lindakport@outlook.com	4	1
Bohot, Renee	5000 FM 2325	Wimberley	TX	78676	(512) 665-7653	Kdbohoh@gmail.com	2	1
Hagy, Janet	8312 Appalachian Dr	Austin	TX	78759	(512) 346-3782	jhagy@hagycpa.com	2	1
Moore, Robert	1001 W State Highway 71	West Point	TX	78963	(979) 966-7620	bobmooretex@gmail.com	2	1
Cross, Jerry	2501 Hollis Drive	Abilene	TX	79605	(325) 660-9862	jkcross342@yahoo.com	4	1
Jones, Mina	213 Jewel ct	Fort Collins	CO	80525	(970) 402-6668	mimimjones@gmail.com	2	1
Stewart, Susan	181 Darlington Lane	Johnstown	CO	80534	(970) 430-0912	earners_remnant.07@icloud.com	2	1
Castle, Brenda	1905 Taurus Drive	Nampa	ID	83651	(208) 899-2394	Bkcrossy2012@yahoo.com	4	1
								67
								28
Walk-Up Survey Responses								
Questionaire		Cedar Park	TX	78613			1	1
Questionaire		Firth	NE	68358			1	1
Questionaire		Boerne	TX	78006			1	1
Questionaire		Adkins	TX	78101			1	1
Questionaire		North Lawrence	OH	44666			1	1
Questionaire		Kalamazoo	MI	49005			1	1
Questionaire		Richford	VT	5476			1	1
Questionaire		Livingston	TX	77399			1	1
Questionaire		Temple	TX	76502			1	1
Questionaire		Houston	TX	77055			1	1

HOT Funds Customer Demographics (+75 Miles)

Questionaire	San Antonio	TX	78258	1	1
Questionaire	Fairbank	IA	50629	1	1
Questionaire	Bloomington	IL	61704	1	1
Questionaire	Port Austin	MI	48467	1	1
Questionaire	Hartington	NE	68739	1	1
Questionaire	Edcouch	TX	78538	1	1
Questionaire	Kyle	TX	78640	1	1
Questionaire	St Louis	MO	63107	1	1
Questionaire	Banner	Wy	82832	1	1
Questionaire	San Antonio	TX	78254	1	1
Questionaire	FT Collins	CO	80525	1	1
Questionaire	Cuero	TX	77954	1	1
Questionaire	Bastrop	TX	78602	1	1
Total # Guest				23	51

HOT Funds 1st QTR Ticket Sales (Tix.com)
Event: One Christmas at Evergreen Mall

Production Name	Event Date	Sold	Comp	Available	Total	Face Value	Discount	Service Fee	Revenue
One Christmas Eve at Evergreen Mall	12/1/2023, 7:00 PM	29	0	91	120	\$580.00	\$0.00	\$43.50	\$623.50
One Christmas Eve at Evergreen Mall	12/2/2023, 7:00 PM	28	0	92	120	\$560.00	\$0.00	\$42.00	\$602.00
One Christmas Eve at Evergreen Mall	12/3/2023, 3:00 PM	30	2	88	120	\$640.00	\$40.00	\$45.00	\$645.00
One Christmas Eve at Evergreen Mall	12/8/2023, 7:00 PM	19	1	100	120	\$400.00	\$20.00	\$28.50	\$408.50
One Christmas Eve at Evergreen Mall	12/9/2023, 7:00 PM	12	3	105	120	\$300.00	\$60.00	\$18.00	\$258.00
One Christmas Eve at Evergreen Mall	12/10/2023, 3:00 PM	18	3	99	120	\$420.00	\$60.00	\$27.00	\$387.00
One Christmas Eve at Evergreen Mall	12/15/2023, 7:00 PM	27	3	90	120	\$600.00	\$60.00	\$40.50	\$580.50
One Christmas Eve at Evergreen Mall	12/16/2023, 7:00 PM	33	10	77	120	\$860.00	\$200.00	\$49.50	\$709.50
One Christmas Eve at Evergreen Mall	12/17/2023, 3:00 PM	35	10	75	120	\$880.00	\$200.00	\$52.50	\$732.50
Total Count: 9		231	32	817	1080	\$5,240.00	\$640.00	\$346.50	\$4,946.50

[illegible]

12/16/2023	\$40.00	\$40.00	\$0.00	2 x CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$38.86			2.00
12/16/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	(\$1.14)	\$0.00	1.00
12/16/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/16/2023	\$20.00	\$20.00	\$0.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$19.38	(\$0.62)	(\$0.62)	1.00
12/16/2023	\$20.00	\$20.00	\$0.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$19.38	(\$0.62)	(\$0.62)	1.00
12/17/2023	\$64.00	\$64.00	\$0.00	3 x CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$62.24	(\$1.76)	(\$1.76)	3.00
12/17/2023	\$60.00	\$60.00	\$0.00	3 x CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$58.34	(\$1.66)	(\$1.66)	3.00
12/17/2023	\$50.00	\$0.00	\$50.00	CHRISTMAS Adult Ticket, 3 x CHRISTMAS Kid Ticket	\$50.00	\$0.00	\$0.00	4.00
12/17/2023	\$40.00	\$40.00	\$0.00	2 x CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$38.86	(\$1.14)	(\$1.14)	2.00
12/17/2023	\$40.00	\$0.00	\$40.00	2 x CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$40.00	\$0.00	\$0.00	2.00
12/17/2023	\$40.00	\$40.00	\$0.00	2 x CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$38.45	(\$1.55)	(\$1.55)	2.00
12/17/2023	\$20.00	\$0.00	\$20.00	2 x CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$40.00	\$0.00	\$0.00	2.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 17, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/17/2023	\$20.00	\$20.00	\$0.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$19.38	(\$0.62)	(\$0.62)	1.00
12/17/2023	\$20.00	\$20.00	\$0.00	CHRISTMAS Adult Ticket (December 1, 2023) - Christmas Play Adult Ticket	\$19.15	(\$0.85)	(\$0.85)	1.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
12/17/2023	\$20.00	\$0.00	\$20.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	\$0.00	\$0.00	1.00
Totals	\$3,114.00	\$1,594.00	\$1,520.00	CHRISTMAS Adult Ticket (December 16, 2023) - Christmas Play Adult Ticket	\$20.00	(\$46.08)	\$0.00	1.00
					\$3,067.92			161.00

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, March 12, 2024

AGENDA ITEM: 7

Deliberate and act on single-sum payment to Christmas on the Beach for Fiscal Year 2023-2024 marketing expenditures.

SUBMITTED BY: Interim City Secretary Kimberly Henry

APPROVED FOR AGENDA: VRS

BACKGROUND: The Christmas on the Beach has been allocated \$8,190.00 in FY 2023-2024 Hotel Occupancy Tax (HOT) funds. According to our agreement with the Christmas on the Beach, HOT funds are reimbursed following the event.

FISCAL ANALYSIS: Charged to account 6602097. FY 2023-2024 expenses are \$1,581.58 out of \$8,190 budgeted.

STAFF RECOMMENDATION: Staff recommends approval of the Christmas on the Beach FY 2022-2023 Hotel Occupancy Tax funds single-sum payment for expenditures and authorization to disburse the amount of \$1,581.58, as presented.

Exhibit "B"

HOT FUNDING EXPENSE REPORT FY 2023-2024			
Description of Expense	Approved Budget	Amount of Expense	*Number of Heads In Beds
Advertising	\$ 2,000.00		
Item A - Rockport Visitor's Guide - Winter/Spring Edition - Half Page Advertisement		\$ 1,050.00	
Promotion of the Arts	\$ 4,000.00		
Item B - Letters sent to those >75miles away = 68 x \$1.0698		\$ 72.74	
Signage	\$ 2,000.00		
Item C - Signs at Fair Grounds - Navigation District		\$ 300.00	
Item D - Materials & Supplies		\$ 158.84	
	TOTAL Reimbursement Request:	\$ 1,581.58	
*Heads In Beds 2022 = 1091 (Item E)			
*Heads in Beds 2023 = 1883 (Item F)			

All supporting documentation is attached.

Christmas On The Beach

FY 2023-2024 Overnight Visitors

TOTAL visitors from >75 miles away	1883
Total Rooms Occupied (2 persons)	941.5
Total Nights	942
Predicted Hotel Night Revenue Generated:	
	\$100 per night \$ 94,200.00
Amount Requested	
	15% of Predicted Revenue \$ 14,130.00

Corrected
Item F

<u>Date</u>	<u>#</u>	<u>WHERE Y'ALL FROM?</u>
12/15/2023	4	Canada
12/18/2023	2	Canada
12/19/2023	4	Canada
12/26/2023	4	Canada
12/10/2023	4	Germany
12/27/2023	2	Mexico
12/30/2023	2	Mexico
12/20/2023	2	Ontario Canada
12/25/2023	2	South Africa
12/13/2023	1	Toronto Canada
1/6/2024	2	Yorkshire England
12/16/2023	4	Alvin TX
12/5/2023	2	Amarillo TX
12/8/2023	2	Amarillo TX
12/16/2023	3	Angleton TX
12/10/2023	2	Austin TX
12/10/2023	2	Austin TX
12/18/2023	6	Austin TX
12/20/2023	4	Austin TX
12/21/2023	2	Austin TX
12/21/2023	4	Austin TX
12/22/2023	2	Austin TX
12/22/2023	2	Austin TX
12/23/2023	4	Austin TX
12/23/2023	4	Austin TX
12/24/2023	1	Austin TX
12/24/2023	2	Austin TX
12/24/2023	2	Austin TX
12/25/2023	1	Austin TX
12/25/2023	2	Austin TX
12/25/2023	2	Austin TX

Item F

<u>Date</u>	<u>#</u>	<u>WHERE Y'ALL FROM?</u>
12/25/2023	3	Austin TX
12/25/2023	5	Austin TX
12/25/2023	5	Austin TX
12/26/2023	2	Austin TX
12/26/2023	2	Austin TX
12/26/2023	4	Austin TX
12/26/2023	6	Austin TX
12/27/2023	2	Austin TX
12/27/2023	2	Austin TX
12/27/2023	2	Austin TX
12/27/2023	2	Austin TX
12/27/2023	4	Austin TX
12/28/2023	1	Austin TX
12/28/2023	2	Austin TX
12/29/2023	1	Austin TX
12/29/2023	1	Austin TX
12/29/2023	4	Austin TX
12/29/2023	5	Austin TX
12/29/2023	5	Austin TX
12/30/2023	2	Austin TX
12/31/2023	2	Austin TX
12/31/2023	4	Austin TX
1/1/2024	2	Austin TX
1/3/2024	2	Austin TX
1/3/2024	3	Austin TX
1/4/2024	1	Austin TX
1/5/2024	2	Austin TX
1/5/2024	2	Austin TX
1/5/2024	5	Austin TX
12/28/2023	3	Austin TX
12/5/2023	3	AustinTX

Item F

Date	#	WHERE Y'ALL FROM?
12/6/2023	2	AustinTX
12/7/2023	2	AustinTX
12/7/2023	2	AustinTX
12/8/2023	2	AustinTX
12/8/2023	3	AustinTX
12/9/2023	1	AustinTX
12/9/2023	2	AustinTX
12/9/2023	1	AustinTX
12/12/2023	4	AustinTX
12/14/2023	5	AustinTX
12/15/2023	2	AustinTX
12/15/2023	3	AustinTX
12/15/2023	4	AustinTX
12/16/2023	2	AustinTX
12/16/2023	3	AustinTX
12/16/2023	6	AustinTX
12/17/2023	2	AustinTX
12/18/2023	2	AustinTX
12/29/2023	2	Azel TX
12/7/2023	2	Bandera TX
12/22/2023	2	Bandera TX
12/25/2023	2	Bandera TX
12/20/2023	4	Bastrop TX
12/27/2023	4	Bastrop TX
12/28/2023	4	Bastrop TX
1/5/2024	2	Belton TX
12/9/2023	2	Beorne TX
12/9/2023	2	Beorne TX
12/13/2023	2	Beorne TX
12/16/2023	2	Beorne TX
12/28/2023	2	Beorne TX

Item F

Date	#	WHERE Y'ALL FROM?
12/31/2023	1	Beorne TX
12/31/2023	6	Beorne TX
1/5/2024	2	Beorne TX
12/24/2023	4	Beorne TX
12/22/2023	3	Big Lake TX
12/15/2023	4	Big Wells TX
12/14/2023	1	Bracketille TX
12/16/2023	3	Brady TX
12/21/2023	2	Briar TX
12/20/2023	12	Brookshire TX
12/29/2023	5	Brownsville TX
1/4/2024	6	Buckholts TX
1/6/2024	2	Buda TX
12/20/2023	2	Burlington TX
12/27/2023	6	Burnett TX
12/22/2023	5	Castorville TX
12/27/2023	4	Center Park TX
12/30/2023	4	Center Park TX
12/19/2023	2	Central Texas
12/16/2023	2	Clute TX
12/9/2023	1	College Station TX
12/21/2023	2	College Station TX
12/23/2023	4	College Station TX
12/31/2023	2	College Station TX
1/5/2024	4	College Station TX
12/17/2023	2	Comfort TX
12/24/2023	4	Connor TX
12/24/2023	2	Conroe TX
12/31/2023	3	Conroe TX
12/25/2023	2	Cuero TX
12/24/2023	2	Cypress TX

Item F

Date	#	WHERE Y'ALL FROM?
12/7/2023	2	Dalhart TX
12/9/2023	3	Dallas TX
12/10/2023	3	Dallas TX
12/11/2023	4	Dallas TX
12/16/2023	2	Dallas TX
12/16/2023	2	Dallas TX
12/16/2023	6	Dallas TX
12/19/2023	4	Dallas TX
12/21/2023	3	Dallas TX
12/23/2023	4	Dallas TX
12/25/2023	6	Dallas TX
12/26/2023	3	Dallas TX
12/28/2023	2	Dallas TX
12/28/2023	2	Dallas TX
12/28/2023	2	Dallas TX
12/29/2023	1	Dallas TX
12/29/2023	1	Dallas TX
12/29/2023	2	Dallas TX
12/29/2023	2	Dallas TX
12/30/2023	2	Dallas TX
12/30/2023	2	Dallas TX
12/30/2023	4	Dallas TX
12/31/2023	2	Dallas TX
12/31/2023	2	Dallas TX
1/1/2024	5	Dallas TX
12/27/2023	3	Devine TX
12/24/2023	4	Devine TX
12/31/2023	5	Dickinson TX
12/23/2023	2	Edna TX
12/23/2023	4	Edna TX
12/28/2023	5	Edna TX

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Date	#	WHERE Y'ALL FROM?
12/8/2023	4	El Campo TX
12/15/2023	3	Elgin TX
12/7/2023	2	Falfurrias TX
12/16/2023	3	Falls City TX
12/14/2023	4	Floresville TX
12/26/2023	4	Floresville TX
12/31/2023	4	Floresville TX
1/4/2024	2	Floresville TX
12/27/2023	2	Fredricksburg TX
12/28/2023	4	Frisco TX
12/12/2023	2	Ft Worth TX
12/25/2023	5	Ft Worth TX
12/26/2023	2	Ft Worth TX
12/27/2023	4	Ft Worth TX
12/10/2023	2	Giddings TX
12/16/2023	4	Gonzales TX
12/16/2023	4	Gonzales TX
12/27/2023	1	Gonzales TX
12/30/2023	2	Gonzales TX
12/23/2023	2	Hallettsville TX
12/26/2023	4	Hallettsville TX
12/16/2023	5	Hamilton TX
1/1/2024	2	Hewitt TX
12/5/2023	4	Hondo TX
12/9/2023	2	Hondo TX
12/6/2023	2	Houston TX
12/7/2023	2	Houston TX
12/8/2023	1	Houston TX
12/9/2023	1	Houston TX
12/9/2023	2	Houston TX
12/9/2023	2	Houston TX

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Date	#	WHERE Y'ALL FROM?
12/9/2023	2	Houston TX
12/9/2023	3	Houston TX
12/13/2023	2	Houston TX
12/13/2023	2	Houston TX
12/15/2023	1	Houston TX
12/15/2023	2	Houston TX
12/15/2023	4	Houston TX
12/16/2023	1	Houston TX
12/16/2023	2	Houston TX
12/16/2023	3	Houston TX
12/16/2023	4	Houston TX
12/17/2023	2	Houston TX
12/19/2023	2	Houston TX
12/19/2023	6	Houston TX
12/21/2023	2	Houston TX
12/22/2023	2	Houston TX
12/22/2023	2	Houston TX
12/23/2023	2	Houston TX
12/24/2023	2	Houston TX
12/24/2023	3	Houston TX
12/24/2023	4	Houston TX
12/25/2023	2	Houston TX
12/25/2023	3	Houston TX
12/25/2023	3	Houston TX
12/25/2023	4	Houston TX
12/25/2023	4	Houston TX
12/26/2023	2	Houston TX
12/26/2023	2	Houston TX
12/26/2023	3	Houston TX
12/26/2023	4	Houston TX
12/26/2023	4	Houston TX

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Date	#	WHERE Y'ALL FROM?
12/27/2023	2	Houston TX
12/27/2023	3	Houston TX
12/27/2023	5	Houston TX
12/28/2023	4	Houston TX
12/29/2023	1	Houston TX
12/29/2023	2	Houston TX
12/29/2023	2	Houston TX
12/29/2023	3	Houston TX
12/30/2023	2	Houston TX
12/30/2023	3	Houston TX
12/30/2023	4	Houston TX
12/30/2023	5	Houston TX
12/31/2023	3	Houston TX
12/31/2023	4	Houston TX
12/31/2023	4	Houston TX
1/1/2024	2	Houston TX
1/6/2024	2	Houston TX
1/6/2024	4	Houston TX
12/11/2023	4	Huntsville TX
12/29/2023	1	Joshua TX
12/30/2023	5	Junction City TX
12/28/2023	4	Katy TX
12/28/2023	4	Katy TX
12/30/2023	3	Katy TX
1/6/2024	2	Katy TX
12/14/2023	2	Katy TX
12/23/2023	2	Keller TX
12/28/2023	2	Keller TX
12/16/2023	2	Kenard TX
12/7/2023	2	Kerrville TX
12/14/2023	2	Kerrville TX

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Date	#	WHERE Y'ALL FROM?
12/16/2023	4	Kerrville TX
12/21/2023	4	Kerrville TX
12/23/2023	2	Kerrville TX
12/30/2023	2	Kerrville TX
12/30/2023	3	Kerrville TX
12/30/2023	2	Kyle TX
12/27/2023	4	La Grange TX
12/4/2023	3	Lake Whitney TX
12/28/2023	4	Lampasas TX
12/5/2023	2	LaVernia TX
12/8/2023	2	LaVernia TX
12/18/2023	2	League City TX
12/29/2023	1	League City TX
12/16/2023	2	Leander TX
12/31/2023	3	Liberty Hill TX
12/25/2023	6	Liberty TX
12/26/2023	2	Lockhart TX
12/28/2023	4	Lockhart TX
12/6/2023	2	Lubbock TX
12/25/2023	2	Lubbock TX
12/14/2023	3	Lubbock TX
12/6/2023	2	Luling TX
12/28/2023	2	Luling TX
12/29/2023	3	McAllen TX
12/7/2023	4	Melvin TX
12/9/2023	3	Mercedes TX
12/28/2023	2	Missouri City TX
12/28/2023	3	Montgomery TX
12/10/2023	6	Moore TX
12/14/2023	2	Moran TX
12/26/2023	2	Needville TX

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<u>Date</u>	<u>#</u>	<u>WHERE Y'ALL FROM?</u>
12/23/2023	4	Nemo TX
12/5/2023	3	New Braunfels TX
12/16/2023	2	New Braunfels TX
12/16/2023	4	New Braunfels TX
12/17/2023	3	New Braunfels TX
12/27/2023	4	New Braunfels TX
12/30/2023	2	New Braunfels TX
1/6/2024	2	New Braunfels TX
12/14/2023	8	Plains TX
12/25/2023	2	Poetry TX
12/22/2023	3	Ponder TX
12/28/2023	5	Poth TX
12/19/2023	5	Red Rock TX
12/28/2023	4	Richmond TX
12/23/2023	2	Rockdale TX
12/19/2023	3	Round Rock TX
12/29/2023	3	Round Rock TX
12/4/2023	1	San Antonio TX
12/5/2023	2	San Antonio TX
12/5/2023	2	San Antonio TX
12/5/2023	2	San Antonio TX
12/5/2023	3	San Antonio TX
12/6/2023	2	San Antonio TX
12/7/2023	2	San Antonio TX
12/7/2023	2	San Antonio TX
12/7/2023	2	San Antonio TX
12/8/2023	2	San Antonio TX
12/8/2023	2	San Antonio TX
12/8/2023	2	San Antonio TX
12/8/2023	2	San Antonio TX
12/8/2023	2	San Antonio TX

Hem F

<u>Date</u>	<u>#</u>	<u>WHERE Y'ALL FROM?</u>
12/8/2023	2	San Antonio TX
12/9/2023	1	San Antonio TX
12/9/2023	2	San Antonio TX
12/9/2023	2	San Antonio TX
12/9/2023	2	San Antonio TX
12/9/2023	2	San Antonio TX
12/9/2023	2	San Antonio TX
12/9/2023	2	San Antonio TX
12/9/2023	2	San Antonio TX
12/9/2023	2	San Antonio TX
12/9/2023	3	San Antonio TX
12/9/2023	3	San Antonio TX
12/9/2023	4	San Antonio TX
12/9/2023	4	San Antonio TX
12/9/2023	4	San Antonio TX
12/9/2023	6	San Antonio TX
12/10/2023	1	San Antonio TX
12/10/2023	2	San Antonio TX
12/10/2023	5	San Antonio TX
12/10/2023	6	San Antonio TX
12/11/2023	2	San Antonio TX
12/11/2023	2	San Antonio TX
12/13/2023	2	San Antonio TX
12/14/2023	2	San Antonio TX
12/15/2023	2	San Antonio TX
12/15/2023	2	San Antonio TX
12/15/2023	2	San Antonio TX
12/15/2023	2	San Antonio TX
12/15/2023	3	San Antonio TX
12/15/2023	4	San Antonio TX
12/16/2023	1	San Antonio TX

Hem F

Date	#	WHERE Y'ALL FROM?
12/16/2023	2	San Antonio TX
12/16/2023	2	San Antonio TX
12/16/2023	2	San Antonio TX
12/16/2023	2	San Antonio TX
12/16/2023	2	San Antonio TX
12/16/2023	3	San Antonio TX
12/16/2023	3	San Antonio TX
12/16/2023	4	San Antonio TX
12/16/2023	4	San Antonio TX
12/16/2023	7	San Antonio TX
12/17/2023	2	San Antonio TX
12/17/2023	2	San Antonio TX
12/17/2023	2	San Antonio TX
12/18/2023	1	San Antonio TX
12/18/2023	2	San Antonio TX
12/18/2023	6	San Antonio TX
12/19/2023	4	San Antonio TX
12/19/2023	4	San Antonio TX
12/21/2023	2	San Antonio TX
12/21/2023	2	San Antonio TX
12/21/2023	2	San Antonio TX
12/21/2023	3	San Antonio TX
12/21/2023	3	San Antonio TX
12/21/2023	4	San Antonio TX
12/22/2023	2	San Antonio TX
12/23/2023	2	San Antonio TX
12/23/2023	4	San Antonio TX
12/23/2023	5	San Antonio TX
12/24/2023	2	San Antonio TX
12/24/2023	3	San Antonio TX
12/24/2023	7	San Antonio TX

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<u>Date</u>	<u>#</u>	<u>WHERE Y'ALL FROM?</u>
12/25/2023	2	San Antonio TX
12/25/2023	2	San Antonio TX
12/25/2023	2	San Antonio TX
12/25/2023	2	San Antonio TX
12/25/2023	3	San Antonio TX
12/25/2023	3	San Antonio TX
12/25/2023	4	San Antonio TX
12/25/2023	4	San Antonio TX
12/25/2023	5	San Antonio TX
12/26/2023	1	San Antonio TX
12/26/2023	1	San Antonio TX
12/26/2023	2	San Antonio TX
12/26/2023	2	San Antonio TX
12/26/2023	4	San Antonio TX
12/27/2023	2	San Antonio TX
12/27/2023	2	San Antonio TX
12/27/2023	2	San Antonio TX
12/27/2023	3	San Antonio TX
12/27/2023	4	San Antonio TX
12/27/2023	4	San Antonio TX
12/28/2023	2	San Antonio TX
12/28/2023	3	San Antonio TX
12/28/2023	4	San Antonio TX
12/29/2023	2	San Antonio TX
12/29/2023	3	San Antonio TX
12/29/2023	4	San Antonio TX
12/29/2023	4	San Antonio TX
12/29/2023	4	San Antonio TX
12/29/2023	4	San Antonio TX
12/29/2023	4	San Antonio TX
12/29/2023	5	San Antonio TX

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<u>Date</u>	<u>#</u>	<u>WHERE Y'ALL FROM?</u>
12/29/2023	5	San Antonio TX
12/29/2023	6	San Antonio TX
12/30/2023	3	San Antonio TX
12/30/2023	5	San Antonio TX
12/31/2023	4	San Antonio TX
12/31/2023	4	San Antonio TX
1/1/2024	2	San Antonio TX
1/1/2024	4	San Antonio TX
1/4/2024	2	San Antonio TX
1/5/2024	3	San Antonio TX
1/5/2024	5	San Antonio TX
1/6/2024	2	San Antonio TX
1/6/2024	2	San Antonio TX
1/6/2024	3	San Antonio TX
1/6/2024	3	San Antonio TX
12/20/2023	4	San Angelo TX
12/10/2023	1	San Jose TX
12/5/2023	3	San Marcos TX
12/14/2023	1	San Marcos TX
12/31/2023	2	San Marcos TX
12/11/2023	2	Scarsdale TX
12/27/2023	2	Sealy TX
12/30/2023	4	Sealy TX
12/8/2023	2	Seguin TX
12/8/2023	4	Seguin TX
12/14/2023	2	Seguin TX
12/25/2023	4	Seguin TX
12/26/2023	1	Seguin TX
12/26/2023	4	Seguin TX
12/28/2023	4	Seguin TX
1/1/2024	2	Seguin TX

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<u>Date</u>	<u>#</u>	<u>WHERE Y'ALL FROM?</u>
12/27/2023	3	Seven Points TX
12/9/2023	4	Shiner TX
12/16/2023	2	Shiner TX
12/19/2023	3	Shiner TX
12/25/2023	5	Silsbee TX
12/9/2023	1	Smithville TX
12/15/2023	2	Smithville TX
12/23/2023	2	Snyder TX
12/21/2023	2	Spring Branch TX
12/10/2023	2	Stephenville TX
12/22/2023	4	Sterling City TX
12/23/2023	5	Stockdale TX
12/26/2023	7	Stockdale TX
12/30/2023	2	Sugarland TX
12/30/2023	4	Temple TX
12/11/2023	2	Texas City TX
12/24/2023	4	Texas City TX
12/16/2023	2	The Valley TX
12/9/2023	1	The Woodlands TX
12/9/2023	2	Troy TX
12/14/2023	3	Tyler TX
12/15/2023	3	Tyler TX
12/31/2023	4	Tyler TX
12/20/2023	2	Waco TX
12/26/2023	2	Waco TX
12/26/2023	4	Waco TX
12/18/2023	2	Wharton TX
12/31/2023	4	Willis TX
1/1/2024	5	Yoakum TX
12/24/2023	1	Yoakum TX
12/25/2023	2	Akron PA

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<u>Date</u>	<u>#</u>	<u>WHERE Y'ALL FROM?</u>
12/8/2023	2	Alaska
12/10/2023	2	Alaska
12/25/2023	1	Albuquerque, NM
12/5/2023	4	AnnArbor Michigan
12/26/2023	2	Arizona
12/26/2023	4	Arkansas
12/27/2023	5	Artisan NM
12/17/2023	1	Atlanta GA
1/1/2024	4	Atlanta GA
12/5/2023	1	Black Duck MN
12/6/2023	1	Boone NC
12/17/2023	6	Boxheldes SD
12/24/2023	3	Buffalo NY
12/26/2023	4	Buffalo NY
12/10/2023	2	California
12/27/2023	2	California
12/29/2023	4	California
12/26/2023	2	Chicago IL
12/11/2023	2	Climax Springs Missouri
12/21/2023	3	Colorado
12/24/2023	2	Colorado
12/21/2023	2	Colorado
12/21/2023	2	Colorado Springs CO
12/24/2023	3	Denver CO
12/9/2023	2	Fancy Gap VA
12/9/2023	2	Florida
12/16/2023	1	Florida
12/17/2023	4	Florida
12/27/2023	2	Florida
12/27/2023	3	Florida
12/28/2023	2	Florida

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Date	#	WHERE Y'ALL FROM?
12/7/2023	1	Georgia
12/23/2023	5	Green Bay Wisconsin
12/11/2023	2	Hickory NC
12/10/2023	2	Idaho
12/19/2023	2	Idaho
12/24/2023	2	Idaho
12/27/2023	2	Idaho
12/9/2023	2	Illinois
12/16/2023	2	Illinois
12/17/2023	2	Illinois
12/20/2023	3	Illinois
12/21/2023	2	Illinois
12/22/2023	2	Illinois
12/24/2023	2	Illinois
12/24/2023	2	Illinois
12/24/2023	4	Illinois
12/13/2023	2	Indiana
12/13/2023	5	Indiana
12/14/2023	1	Indiana
12/19/2023	2	Indiana
12/19/2023	5	Indiana
12/23/2023	4	Indiana
12/24/2023	2	Indiana
12/24/2023	2	Indiana
12/25/2023	4	Indiana
12/9/2023	2	Iowa
12/9/2023	2	Iowa
12/10/2023	2	Iowa
12/14/2023	4	Iowa
12/16/2023	2	Iowa
12/17/2023	2	Iowa

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Date	#	WHERE Y'ALL FROM?
12/18/2023	2	Iowa
12/19/2023	2	Iowa
12/24/2023	2	Iowa
12/27/2023	2	Iowa
12/28/2023	2	Iowa
1/5/2024	2	Iowa
12/30/2023	3	Kansas
12/7/2023	2	Kansas
12/19/2023	4	Kansas
12/20/2023	2	Kansas
12/20/2023	2	Kansas
12/22/2023	4	Kansas
12/24/2023	2	Kansas
12/14/2023		Kansas
12/14/2023	2	Kansas
12/4/2023	2	Kansas City
12/18/2023	2	Kentucky
12/19/2023	6	Las Vegas NV
12/8/2023	4	Louisiana
12/19/2023	4	Louisiana
12/23/2023	4	Louisiana
12/27/2023	2	Louisiana
12/22/2023	4	Loveland CO
12/6/2023	3	Madison Wisconsin
12/8/2023	3	Maine
12/10/2023	2	Maine
12/18/2023	3	Michigan
12/20/2023	2	Michigan
12/20/2023	4	Michigan
12/22/2023	3	Michigan
12/25/2023	6	Michigan

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Date	#	WHERE Y'ALL FROM?
12/26/2023	2	Michigan
12/26/2023	4	Michigan
12/27/2023	2	Michigan
12/29/2023	5	Michigan
12/5/2023	4	Minneapolis MN
12/4/2023	3	Minnesota
12/7/2023	2	Minnesota
12/8/2023	3	Minnesota
12/9/2023	2	Minnesota
12/10/2023	2	Minnesota
12/10/2023	3	Minnesota
12/10/2023	4	Minnesota
12/13/2023	2	Minnesota
12/14/2023	3	Minnesota
12/15/2023	2	Minnesota
12/15/2023	3	Minnesota
12/15/2023	4	Minnesota
12/16/2023	2	Minnesota
12/16/2023	2	Minnesota
12/16/2023	3	Minnesota
12/16/2023	4	Minnesota
12/16/2023	5	Minnesota
12/22/2023	2	Minnesota
12/22/2023	2	Minnesota
12/22/2023	2	Minnesota
12/23/2023	2	Minnesota
12/24/2023	2	Minnesota
12/26/2023	2	Minnesota
1/3/2024	2	Minnesota
1/4/2024	2	Minnesota
1/6/2024	2	Minnesota

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Date	#	WHERE Y'ALL FROM?
12/14/2023	4	Minnesota
12/14/2023	4	Mississippi
12/30/2023	2	Mississippi
12/21/2023	4	Missouri
12/7/2023	1	Montana
12/28/2023	4	Nampa ID
12/7/2023	2	Nebraska
12/13/2023	4	Nebraska
12/18/2023	7	Nebraska
12/21/2023	2	Nebraska
12/24/2023	6	Nebraska
12/25/2023	4	Nebraska
12/27/2023	1	Nebraska
12/25/2023	2	Nevada
12/4/2023	2	New Mexico
12/21/2023	4	New Mexico
12/31/2023	3	New York
12/26/2023	2	New York City
12/28/2023	3	North Carolina
12/14/2023	2	North Dakota
12/10/2023	1	Ohio
12/13/2023	2	Ohio
12/18/2023	4	Ohio
12/21/2023	2	Ohio
12/23/2023	2	Ohio
12/29/2023	5	Ohio
1/7/2024	2	Ohio
12/4/2023	1	Oklahoma
12/20/2023	2	Oklahoma
12/25/2023	1	Oklahoma
12/30/2023	2	Oklahoma

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Date	#	WHERE Y'ALL FROM?
1/3/2024	2	Oklahoma
12/8/2023	2	Oregon
12/8/2023	3	Oregon
12/24/2023	1	Oregon
12/29/2023	2	Oregon
12/9/2023	2	Osage Iowa
12/21/2023	2	Pennsylvania
12/21/2023	2	Pennsylvania
12/24/2023	2	Pennsylvania
12/25/2023	1	Pennsylvania
12/8/2023	2	Pennsylvania
12/9/2023	1	Phoenix AZ
12/20/2023	2	Racine Wisconsin
12/11/2023	2	Rochester MN
12/14/2023	2	Rochester NY
12/8/2023	2	Saint Louis Missouri
12/17/2023	2	Saint Louis Missouri
12/26/2023	6	Saint Louis Missouri
12/28/2023	2	Saint Louis Missouri
12/9/2023	2	San Diego CA
12/20/2023	2	Shiloh WY
12/15/2023	2	South Dakota
12/17/2023	2	South Dakota
12/22/2023	2	South Dakota
12/30/2023	2	South Dakota
12/20/2023	4	Soux Falls SD
12/27/2023	2	Spearfish, SD
12/5/2023	4	St Louis IL
12/14/2023		Utah
12/19/2023	2	Utah
12/24/2023	3	Virginia

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Date	#	WHERE Y'ALL FROM?
12/13/2023	2	Washington
12/19/2023	2	Washington
12/24/2023	2	Washington
12/28/2023	4	Washington DC
12/6/2023	4	West Jefferson NC
12/7/2023	2	Wisconsin
12/7/2023	2	Wisconsin
12/8/2023	3	Wisconsin
12/9/2023	2	Wisconsin
12/15/2023	3	Wisconsin
12/16/2023	2	Wisconsin
12/16/2023	4	Wisconsin
12/23/2023	2	Wisconsin
12/24/2023	2	Wisconsin
12/25/2023	2	Wisconsin
12/25/2023	3	Wisconsin
1/6/2024	2	Wisconsin
12/6/2023	3	Wooster Ohio
12/4/2023	3	Wyoming
12/7/2023	2	Wyoming
12/10/2023	2	Wyoming
12/19/2023	5	Wyoming
12/26/2023	2	Wyoming

Item F

EXHIBIT "C"

Hotel Occupancy Tax Funding Application 2023-2024

Date: May 11, 2023**Organization Information**Name of Organization: Christmas On The BeachAddress: 1919 Hwy 35 N Unit 27City, State, Zip: Rockport Texas 78382Contact Name: Shuloh Mitchell Contact Phone Number: 303 886 6510HOT ^{Contact} Contract Email: shuloh@mittellbarkerinc.comWeb Site Address for Event or Sponsoring Organization: linktree.com/christmasonthebeachType of Organization: ☐ Governmental ☒ Non-Profit ☐ Private/ For-ProfitTax ID #: 92-0767436 Organization's Creation Date: Nov. 1, 2022Purpose of Organization: To provide administrative and event
support for the annual drive through light display
on Rockport Beach**Event Information**Name of Event or Project: Christmas On The BeachDate of Event or Project: last week of November to first week of JanuaryPrimary Location of Event or Project: Rockport Beach - end of Sea Breeze
DriveAmount Requested: \$ 8190.00How will the funds be used: The funds will be used to expand the
displays and support the organization.

Primary Purpose of Funded Activity/Facility:

The primary purpose of COTB is to spread Christmas joy and hope, providing an opportunity for the 60% of economically disadvantaged children of our community to make Christmas memories for FREE!!!

Percentage of Hotel Tax Support of Related Costs

100% Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

0 Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

0 Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities _____%

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

- ☐ 1) **Convention Center or Visitor Information Center:** the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: \$ _____
- ☐ 2) **Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: \$ _____
- ☒ 3) **Advertising, Solicitations and Promotions that directly promote tourism and the Hotel & Convention Industry:** to attract tourists and convention delegates or registrants to the municipality or its vicinity. Amount requested under this category: \$ 4000.00 2000.00
- ☒ 4) **Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms: Amount requested under this category: \$ 4000.00

- ☐ **5) Historical Restoration and Preservation Activities that Directly Promote Tourism and the Hotel and Convention Industry:** historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums. Amount requested under this category: \$ _____

- ☐ **6) Sporting Event Expenses that Substantially Increase Economic Activity at Hotels:** Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the municipality or its vicinity. Amount requested under this category: \$ _____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

- ☐ **7) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations:** a) the commercial center of the city; b) a convention center in the city; c) other hotels in or near the city; and d) tourist attractions in or near the city. Amount requested under this category: \$ _____

What sites or attractions will tourists be taken to by this transportation? _____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

- ☒ **8) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality. Amount requested under this category: \$ 2000.00**

What tourist attractions will be the subject of the signs?

Christmas On The Beach ~~at~~ month long event!

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 1
2. Expected Attendance: 6,000+ Prior year's attendance: Over 4,331
3. How many people attending the Event or Project will use City of Rockport hotels? minimally 1,000
- Number of nights will they stay: minimally 1

Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels:

Not yet, but looking to partner with a hotel and RV park to offer a "Christmas On The Beach" package.

4. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from and the number of hotel rooms used: No idea, Rockport Fulton Chamber did it previously.

Event Date	Assistance Amount		Number of Hotel Rooms Used
	City HOT Funds	Others	
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

5. How will you measure the impact of your event on area hotel activity (e.g.: room block usage information, survey of hoteliers, etc.)?

Survey of guests/viewers when they visit the display along with survey of hoteliers.

6. Please list other organization, government entities, and grants that have offered financial support to your project:

PCBank Cards

7. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

No ~~over~~ charge, donations are accepted.

Net profit goal for 2023 is \$15,000 to be distributed to 30 nonprofits involved. This is our goal for 2023.

8. Please list all promotion efforts your organization is coordinating, and the amount financially committed to each media outlet:

Newspaper: \$ _____
 Radio: \$ _____
 TV: \$ _____
 Other Paid Advertising: \$ _____

2000

Number of Press Releases to Media 2

Number Direct Mailings to out-of-town recipients 0

Other Promotions Social Media - Facebook & Instagram

9. Will you include a link to local hotels on your website for booking during this event?

yes!!

10. Will you negotiate a special rate or hotel/event package to attract overnight stays?

yes!!

11. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

Billboards in San Antonio, DFW, Houston

12. What geographic areas does your advertising and promotion reach?

World wide web!

13. How many individuals will your proposed marketing reach who are located in another city or county?

unlimited - Social media

14. If the funding requested is related to a permanent facility (e.g., museum, visitor center):

N/A

Expected Attendance Monthly/Annually: _____

Percentage of those in attendance that are staying at area hotels/lodging facilities: _____%

Please Submit before May 31, 2023 to:

City of Rockport

City Secretary

tvaldez@cityofrockport.com

Overnight Visitors

TOTAL visitors from >75 miles away	1091
Total Rooms Occupied (2 persons)	545.5
Total Nights	546
Predicted Hotel Night Revenue Generated:	
\$100 per night	\$ 54,600.00
Amount Requested	
15% of Predicted Revenue	\$ 8,190.00



Christmas on the Beach

Eligibility and Priority for Hotel Occupancy Tax Funds

Historic Information

Records received from the Rockport Fulton Chamber of Commerce, the previous organizer of the event:

2020 (COVID)

2781 cars

7200 guests

\$10,074.17

2021

1897 cars

5059 guests

\$8132.90

2022

Current COTB team

organized in less than 3 months

ZERO paid staff

ZERO funding)

Total Funds Collected: over \$8700

Cars: over 1,687

People: over 4331

of Zip Codes: USA - 57, Texas 133

States: 33 PLUS Texas

#Countries: 5

Attached is the ZIP Code tally sheet for reference. We also have 83 pages of data collected (**surveys**) by volunteers from vehicles willing to stop at the entrance of COTB. Copies can be provided upon request.

Marketing Programs

Current marketing programs include sharing our story with Texas wide

publications - hardcopy and internet based - along with news channels.

We also are pursuing billboard advertising in the San Antonio, Houston, and Dallas - Fort Worth markets for the coming season.

Lastly, we are looking to partner with a local hotel and RV Park to offer special "Christmas On The Beach" Package for the 2023 season.

Christmas on the Beach



Christmas on the Beach

Required Supplemental Information for Hotel Occupancy Tax Funding Application 2023-2024

1 - Detailed Budget

All funds spent for our first year, 2022, were personal funds.

The money used to get things rolling was donated by us, our families and friends, along with a few members of the community. We took a leap of faith and jumped in with both feet. Fifteen 15 other nonprofits came with us for the ride!!

At the end of the season, our Bright Light Award night (all City Councilors were invited :) was held and each participating NPO received their portion of the donations collected from viewers. Each check was \$546.62!

We are working on a budget for the coming 2023 Christmas season and are already planning the expansion of the displays and organization.

2 - Marketing Plan

Our main strategy for marketing is through social media. We believe in using technology for good and enjoy spreading the word via Facebook and Instagram. We were featured in the Rockport Pilot multiple times throughout the season, along with the Caller Times. We will be sharing our story with other news outlets of the coastal bend and our state as Christmas 2023 approaches.

We will also pursue billboard advertising in the San Antonio, Houston, and Dallas - Fort Worth markets for the coming season.

3 - Schedule of Activities

COTB is a month long event that brings all people together.

It is a free event open every night of December, plus a week before and after to "catch" Thanksgiving and New Year's visitors too.

We are diligent and intentional about communicating with other City and County offices when planning the event. The City of Rockport, The Navigation District of Aransas County, Rockport Cultural Arts District are just a few groups we collaborate and cooperate with to assure ALL events in our community are successful and complimentary of each other.

SPAIN = 3

CANADA = 7

MEXICO = 26

97963

78366

75069

Germany = 2

NEW MEXICO = ~~2~~
87121 13

South Dakota = ~~2~~4
57106
57719

UTAH = 8
84501

MARYLAND = 9
21202

NEBRASKA = 19
68119

OHIO = 4
44236

MISSOURI = 8
64427
64154
64064

IDAHO = 2
83646

South Carolina = 2
29215

OREGON = 2
97057

LOUISIANA = ~~1~~9
70726
71423

NORTH CAROLINA = 1
27513

NEVADA = 2
88901

KANSAS = 9

66047

67455

66012

COLORADO = 29

81007

81416

80109

WISCONSIN = 29

53010

54615

54017

54871

53713

IOWA = 15

50701

Michigan = 14

49329

49333

OKLAHOMA = 29

73737

73107

ARKANSAS = 4

71820

INDIANA = 19

47933

46250

47129

46164

46034

46795

New York = 10

~~7523~~ 11375

14301

ILLINOIS = 9

60156

60007

61443

Minnesota = 13

55349

ARKANSAS = 2

72002

MONTANA = 5

59701

Virginia = 8

24018

23322

FLORIDA = 13

32536

33626

WASHINGTON = 4

98102

ALASKA = 1

Pennsylvania = 2

19019

CALIFORNIA = 1

Los Angeles 90001

WYOMING = 15

82210

STOCKDALE TX = 2
78160

EDNA TX = 4
77957

M^{rs} Kinney TX = 2
75069

Odem TX = 7
78370

Hobson TX = 2
78117

Cedar Park TX = 2
78613

North Zulch TX = 2
77872

WACO TX = 15
76633
76712
76701
76692

Leander TX = 8
78641

BAYSIDE TX = 8
78340

Floresville TX = 2
78114

Elgin TX = 4
78621

League City TX = 4
77573

ADKINS TX = 6
78101

EL CAMPO TX = 6
77437

Conroe TX = 1
77301

CANYON LAKE TX = 6
78070

TYLER TX = 4
75701

DRIPPING SPRINGS TX = 5
78620

SARITA TX = 2
78385

TRAVIS County TX = 2
78645

AITUDA TX = 1
79830

REFUGIO TX = 6
78377

SAN MARCOS TX = 4
78666

Rockport TX = 2,744
 78382
 78381

DALLAS/FORT WORTH = 62
 76116
 75234

SAN ANTONIO TX = 192

78073
 78229
 78254
 78015
 78114
 78101
 78250
 78213
 78232
 78070

ARANSAS PASS/
 INGLE SIDE TX = 183

78362
 78336
 78335

PORTLAND TX = 34

78374

WOODLANDS TX = 1
 77354

AUSTIN TX = 90

78616
 78731
~~78745~~
 78745
 78757
 73301

TOMBALL TX = 1
 77375

DIVINE TX = 7
 78016

COLUMBUS TX = 8
 78943

HOUSTON TX = 52

77077
 77027
 77520
 77055

EL PASO TX = 2
 79835

FULTON TX = 60
 78358

HARLIGEN TX = 9
 78550

COLLEGE STATION TX = 9
 77802

SEGUIN TX = 20
 78123

CORPUS CHRISTI TX = 101

GIDDINGS TX = 4
 78942

78410
 78412
 78413
 78414

Kemper TX = 3
76539

NIXON TX = 4
78140

Round Rock TX = 3
78664

ORANGE GROVE TX = 2
78372

Taft TX = 4
78390

Plainview TX = 4
79072

Sugarland TX = 1
77478

Victoria TX = 18
77901

Mico TX = 5
78056

Amarillo TX = 2
79101

Harrison County TX = 1
77634

Hufsmith TX = 1
77634

Arlington TX = 2
76001

Goliad TX = 2
77963

Port Aransas = 5
78418

Abilene TX = 2
79605

Lubbock TX = 7
79382

Kilgore TX = 2
75662

Pleasanton TX = 6
78064

Campwood TX = 4
78382

Needleville TX = 8
77461

Sinton TX = 4
78387

Weimer TX = 2
78962

Lake Jackson = 2
77566

George West TX = 2
78022

Kerrville TX = 6
78028

Stockdale TX = 1
78160

New Braunfels TX = 13
78130

Boerne TX = 9
78006

Bishop TX = 3
78343

Hondo TX = 2
78861

~~Port~~

Port Lavaca TX = 9
77979

Liberty Hills TX = 8
78642

Yoakum TX = 3
77995

Muldoon TX = 3
78945

Gregory TX = 2
78359

Dennison TX = 8
75020

Mineral Wells TX = 4
76067

Lawrence TX = 4
75160

Cuero TX = 1
77954

Marble Falls = 4
78654

Caldwell TX = 3
77836

Lavonia TX = 7
78121

San Augustine = 3
75972

DONE

~~1284~~
~~1510~~
~~2194~~
~~21~~

Cedar Park TX 78613 - 2
 Austwell TX 77950 - 2
 MATHISTX - 78368

Buda TX 78600 - 4
 Runge TX 78151 - 2

~~Ranoke VA 24018 - 3~~

Montgomery TX 77377 - 2

Woodsboro TX 78393 - 3 - 3

Kingsville TX 78363 - 3

Colia TX 77963 - 3

Liverpool TX 77577 - 2

Rockdale TX 76567 - 4

Temple TX 76502 - 2 - 4

Jarrel TX 76537 - 2

Katy TX 77424 - 4

Pipe Creek TX 78043 - 2

Bastrop TX 78602 - 4 - 2

~~Minnesota - 2~~

~~Florida - 1 - 2 - 4~~

Blanco TX 78606 - 2 - 1

~~SPAIN - 3~~

~~Falls City TX 78113 - 3~~

Palacio TX 77465 - 3

Georgetown TX 78626 - 4

Canyon TX 79015 - 4

~~WASHINGTON - 3 - 1~~

~~Nebraska - 8~~

~~Orange Grove TX~~
~~78372 - 2~~

~~ALASKA - 1~~

~~Philadelphia PA 19019 - 2~~

~~INDIANA - 19~~

~~47933~~

~~46250~~

~~47129~~

~~46164~~

~~46034~~

~~46795~~

~~Maryland - 7~~

~~Illinois - 1~~

CITY COUNCIL AGENDA

Regular Meeting: Tuesday, March 12, 2024

AGENDA ITEM: 8

Deliberate and act on a Resolution of the City of Rockport suspending the April 4, 2024 effective date of AEP Texas Inc.'s requested rate change to permit the City time to study the request and to establish reasonable rates; approving cooperation with the cities served by AEP Texas and authorizing intervention in AEP Texas Inc.'s requested rate change proceedings before the Commission; hiring Lloyd Gosselink Attorney's and Consulting Services to negotiate with the company and direct any necessary litigation and appeals; requiring reimbursement of cities' rate case expense; finding that the meeting at which this Resolution is passed is open to the public as required by law; requiring notice of this Resolution to the Company and Legal Counsel.

SUBMITTED BY: Robbie Sorrell, Director of Finance

APPROVED FOR AGENDA: VRS

BACKGROUND:

The law firm of Lloyd Gosselink performs regulatory work on behalf of municipalities who have formed a coalition to cost effectively review and respond to electric issues affecting rates charged by AEP. This engagement is to review the AEP rate application mailed to the Mayor on February 29, 2024, per attached.

An excerpt of an email from Thomas Brocato follows:

Dear Cities Served by AEP Texas,

Yesterday, your city likely received a Statement of Intent from AEP Texas Inc. (AEP Texas or Company) to change its rates. In its filing, the Company seeks to increase system-wide distribution rates by \$100.4 million per year (an increase of 13.1%) and increase system-wide transmission rates by \$63.1 million (a decrease of 9.29%). According to AEP Texas, the impact of this approval on an average residential customer would be an increase of about \$4.59 per month.

Also yesterday, AEP Texas filed its application at the Public Utility Commission of Texas (PUC). As we have done in the past, we have intervened on behalf of the City of McAllen. We will supplement our motion to intervene as additional cities provide us with authorization to intervene for them. Please contact me if we are authorized to intervene for your city. We have hired five consultants to assist us with the case. As a ratemaking proceeding, cities are entitled to reimbursement of their legal and consulting expenses. Thus, there will be no direct charge to your city as a participant in the rate case.

FISCAL ANALYSIS:

Per above notice, from Thomas Brocato of Lloyd Gosselink, there will be no direct charge to the City of Rockport.

RECOMMENDED ACTION:

Staff recommends approval of the attached resolution with the next step being to mail a copy both to Thomas Brocato with Lloyd Gosselink and Jennifer Frederick with AEP.



AEP Texas
539 N. Carancahua St
Corpus Christi, TX 78401
www.aeptexas.com

Judith E. Talavera
President & Chief Operating Officer

February 29, 2024

The Honorable Tim Jayroe
Mayor, City of Rockport
2751 S.H. 35 Bypass
Rockport TX 78382

Re: *Application of AEP Texas Inc. for Authority to Change Rates*

Dear Mayor Jayroe:

As indicated in previous correspondence, AEP Texas is filing with the Public Utility Commission of Texas (PUC) and cities that have retained original jurisdiction over AEP Texas a request to change the rates it charges for the use of its transmission and distribution lines and related services. AEP Texas filed this request with the PUC today (February 29, 2024) and, by this letter, with cities that have retained original jurisdiction over AEP Texas. This letter provides you information about the filing, as well as the filing itself. Attached to this letter are the following:

Attachment 1 discusses the action your city needs to take by April 4, 2024 and provides a sample city ordinance for your convenience. If your City has previously ceded its original rate-setting jurisdiction to the PUC, this information is being provided to you as a courtesy and no action is required by you.

Attachment 2 is the AEP Texas Petition and Statement of Intent, which is the request to change rates for those cities that have retained original jurisdiction. Appendix A of the Petition and Statement of Intent provides a list of cities in the AEP Texas service territory and indicates which cities have retained original jurisdiction over the company's rates and those which have ceded original jurisdiction to the PUC.

Attachment 3 is a copy of my testimony as AEP Texas President & COO, which provides you an overview of the filing and the subjects covered by each AEP Texas witness.

The entirety of AEP Texas' rate request testimony and rate filing package can be located on the PUC Interchange at the following link:

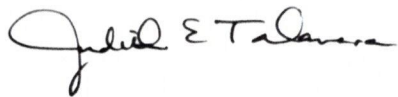
<https://interchange.puc.texas.gov/search/filings/?UtilityType=A&ControlNumber=56165&ItemMatch=Equal&DocumentType=ALL&SortOrder=Ascending>

AEP Texas is proposing revisions to its tariffs and schedules. A copy of the proposed tariffs is contained in Exhibit JLJ-2 to the testimony of AEP Texas witness Jennifer Jackson, which can be found on the PUC Interchange as well.

As has always been the case, AEP Texas is committed to working with local and state regulators to ensure the timely construction and maintenance of a reliable and resilient transmission and distribution system. We believe a strong system will enhance overall service reliability and the economic potential for the state and the communities we serve.

If you have any questions about the AEP Texas request to change its transmission and distribution rates, please contact Patrick King at 361-758-6411.

Sincerely,

A handwritten signature in black ink, appearing to read "Judith E. Talavera". The signature is fluid and cursive, with the first name "Judith" being more prominent.

Judith E. Talavera
AEP Texas Inc.
President and Chief Operating Officer

Attachments

RESOLUTION NO. _____

RESOLUTION OF THE CITY OF ROCKPORT SUSPENDING THE APRIL 4 2024 EFFECTIVE DATE OF AEP TEXAS INC.'S REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH THE CITIES SERVED BY AEP TEXAS AND AUTHORIZING INTERVENTION IN AEP TEXAS INC.'S REQUESTED RATE CHANGE PROCEEDINGS BEFORE THE COMMISSION; HIRING LLOYD GOSSELINK ATTORNEYS AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PASSED AND APPROVED this 12 day of March, 2024.

TIM JAYROE, MAYOR

ATTEST:

Kimberly Henry, Interim City Secretary

APPROVED AS TO FORM:

City Attorney

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, March 12, 2024

AGENDA ITEM: 9

Deliberate and act on second and final reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R2 (2nd Single Family Dwelling District) for property located at 202 East Cornwall; also known as East one-half of Lot 8, all of Lot 9, Block 13, Hunter Subdivision; to B-1 (General Business District); repealing all ordinances in conflict therewith; providing for severability; and providing an effective date..

SUBMITTED BY: Asst. Director Building & Development /Community Planner – Carey Dietrich

APPROVED FOR AGENDA: VRS

BACKGROUND: Property owners, Christopher & Kara Crowley, wish to provide additional parking to occupants and customers of the warehouse on the adjoining property owned by Mr. & Mrs. Crowley.

There have been no changes since the first reading.

FISCAL ANALYSIS: N/A

RECOMMENDATION: Planning & Zoning Commission, by a unanimous vote, recommends approval of the request and approval of the first reading of an Ordinance granting a request to rezone property to B-1 (General Business District) located at 202 E Cornwall; also known as East one-half of Lot 8, all of Lot 9, Block 13, Hunter Subdivision, currently zoned R2 (2nd Single Family Dwelling District); subject to compliance with the conditions stated within this Ordinance, as well as those stipulated in the City of Rockport Code of Ordinances; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.

ORDINANCE NO. ____

AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP AS STIPULATED UNDER ARTICLE 4.1 OF THE CITY OF ROCKPORT ZONING ORDINANCE NUMBER 1027 BY CHANGING THE ZONING OF LAND FROM R2 (2ND SINGLE FAMILY DWELLING DISTRICT) FOR PROPERTY LOCATED AT 202 EAST CORNWALL; ALSO KNOWN AS EAST ONE-HALF OF LOT 8, ALL OF LOT 9, BLOCK 13, HUNTER SUBDIVISION; TO B-1 (GENERAL BUSINESS DISTRICT); REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS a request to re-zone property was received in the office of the Building Department, Rockport, Texas; and

WHEREAS, On January 30, 2024, notice was posted on the bulletin boards at the City of Rockport Service Center, 2751 State Highway 35 Bypass, and on the City's webpage www.cityofrockport.com; and

WHEREAS, on February 3, 2024, the City caused to be published "Notice of Public Hearing" in the official newspaper of the City notifying area residents and the public in general to participate and make their views known regarding this request; and

WHEREAS, on February 8, 2024, notice was mailed to affected property owners within 200' of subject property; and

WHEREAS, on February 19, 2024, at 5:30 p.m., the Planning & Zoning Commission did hold a Public Hearing; and

WHEREAS, on February 19, 2024, the Planning & Zoning Commission did meet and said Commission voted to recommend to the City Council to Approve this request to re-zone property, located at 202 East Cornwall, from R2 (2nd Single Family Dwelling District) to allow commercial use of the property; and

WHEREAS, on February 27, 2024, at 6:30 p.m., the Rockport City Council did hold a Public Hearing; and

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

SECTION 1 – AMENDMENT

That, pursuant to Article 4 of the City of Rockport Zoning Ordinance Number 1027, the current zoning of land located at 202 East Cornwall, City of Rockport, Aransas County, Texas; be changed from R2 (2nd Single Family Dwelling District) to B-1 (General Business District).

SECTION 2 - REPEALER

Any previously adopted ordinances, and any subsequent amendments to them, which are in conflict with this ordinance, are hereby repealed.

SECTION 3 - SEVERABILITY

It is the intention of the City Council of the City of Rockport that if any phrase, sentence, section, or paragraph of this ordinance shall be declared unconstitutional or otherwise invalid by final judgment of a court of competent jurisdiction such unconstitutionality or invalidity shall not affect any of the remainder of this ordinance since the same would have been enacted by the City Council without the incorporation of the unconstitutional or invalid phrase, sentence, section or paragraph.

SECTION 4 - EFFECTIVE DATE

This ordinance shall become effective immediately upon adoption by second and final reading.

APPROVED on first reading this the 27th day of February, 2024.

CITY OF ROCKPORT, TEXAS

Tim Jayroe, Mayor

ATTEST:

Kimberly Henry, Interim City Secretary

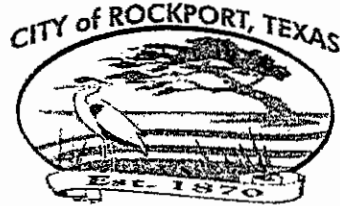
APPROVED, PASSED and ADOPTED on second and final reading, this _____ day of _____ 2024.

CITY OF ROCKPORT, TEXAS

Tim Jayroe, Mayor

ATTEST:

Kimberly Henry, Interim City Secretary



CITY OF ROCKPORT
ZONING AND LAND DEVELOPMENT APPLICATION

INSTRUCTION: Please fill out completely. If more space is needed, attach additional pages. Please print or use typewriter.

- A. REQUESTING: Rezoning [x] Conditional Permit []
 Planned Unit Development (P.U.D.) by Conditional Permit []
- B. ADDRESS AND LOCATION OF PROPERTY _____
 202 E Cornwall St. Rockport TX 78382
- C. CURRENT ZONING OF PROPERTY: R-2
- D. PRESENT USE OF PROPERTY: Vacant Land
- E. ZONING DISTRICT REQUESTED: B-1
- F. CONDITIONAL USE REQUESTED: _____
- G. LEGAL DESCRIPTION: (Fill in the one that applies)
- Lot or Tract East 1/2 of Lot 8 & all of Lot 9 Block 13
 - Tract Hunter of the _____
 Survey as per metes and bounds (field notes attached)
 - If other, attach copy of survey or legal description from the Records of Aransas County or Appraisal District.
- H. NAME OF PROPOSED DEVELOPMENT (if applicable) _____
- I. TOTAL ACREAGE OR SQ. FT. OF SITE(S): 26,250 SF
- J. REASON FOR REQUEST AND DESCRIPTION OF DEVELOPMENT:
 (Please be specific)

We own the adjoining warehouse at 210 E Cornwall which has very limited parking. We originally purchased 202 E Cornwall to provide additional parking for the warehouse. The warehouse is zoned B-1 and the property across the street is zoned B-1. The rezone of the vacant lot would allow us to provide additional parking to occupants and customers of the warehouse and would reduce the need for them to back out onto Cornwall or onto the Jack's Market parking lot when exiting the property.

Note: There was a house at 202 E Cornwall that was in very poor condition. We had it removed a few weeks ago.

K. OWNER'S NAME: (Please print) Christopher J. Crowley & Karra A. Crowley
 ADDRESS: PO Box 296
 CITY, STATE, ZIP CODE: Rockport, TX 78381
 PHONE NO (361) 730-3810 or (916) 215-5688

L. REPRESENTATIVE: (If Other Than Owner) N/A
 ADDRESS: _____
 CITY, STATE, ZIP CODE: _____
 PHONE NO _____

NOTE: Do you have property owner's permission for this request? N/A
 YES _____ NO _____

M. FILING FEE:

REZONING	\$150.00 + \$10.00 PER ACRE
PLANNED UNIT DEVELOPMENT	\$200.00 + \$10.00 PER ACRE
P.U.D. REVISION	\$200.00 + \$10.00 PER ACRE
CONDITIONAL PERMIT	\$150.00 + \$10.00 PER ACRE

(Make check payable to the City of Rockport)

- Submit application and filing fee to the Department of Building & Development, City of Rockport; 2751 S.H. 35 Bypass, Rockport, Texas 78382.

Signed: _____
 (Owner or Representative)

(FOR CITY USE)

Received by: _____ Date: _____ Fees Paid: \$ _____

Submitted Information (____ accepted) (____ rejected) by: _____

If rejected, reasons why: _____

Receipt No. _____

STAFF REPORT

Building & Development Services | Carey Dietrich, Community Planner
 2751 SH 35 Bypass, Rockport, TX 78362
 Phone: (361) 790-1125, x. 226 | Email: communityplanner@cityofrockport.com

**PROPERTY ADDRESS/LOCATION**

202 E Cornwall

APPLICANT/PROPERTY OWNER

Christopher & Kara Crowley, Owner

PUBLIC HEARING DATE

P&Z – Monday, February 19, 2024
 CC – Tuesday, February 27, 2024

P&Z DATE

P&Z – Monday, February 19, 2024

CITY COUNCIL DATE(S)

1st Reading - Tuesday, February 27, 2024
 2nd Reading – Tuesday, March 12, 2024,

BRIEF SUMMARY OF REQUEST

Property owners, Christopher & Kara Crowley, wish to provide additional parking to occupants and customers of the warehouse on the adjoining property owned by Mr. & Mrs. Crowley.

A public notice regarding this item was published in The Rockport Pilot in the Saturday, February 3, 2024 edition and mailed out to twenty two (22) property owners within a 200-foot radius of the property. No letters For or Against the request have been received at this time.



REQUEST FOR REZONE TO COMMERCIAL

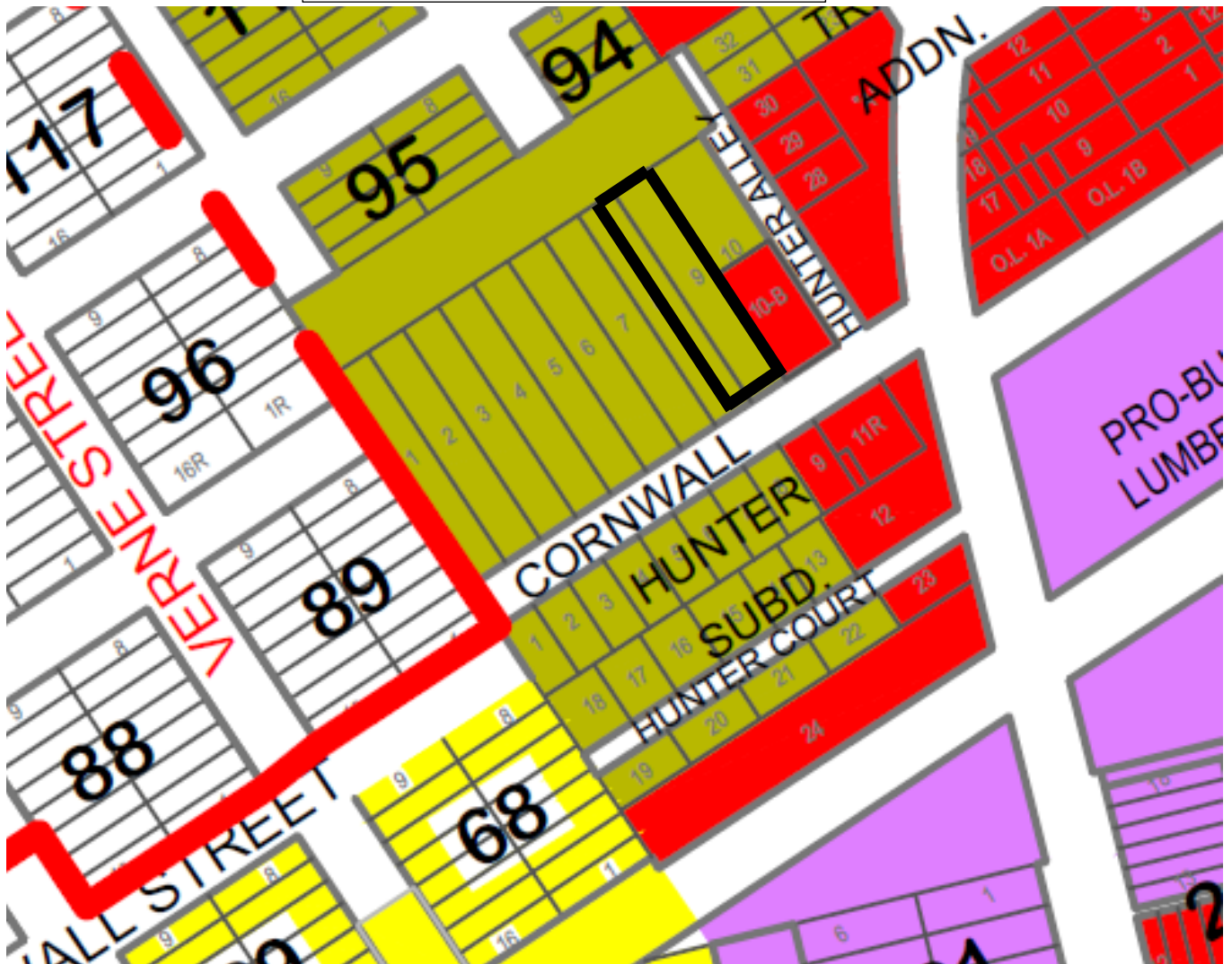
PROPERTY ADDRESS: 202 E. Cornwall
Rockport, TX 78382

PROPERTY ID: 24257

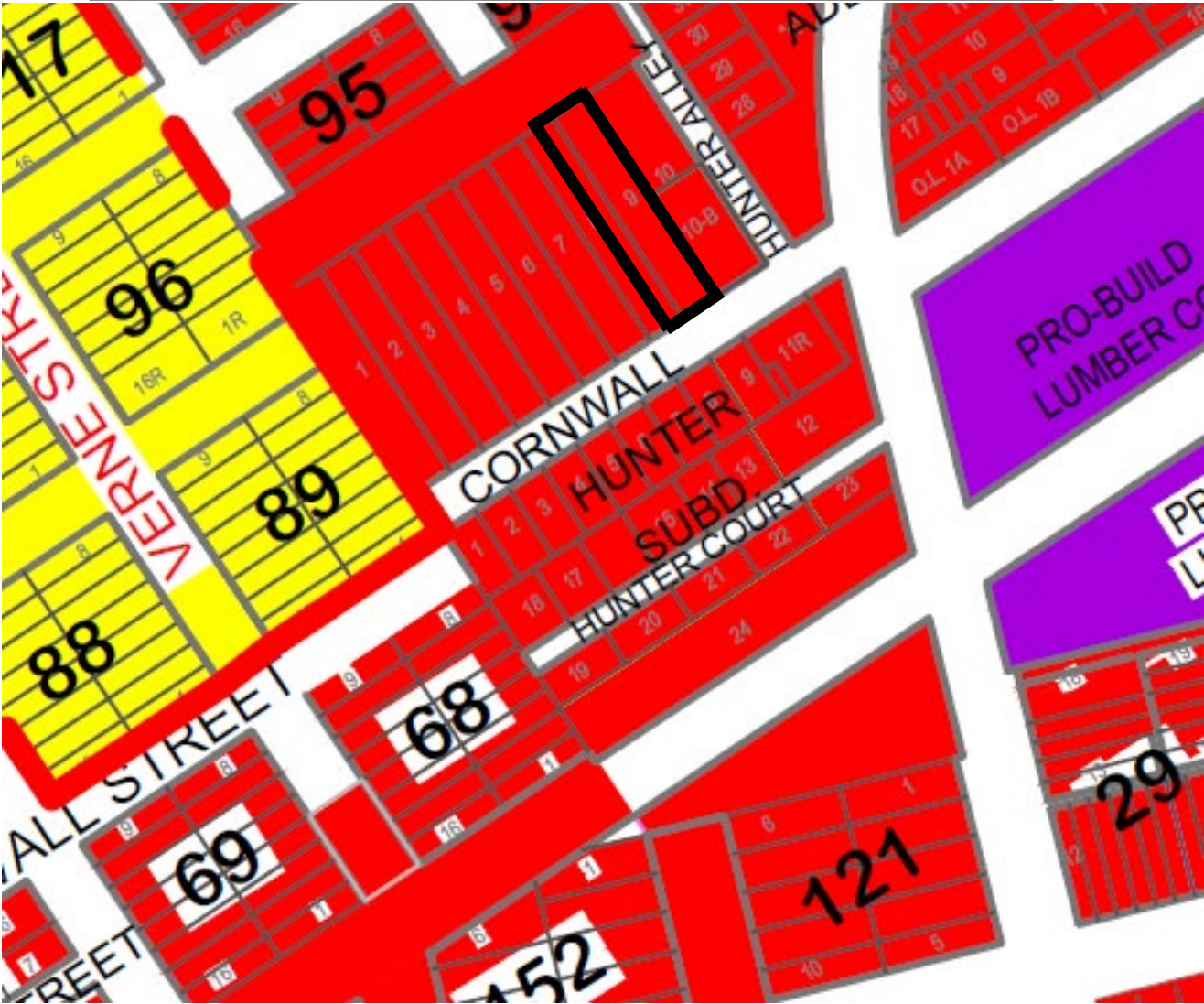
PROPERTY OWNER: Christopher J. Crowley & Karra A. Crowley



<u>Property ID</u>	<u>Property Owner</u>	<u>Situs Address</u>	<u>Mailing Address</u>	<u>City</u>	<u>State</u>	<u>ZIP</u>
24257	Christopher & Karra Crowley	202 E Cornwall	PO Box 296	Rockport	TX	78381
24258	Christopher & Karra Crowley	210 E Cornwall	PO Box 296	Rockport	TX	78381
24259	Cecilia & Timoteo Benavidez	215 Hunters Aly	118 Champions	Rockport	TX	78382
24256	David Vasques	124 E Cornwall	7160 Hickory St	Frisco	TX	75034
24255	Ruben & Karina Aguilar	120 E Cornwall	120 E Cornwall	Rockport	TX	78382
24254	Gerardo & Holly Gomez	114 E Cornwall	15408 Rhodius Ln	Selma	TX	78154
52082	Gabriel Hausauer	205 E Cornwall	102 W Palfrey	San Antonio	TX	78223
52083	Villa Ville Kula LLC	209 E Cornwall	514 E Amber	San Antonio	TX	78221
24265	Dunyavi & Kanaiyalal Joshi	115 E Cornwall	309 Hwy 35 S	Rockport	TX	78382
24262	Gerardo & Holly Gomez	111 E Cornwall	15408 Rhodius Ln	Selma	TX	78154
51182	Beatrice Rinche	214 Hunters Aly	PO Box 539	Rockport	TX	78381
34826	DB21 LLC	309 Hwy 35 S	309 Hwy 35 S	Rockport	TX	78382
24250	Fred Shield & Co.	217 Hunters Aly	PO Box 90627	San Antonio	TX	78209
32847	Fred Shield & Co.	323 Racine St	PO Box 90627	San Antonio	TX	78209
34831	Frank Trapasso Jr.	218 Hunters Aly	3165 Carriage Cir	Naples	FL	34105
24249	Kimberly White	304 N Fuqua	304 N Fuqua	Rockport	TX	78382
59342	Naomi Vasquez	308-R N Fuqua	1011 N Terry St	Rockport	TX	78382-5519
32849	Naomi Rodriguez	306 N Fuqua	308 N Fuqua	Rockport	Tx	78382-5024
33710	Herman N Hartsfield, Jr.	205 Hwy 35 S	P. O Box 4987	Victoria	TX	77903-4987
32846	Unknown	312 Racine		Rockport	TX	78382
32845	Mary Cecile York	324 Racine	3422 Salsbury Dr	Dallas	Tx	75229-5924
51786	Albert & Veronica Saenz	423 Hwy 35 S	11642 Elm Ridge Rd	San Antonio	Tx	78230-2628
	Ruth Davis	Planning and Zoning Commi	Po Box 706	Fulton	TX	78358
	Ric Young	Planning and Zoning Commi	123 Royal Oaks Dr	Rockport	Tx	78382
	Kim Hesley	Planning and Zoning Commi	2003 Tule Park Drive	Rockport	TX	78382
	Warren Hassinger	Planning and Zoning Commi	2517 Turkey Neck Circle	Rockport	TX	78382
	Thomas Blazek	Planning and Zoning Commi	102 St Andrews St	Rockport	Tx	78382



FUTURE LAND USE MAP



CITY COUNCIL AGENDA

Regular Meeting: Tuesday, March 12, 2024

AGENDA ITEM: 10

Deliberate and act on second and final reading of an Ordinance of the City of Rockport declaring unopposed candidates in the May 4, 2024, City General Election, elected to office; cancelling the Saturday, May 4, 2024 Mayor At-Large, Council Member Ward 2, and Council Member Ward 4 Elections; and finding and finding and declaring that the meeting at which this Ordinance is adopted was open to the public, that the public notice of time, place and the subject matter of the public business to be considered was posted as required by law, including this Ordinance.

SUBMITTED BY: Interim City Secretary Kimberly Henry

APPROVED FOR AGENDA: VRS

BACKGROUND: In a city in which any of the members of the city council are elected from single member district, a general or special election may be cancelled in a single member district if:

1. Each candidate (including an at-large candidate) for an office that is to appear on the ballot in that district is unopposed; and
2. No proposition is to appear on the ballot [EC §20.051(b)].

The City Secretary has delivered to the City Council a Certification that the candidates for Mayor At-Large, City Council Ward 2, and City Council Ward 4 are unopposed. Upon receiving the certification, the City Council may declare the unopposed candidates elected to office, in which case the election for those positions are cancelled. Although the statute requires the City Secretary make the certification to City Council, the Council is given discretion in declaring unopposed candidates elected. City Council may hold the election regardless of the unopposed status of the candidates.

Sec. 2.051. APPLICABILITY OF SUBCHAPTER.

(b) In the case of an election in which any members of the political subdivision's governing body are elected from territorial units such as single-member districts, this subchapter applies to the election in a particular territorial unit if each candidate for an office that is to appear on the ballot in that territorial unit is unopposed and no at-large proposition or opposed at-large race is to appear on the ballot. This subchapter applies to an unopposed at-large race in such an election regardless of whether an opposed race is to appear on the ballot in a particular territorial unit.

§ 2.053 ACTION ON CERTIFICATION.

(a) On receipt of the certification, the governing body of the political subdivision by order or ordinance may declare each unopposed candidate elected to the office. If no election is to be

held on election day by the political subdivision, a copy of the order or ordinance shall be posted on election day at each polling place used or that would have been used in the election.

(b) If a declaration is made under Subsection (a), the election is not held.

There have been no changes since the first reading.

FISCAL ANALYSIS: There may be a cancellation fee of up to \$75.00 to the County; however, the remaining budget for the election will be a savings.

RECOMMENDATION: Staff recommends Council pass the second and final reading of an Ordinance of the City of Rockport declaring unopposed candidates in the May 4, 2024, City General Election, elected to office; cancelling the Saturday, May 4, 2024 Mayor At-Large, Council Member Ward 2, and Council Member Ward 4 Elections; and finding and finding and declaring that the meeting at which this Ordinance is adopted was open to the public, that the public notice of time, place and the subject matter of the public business to be considered was posted as required by law, including this Ordinance.

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF ROCKPORT DECLARING UNOPPOSED CANDIDATES IN THE MAY 4, 2024, GENERAL CITY ELECTION, ELECTED TO OFFICE; CANCELLING THE SATURDAY, MAY 4, 2024, MAYOR AT-LARGE, COUNCIL MEMBER WARD 2, AND COUNCIL MEMBER WARD 4 ELECTIONS; AND FINDING AND DECLARING THAT THE MEETING AT WHICH THIS ORDINANCE IS ADOPTED WAS OPEN TO THE PUBLIC, THAT THE PUBLIC NOTICE OF TIME, PLACE, AND THE SUBJECT MATTER OF THE PUBLIC BUSINESS TO BE CONSIDERED WAS POSTED AS REQUIRED BY LAW, INCLUDING THIS ORDINANCE.

WHEREAS, the General City Election was called for Saturday, May 4, 2024 for the purpose of electing members to the City Council; and

WHEREAS, the City Secretary has certified in writing that there is no proposition on the ballot, that no person has made a declaration of write-in candidacy, and that the Mayor At-Large, Council Member Ward 2, and Council Member Ward 4 candidates on the ballot are unopposed for election to office; and

WHEREAS, under these circumstances, Subchapter C, Chapter 2, Election Code, authorizes the City Council to declare the candidates elected to office and cancel the election for Mayor At-Large, Council Member Ward 2, and Council Member Ward 4.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROCKPORT, ARANSAS COUNTY, TEXAS:

Section 1: The following candidates, who are unopposed in the Saturday, May 4, 2024, General City Election, are declared elected to office, and shall be issued certificates of election following the time the election would have been canvassed:

**Tim Jayroe – Mayor At-Large
Matt Anderson - Council Member Ward 2
Andrea Marie Hattman – Council Member Ward 4**

Section 2: That Saturday, May 4, 2024, Mayor At-Large, Council Member Ward 2, and Council Member Ward 4 General City Election is canceled, and the City Secretary is directed to cause a copy of this Ordinance to be posted on Election Day at each polling place that would have been used in the election.

Section 3. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

Section 4. All ordinances and codes, 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 provisions of this Ordinance shall be and remain controlling as to the matters resolved herein.

Section 5. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Ordinance would have been enacted without such invalid provision.

Section 6. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 7. This Ordinance shall become effective upon adoption by second and final reading.

APPROVED and **PASSED** on first reading the 27th day of February 2024.

CITY OF ROCKPORT:

Tim Jayroe, Mayor

ATTEST:

Kimberly Henry, Interim City Secretary

APPROVED, PASSED and ADOPTED on second reading the _____ day of _____ 2024.

CITY OF ROCKPORT, TEXAS

Tim Jayroe, Mayor

ATTEST:

Kimberly Henry, Interim City Secretary

CITY COUNCIL AGENDA

Council Meeting: Tuesday, March 12, 2024

AGENDA ITEM: 11

Deliberate and act on the approval of an Emergency Change Order for repairs to the East Clarifier at the Wastewater Treatment Plant (WWTP).

SUBMITTED BY: Director of Public Works & Building Development Michael S. Donoho, Jr

APPROVED FOR AGENDA: VRS

BACKGROUND:

Immediate repairs are necessary because we continue to be without the grit removal system because of the failure of the existing equipment. Without the grit removal system and this Clarifier, we are still experiencing higher levels of suspended solids in our treatment process. We cannot wait to get these repairs done, as it will lead to exceeding our permit levels.

We have asked R.P. Constructors to make these needed immediate repairs as they mobilize for the full contract for the repairs and upgrades to the WWTP.

FISCAL ANALYSIS: The estimated cost for these repairs is \$40,250.00

Revenues:	ARPA	\$2,627,522.20
	Unspent Bonds	\$2,370,525.80
	Total:	\$4,998,048.00

Expenses:	Grant Admin	\$ 127,000.00
	Engineering	\$ 300,200.00
	Construction	\$4,570,848.00
	Total:	\$4,998,048.00

This Change Order #2 would require an additional \$40,250.00 to be split as follows:

Unspent Bond Funds (remaining balance)	\$39,402.00
Utility Fund 02-6467016 (Equipment)	\$ 848.00

RECOMMENDED ACTION: Approve emergency change order in the amount of \$40,250.00 to R.P. Constructors INC.9455 IH35 North New Braunfels, Texas 78130.

**R.P. CONSTRUCTORS, INC.
9455 IH 35 NORTH
NEW BRAUNFELS, TEXAS 78130-7132
512-392-5111**

February 29, 2024

Mr. Mark Maroney, P.E.
Urban Engineering
2725 Swantner Drive
Corpus Christi, Texas 78404

Re: Rockport WWTP

Mr. Maroney:

We are in receipt of your email dated February 18, 2024 regarding repairs needed at the east clarifier. Our attached change order proposal breakdown is based on the following scope of work.

- 1) Temporary Support Bridge / Center Column / Torque Tube.
- 2) Remove Support Beam / Remove and Replace Rexnord Bearing, and **examine only** Stub Shaft.
- 3) Reinstall with 316 SS fasteners.
- 4) Work necessary for lower leveling wear bar assembly (3 each).

We have made several trips to the site to investigate the work required. The cost for this work is **\$40,250.00.**

Mr. Maroney
February 29, 2024
Page 2

Exclusions / Clarifications:

- a) Price is based on bearing currently in stock in California.
- b) If stub shaft needs replaced or repaired, additional mechanism removal would be quoted separately.
- c) Our price excludes repair to any other components of the drive mechanism, gears, etc.
- d) Our price excludes any repair to the rake arm squeegees.
- e) Painting / Electrical is excluded.

We are requesting a contract time extension of 14 calendar days for this work.

This price is good for 10 calendar days from the date of this letter.

Please inform us if you need any additional information.

Sincerely,



Robert C. Pfeiffer
President

RCP:las
Enclosure (1)

cc: File/Field

R.P. CONSTRUCTORS, INC.
9455 IH 35 N
NEW BRAUNFELS, TEXAS 78130-7132

ROCKPORT WWTP

JOB # 272

CHANGE ORDER PROPOSAL

EAST CLARIFIER REPAIRS

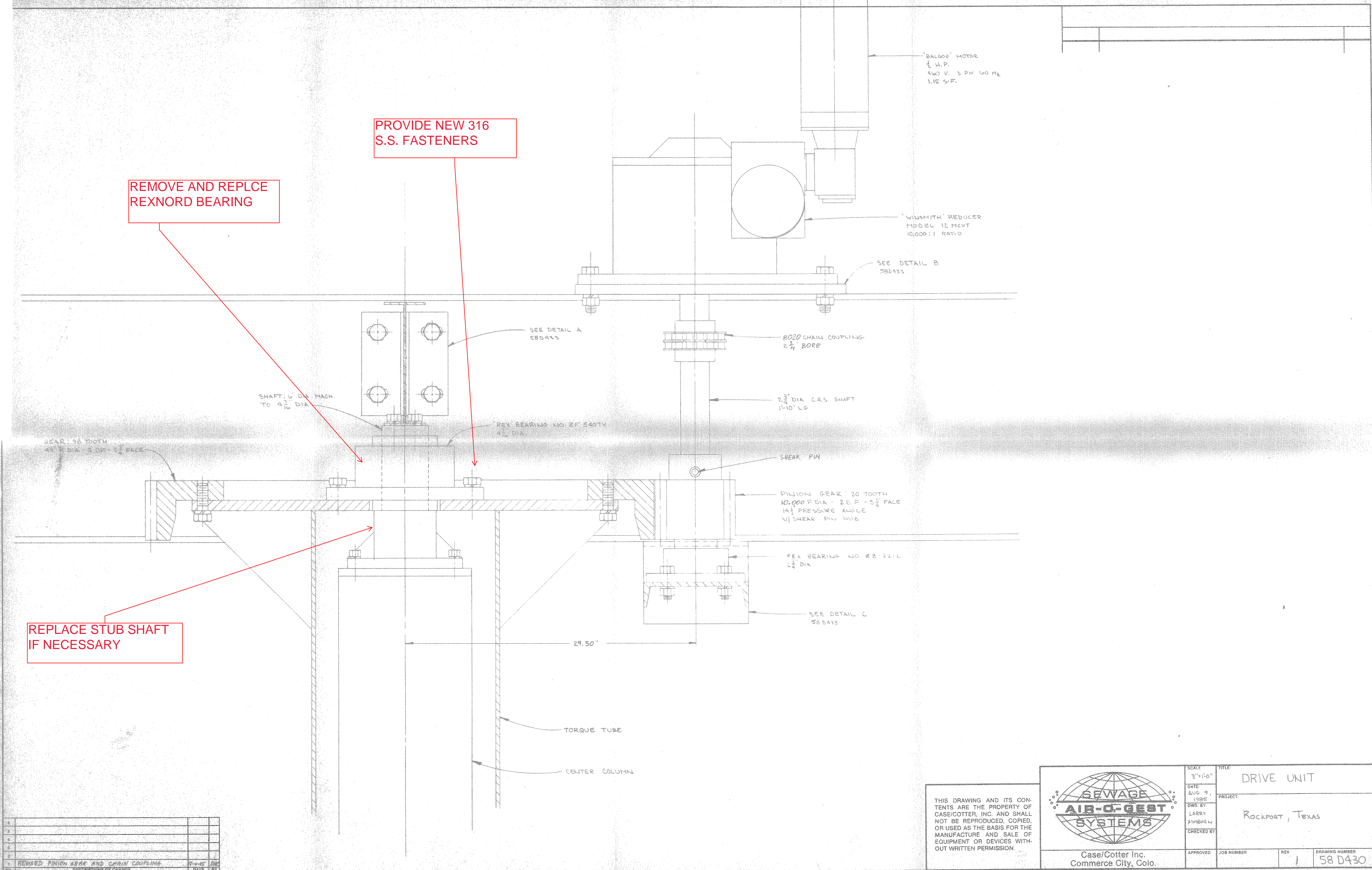
LABOR	100 MH @ \$45.00 / MH	\$ 4,500.00
LABOR BURDEN (40%)		\$ 1,800.00
TOOLS & SUPPLIES	(SHORING / ETC.)	\$ 1,350.00
MATERIAL	(BOLTS / LOWER LEVELING WEAR BAR MATERIAL)	\$ 1,250.00
EQUIPMENT	(CRANE)	\$ 4,000.00
EQUIPMENT SERVICE & REPAIR (40%)		\$ 1,600.00
SUBCONTRACTOR	(NOBLE MANUFACTURING)	\$19,500.00
OUT OF TOWN LIVING SUBSISTENCE		\$ 1,000.00

SUBTOTAL:	\$35,000.00
RPC 15% OH&P:	\$ 5,250.00
TOTAL:	\$40,250.00

REMOVE AND REPLCE
REXNORD BEARING

PROVIDE NEW 316
S.S. FASTENERS

REPLACE STUB SHAFT
IF NECESSARY



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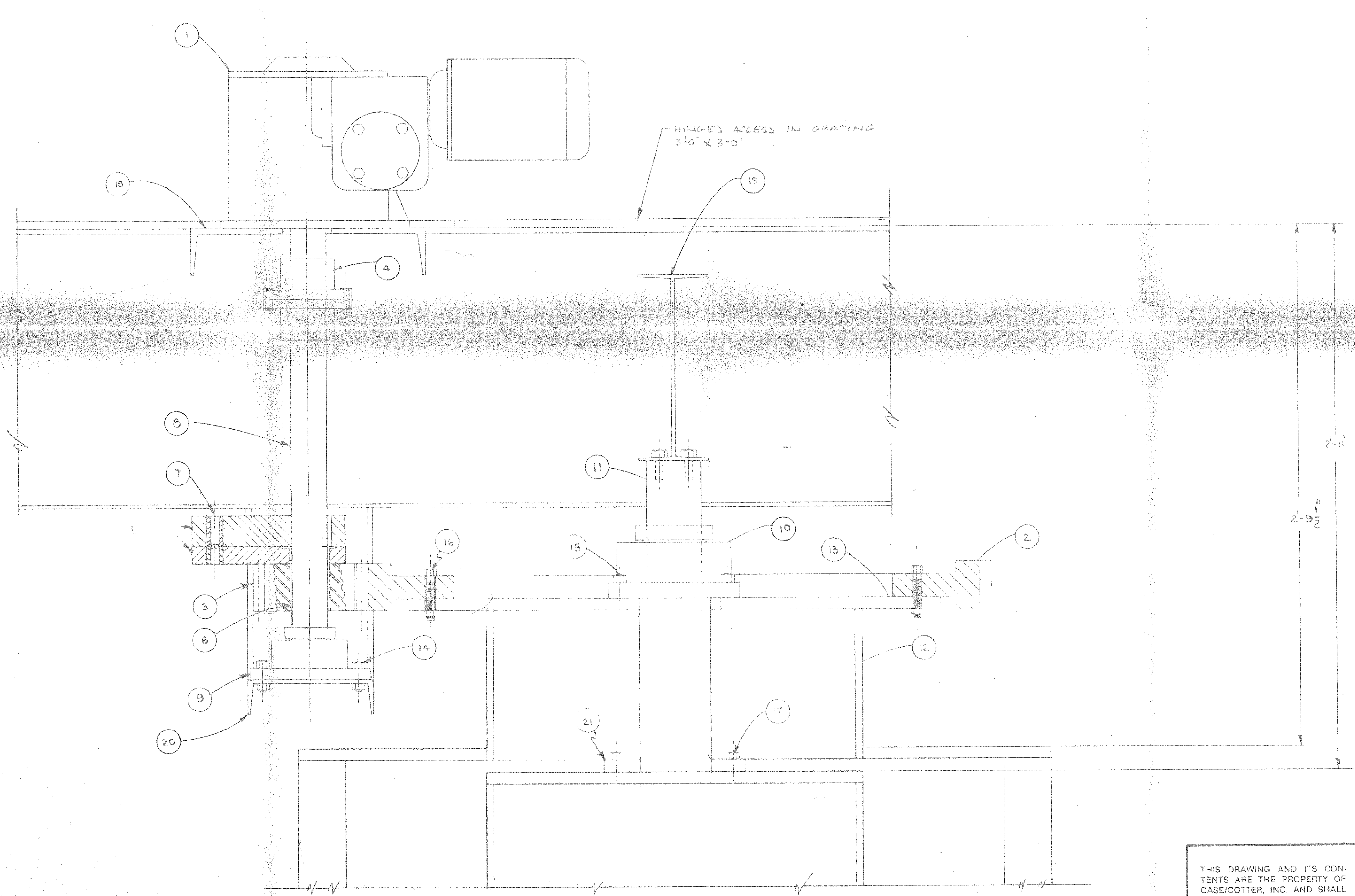
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Case/Cotter Inc.
Commerce City, Colo.

SCALE 3"=1'-0"	TITLE DRIVE UNIT		
DATE AUG 9, 1985	PROJECT: Rockport, Texas		
DWG. BY LARRY ASHBURN	APPROVED	JOB NUMBER	REV. 1
CHECKED BY			DRAWING NUMBER 58 D430

MATERIAL LIST

ITEM NO.	DESCRIPTION	NO. REQ'D.
1	WINSMITH 12 MCVT GEAR REDUCER RATIO: 10,000 TO 1 $W\frac{1}{2}$ H.P. - 460 V. 3 PH 60 HZ. 1.15 S.F. 56C FRAME	1
2	120 TOOTH-40,000" P.D. - 3 D.P. - 3" FACE - $14\frac{1}{2}$ " PRESSURE ANGLE SPUR GEAR	1
3	20 TOOTH-6.667 P.D.-3 D.P.-3" FACE - $14\frac{1}{2}$ " PRESSURE ANGLE PINION	1
4	$2\frac{3}{4}$ " DIA CHAIN COUPLING	1
5	SHEAR PIN ASSY	1
6	PINION GEAR BUSHING	1
7	SHEAR PIN	1
8	$2\frac{3}{4}$ " DIA DRIVE SHAFT	1
9	$2\frac{3}{4}$ " DIA REX 4 BOLT FLANGE BLOCK MODEL ZB 2212	1
10	$3\frac{1}{2}$ " DIA REX 4 BOLT FLANGE BLOCK MODEL ZB2308	1
11	$4\frac{1}{2}$ " DIA SUPPORT PIN	1
12	24" DIA $\times \frac{3}{8}$ " WALL PIPE $\times 9\frac{5}{8}$ LG	1
13	$\frac{3}{4}$ " R $\times 2$ -10 O.D. $\times 6$ " I.D.	1
14	$\frac{5}{8}$ " DIA-11 NC HEX HD BOLT $\times 2$ " LG W/NUT	4
15	$\frac{3}{4}$ " DIA-10 NC HEX HD BOLT $\times 2\frac{1}{2}$ " LG W/NUT	4
16	$\frac{1}{2}$ " DIA-13 NC HEX HD BOLT $\times 2\frac{1}{2}$ " LG W/NUT	24
17	$\frac{5}{8}$ " DIA-11 NC HEX HD BOLT $\times 1\frac{3}{4}$ " LG	8
18	C 15 $\times 38.9$	1
19	WF 12 $\times 14.0$	1
20	C 8 $\times 6.2$	A/R
21	4" DIA FLANGE	1



WROTE

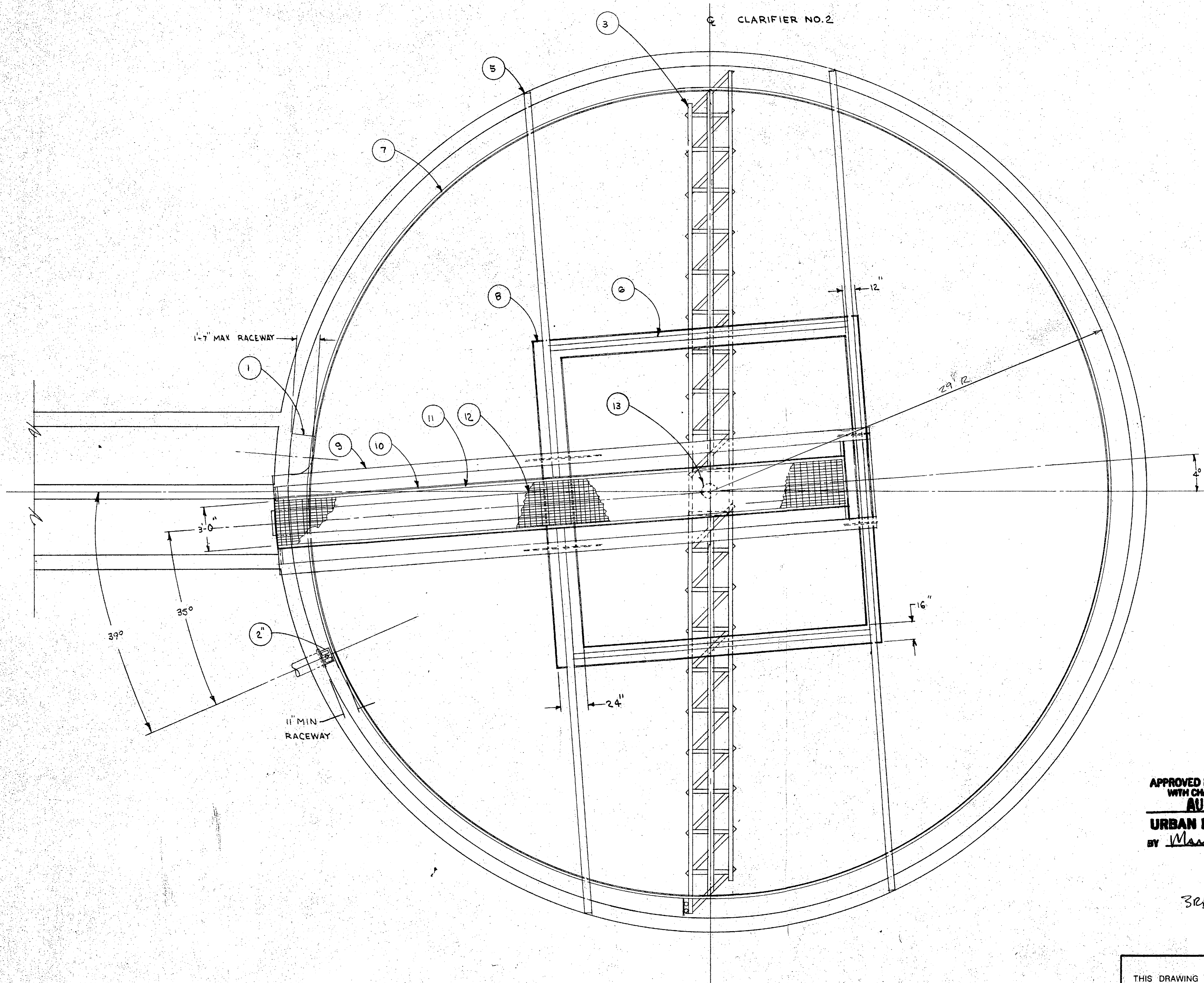
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	SCALE 3'-1'-0"	TITLE DRIVE UNIT ASSY	
	DATE 6-25-85	PROJECT ROCKPORT WASTEWATER FACILITY IMPROVEMENTS TEXAS	
	DWG BY 2.8	APPROVED	DRAWING NUMBER 58D423
	CHECKED BY	JOB NUMBER	REV

Case/Cotter Inc.
Commerce City, Colo.

NORTH



MATERIAL LIST

ITEM NO.	DESCRIPTION	NO. REQ'D
1	1/4" INLET BAFFLE	1
2	10' DIA PIVOTING SKIMMER	1
3	TRANS JCT. TROSS RAKE ARM	2
4	NOT USED	
5	WF14x26.0x28'-0" LG OUTRIGGER	2
6	WEIR TROUGH SUPPORT WF14x26.0	2
7	.064x9'-6" ALUM ALCAD BAFFLE W/ALUM ALCAD RIM ANGLE	A/R
8	1/2" R WEIR TROUGH	1
9	WF24x68.0 BRIDGE BEAMS	2
10	5x3x1/4" L KICK PLATE	A/R
11	1 1/2" DIA SCH 40 PIPE HOT DIPPED GALVANIZED	A/R
12	1x6x1 1/2" THK FIBERGLASS GRATING	A/R
13	12" DIA CENTER COL.	1
14	13 DIA TORQUE TUBE	1
15	BAFFLE HANGERS 562067	15

NOTES: UNLESS OTHERWISE SPECIFIED

1. THE CLARIFIER SHOWN IS FOR THE NO. 2 UNIT
2. ALL EQUIPMENT TO BE HOT DIPPED GALVANIZED AFTER FABRICATION EXCEPT ALUMINUM BAFFLE SKIRT AND THE STAINLESS STEEL FASTENERS
3. QUANTITIES SHOWN ARE FOR ONE CLARIFIER TWO UNITS ARE REQUIRED

NUNN & SHUMWAY

AUG 27 1985

CHECKED: *[Signature]*

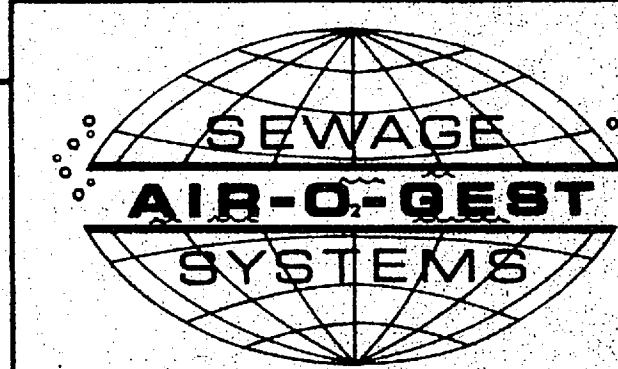
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APPROVED FOR DESIGN ONLY
WITH CHANGES AS NOTED
AUG 30 1985

URBAN ENGINEERING
BY *Mark Manning*

3RD RE-SUBMITTAL NO. 22

REFERENCE DRAWINGS			
DRAWING NO.	DESCRIPTION	DATE	REV
56D	58'-0" DIA PERIPHERAL FEED CLARIFIER (PLAN)	4-5-85	20
56D 1067	RAKE ARM DETAIL	4-5-85	21
56D 1378	SCUM PIPE DETAIL	4-5-85	22
56D 1379	INLET TROUGH	4-5-85	23
56D 1380	CENTER COL. & TORQUE CAGE	4-5-85	24
56D 1381	ANCHOR DETAILS & CLARIFIER SKIRT	4-5-85	25
56D 1382	BRIDGE DETAIL	4-5-85	26
56D 1383	PIVOTING SKIMMER	4-5-85	27
56D 1384	WEIR TROUGH	4-5-85	28
56D 1385	DRIVE ASSEMBLY	4-5-85	29
56D 1386	TELESCOPIC VALVE	4-5-85	30

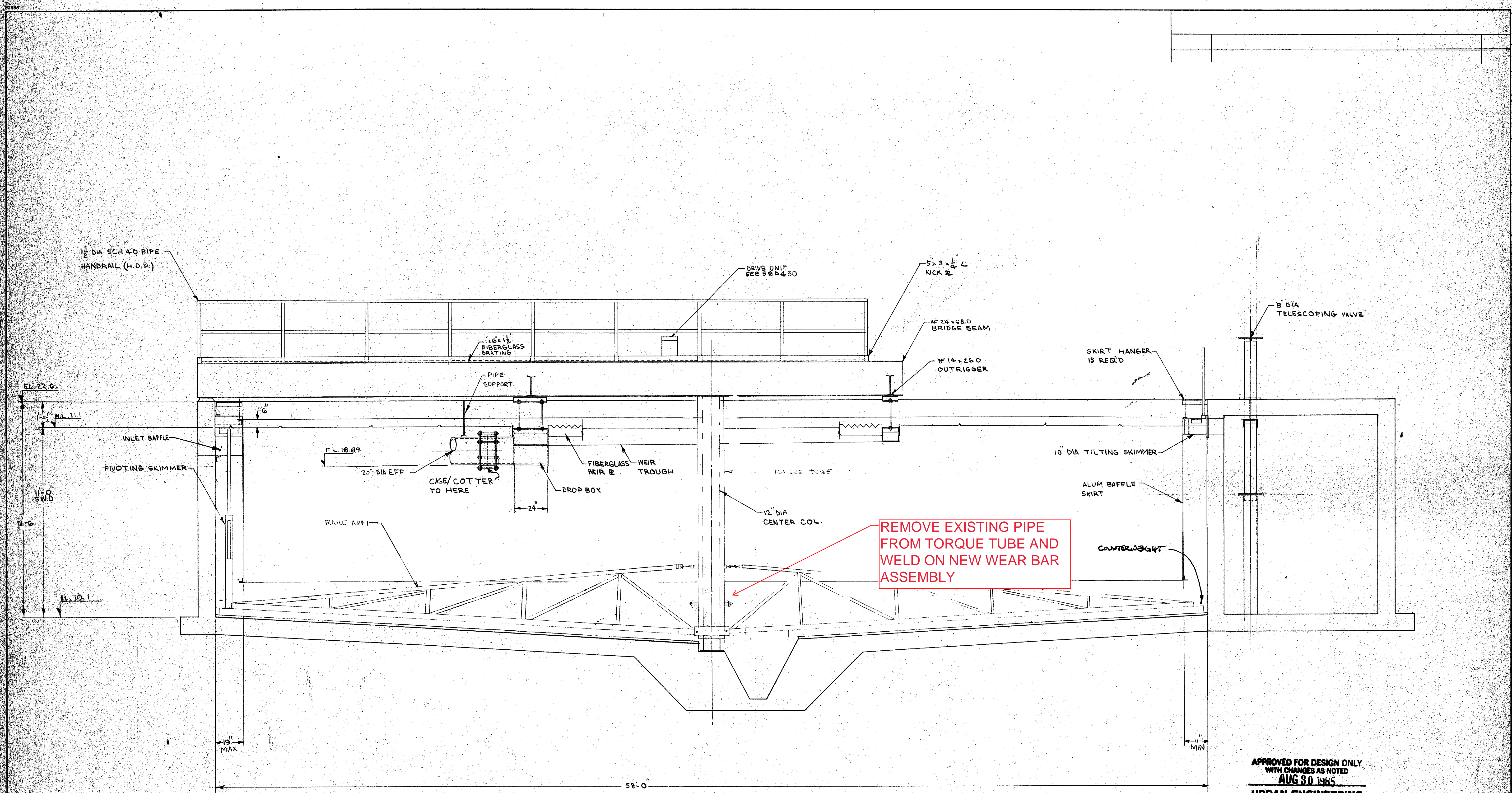


Case/Cotter Inc.
Commerce City, Colo.

SCALE	TITLE
1"=1'-0"	PLAN VIEW 58'-0" DIA PERIPHERAL FEED CLARIFIED
DATE	PROJECT
4-5-85	ROCKPORT WASTEWATER FACILITY IMPROVEMENTS
DWG. BY	LOCATION
Z.Y.	ROCKPORT, TEXAS
CHECKED BY	REV.
APPROVED	JOB NUMBER
DRAWING NUMBER	56D 2065

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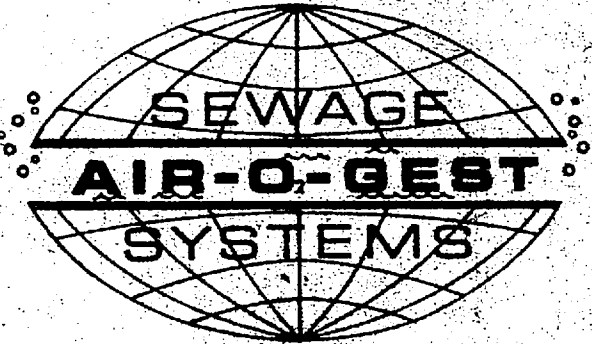


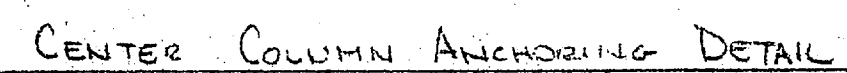
APPROVED FOR DESIGN ONLY
WITH CHANGES AS NOTED
AUG 30 1985
URBAN ENGINEERING
BY *Mark Maroney*

NUNN & SHUMWAY
AUG 27 1985
CHECKED: *[Signature]*

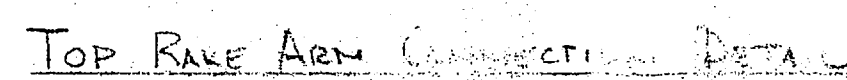
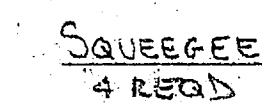
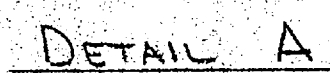
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 Case/Cotter Inc. Commerce City, Colo.	SCALE 3/8"=1'-0"	TITLE 58'-0" DIA PERIPHERAL FEED CLARIFIER ELEVATION
	DATE 4-6-85	PROJECT ROCKPORT WASTEWATER FACILITY IMPROVEMENTS TEXAS
	DWG. BY S.S.	CHECKED BY <i>[Signature]</i>
	APPROVED <i>[Signature]</i>	JOB NUMBER REV DRAWING NUMBER 5602066

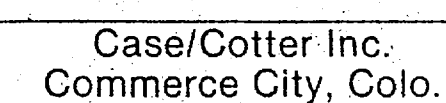


24-REQUIRED PER CLARIFIER

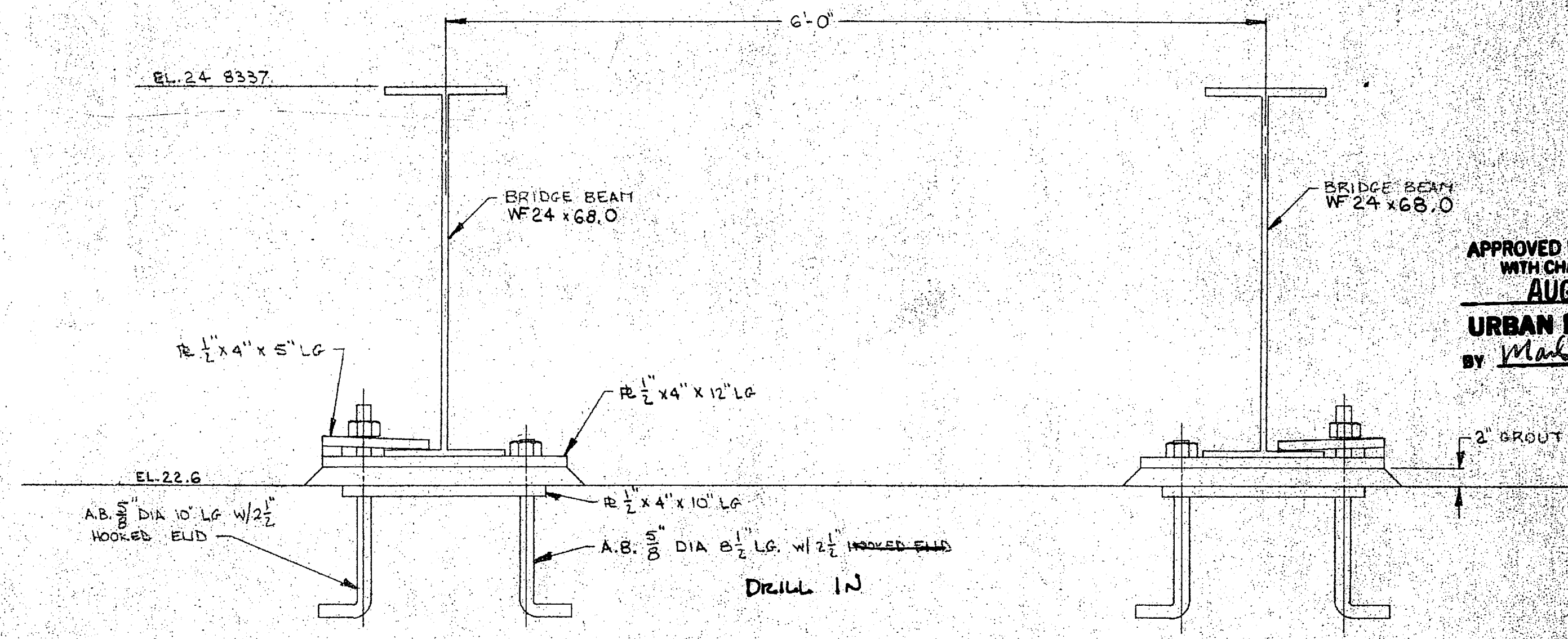
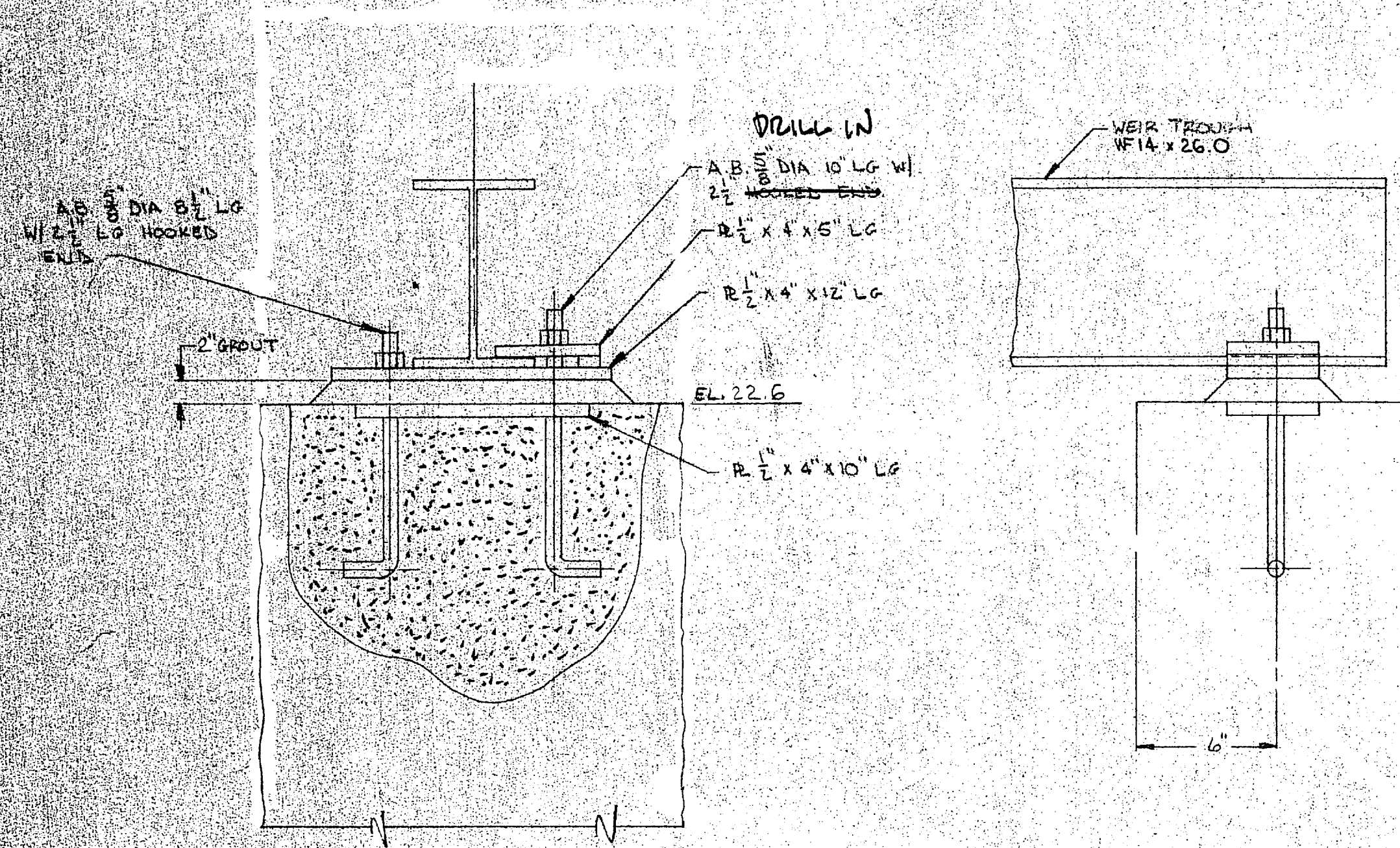
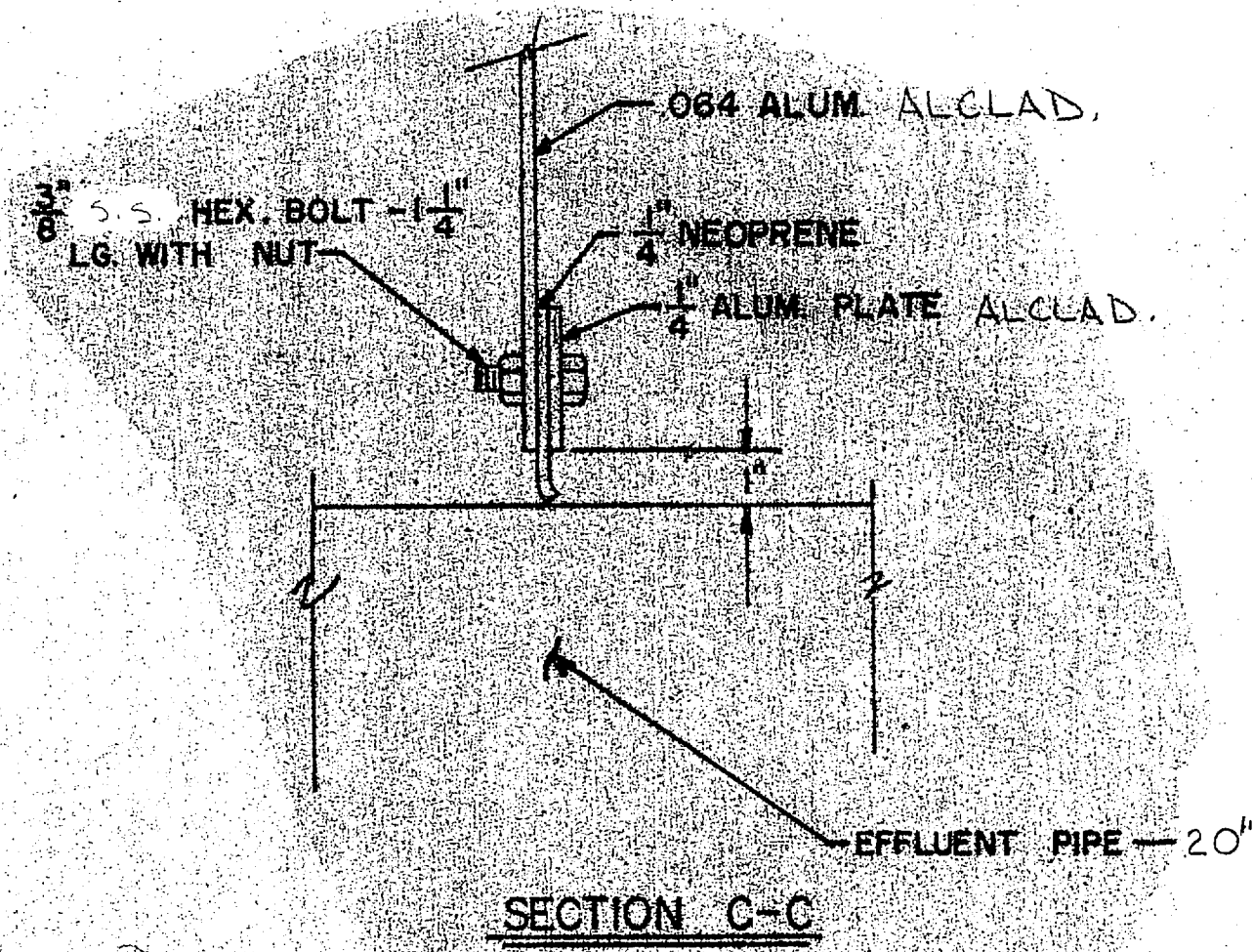
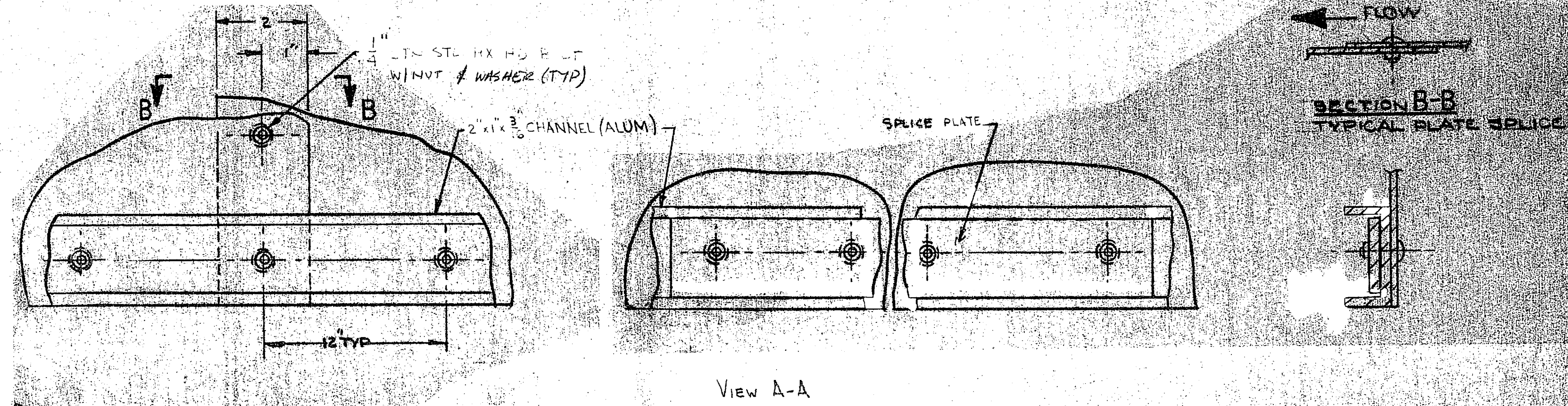
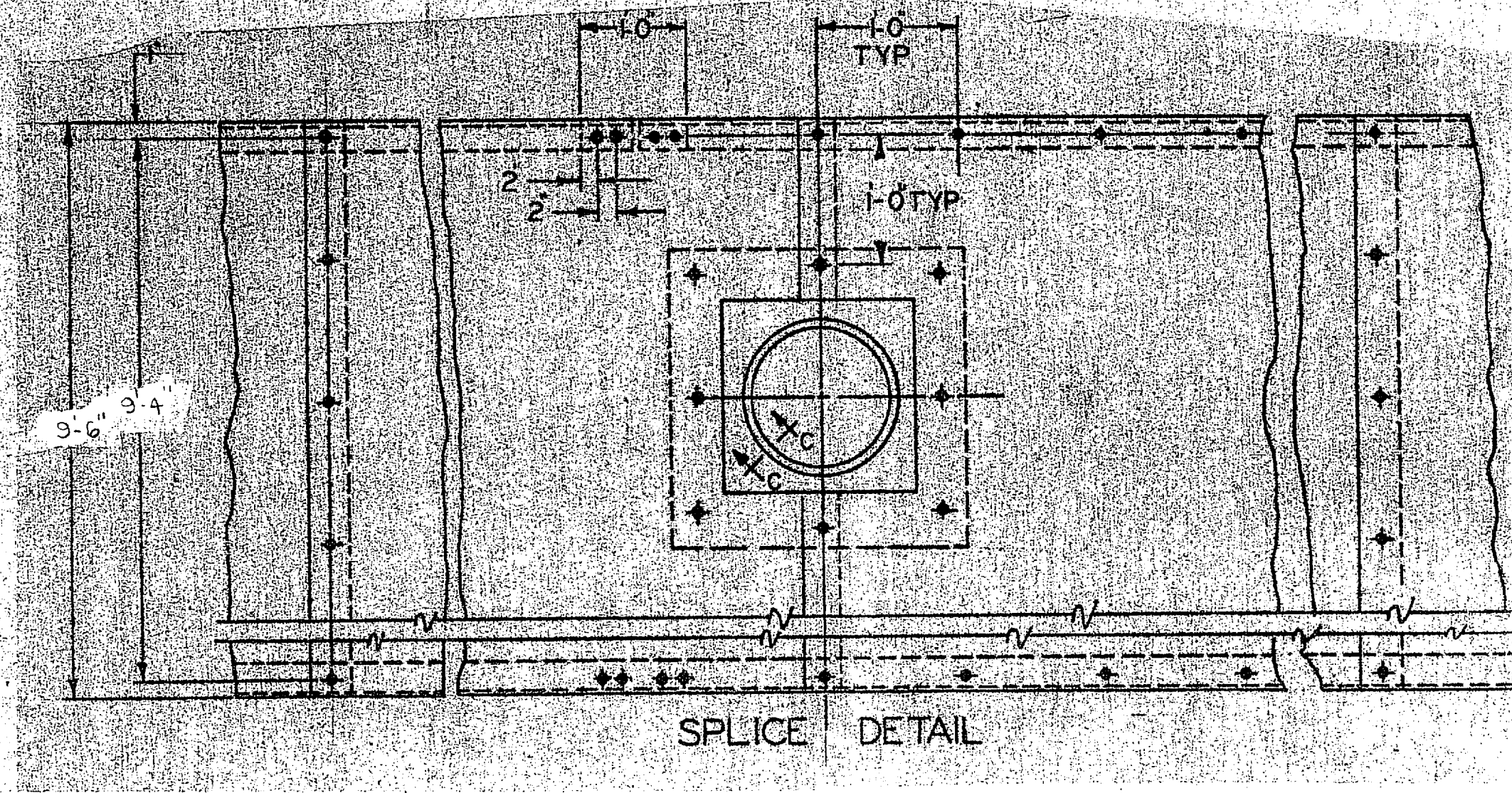


URBAN ENGINEERING
BY Mark Maroney

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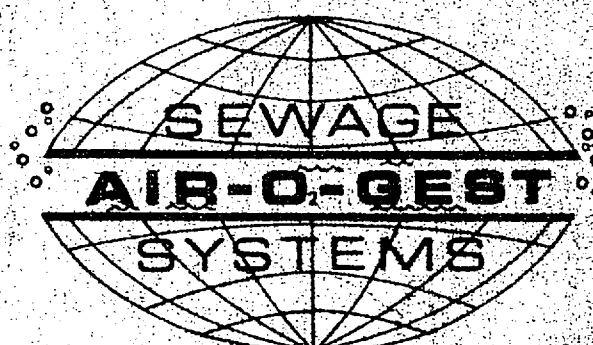
SCALE	TITLE		
NOTE	MISC. DETAILS		
DATE AUG 12, 1985	PROJECT		
DWG BY LARRY RHEBERG	ROCKPORT, TEXAS		
CHECKED BY			
APPROVED	JOB NUMBER	REV.	DRAWING NUMBER SGD 2069



APPROVED FOR DESIGN ONLY
WITH CHANGES AS NOTED
AUG 30 1985
URBAN ENGINEERING
BY Mark Manning

NUNN & SHUMWAY
AUG 27 1985
CHECKED: [Signature]

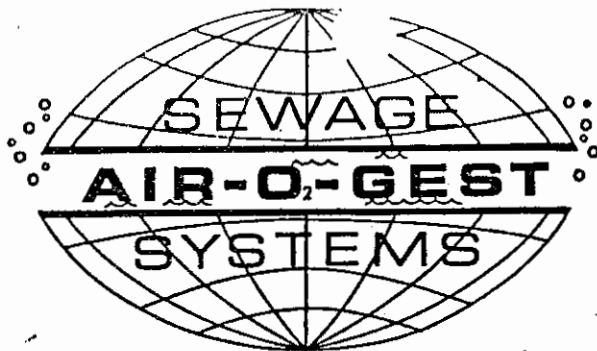
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Case/Cotter Inc.
Commerce City, Colo.

SCALE NOTED	TITLE ANCHOR DETAILS & CLARIFIER SKIRT DETAILS
DATE OCT 4, 1989	PROJECT ROCKPORT WASTEWATER FACILITY IMPROVEMENTS ROCKPORT, TEXAS
DWG. BY LARRY ASHBY	DESIGNED BY [Signature]
APPROVED [Signature]	JOB NUMBER [Blank]
	REV. [Blank]
	DRAWING NUMBER 56D1995

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ENGINEERING DATA

Project: Wastewater Treatment Facilities

Location: City of Rockport, Texas

Engineer: Urban Engineering
P. O. Box 6355
Corpus Christi, Tx. 78411

Contractor: Nunn & Shumway Const. Co.
13209 Ann-Louise Road
Houston, Tx. 77086
(713) 445-4242

Agent: Graue-Haws, Inc.
P. O. Box 1089
LaPorte, Tx. 77571
(713) 471-5740

Manufacturer: Case/Cotter, Inc.
6625 Ea. 49th Ave.
Commerce City, Co. 80022
(303) 288-1511

REVISED

Equipment: Clarifier

Specification: 11D7

Type: Peripheral Feed

Quantity: Two

Model: PF

Rotation: No. 1 - CW
No. 2 - CW

Diameter: 58'-0"

Side Water Depth: 11'-0"

Freeboard: 1'-6"

Floor Slope: 3/4:12

Design Rotative Speed: .03 RPM

Tip Speed: .5 FPM

Weight of Each Unit: 22,000#

Effluent Pipe Size: 20 inch

Baffle Skirt Depth: 9'-0"

Tangential Skirt Width: 1'-7" Maximum
11" Minimum

SUPPORT BRIDGE

Width: 6'-0"

Length: 41'-0"

Beams: WF 24 x 68.0 ASTM A-36

Handrail: 1-1/2" Dia. Sched. 40 Pipe

Kickplate: 5 x 3 x 1/4" Angle, ASTM A-36

Floor Grating: Fiberglass 1" x 6" x 1-1/2"

RAKE ARMS

Number: Two

Material: ASTM A-36

Length: 28'-0"

Scrapers: 5 Per Arm

PIVOTING SCUM BREAKER

Number: One

Type: Hinged

SCUM SKIMMER

Number: One

Size: 10 inch

Opening: 22-1/2° - Two Required

Operator: Handle

BAFFLE SKIRT

Material: .064 Aluminum Alclad

Stiffener: Top - 2 x 1 x 3/16 Channel, Aluminum

Bottom - 2 x 1 x 3/16 Channel, Aluminum

Skirt Hangers: 24

WEIR TROUGH

Shape: Square
Weir Length: 160 feet

WEIR PLATES

Type: V-notched
Width: 8-1/4"
V-Notch: 2" deep, 90° on 4-1/2" centers
Material: Fiberglass

CENTER COLUMN

Material: 12 inch diameter pipe 3/8 inch wall
Length: 16'-6 1/8 inches
Drive Flange: 11" B.C.
Anchor Flange: 16 3/4" B.C.

TORQUE TUBE

Size: 18" Sch. 40 Pipe
Height: 15'-1 1/2"

INLET BAFFLE

Width: 1'-7"
Height: 3'-9"
Length: 4'-3"

PROTECTIVE COATING

Process: Hot Dipped Galvanizing ASTM A-123-73

FASTENERS AND ANCHORS

All fasteners and anchors will be 304 Stainless Steel.

CERTIFICATION

We have investigated the intended use of the equipment and material that we offer and we certify that it is suitable and proper for and will perform and operate properly in the intended installation.

DRIVE UNIT

Output Torque: 10,000 foot pounds
Output RPM: .03
Tip Speed: 5 ft/min.
Input Horsepower: 1/2
Electrical: 230/460 3 phase

Motor

Manufacturer: Baldor
Model: Dirty Duty
Horsepower: 1/2
Voltage: 230/460
Phase: 3
Cycle: 60
Frame: 56C
Service Factor: 1.15
Enclosure: Dirty Duty
Design: B
Insulation: Class F

Gear Reducer

Manufacturer: Winsmith
Model: 12MCVT
Ratio: 10,000:1
Housing: Cast Iron
AGMA: Certified
Type: Worm Gear
Gear: Class B Bronze
Reduction Steps: Triple
Overload: Alarm Setting - 8,000'#
Cutout Setting - 10,000'#

Spur Gear

Mounting: External of Bearing
Material: Ductile Iron ASTM A-536, 80-55-06
Teeth: 98
Tooth Face: 5.75 inches
Pitch Diameter: 49.0" PD
Diametral Pitch: 2
Ultimate Strength: 80,000 psi
Yield Strength: 55,000 psi

Pinion Bearing

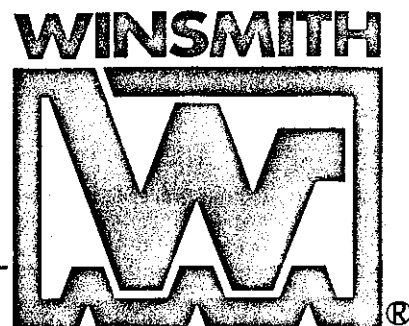
Type: Self-Aligning Double Roller
Manufacturer: Rex
Model No.: ZB-2212
Size: 2-3/4"

Torque Tube Bearing

Type: Self-Aligning Double Roller
Manufacturer: Rex
Model No.: ZF 5407Y
Size: 4-7/16"

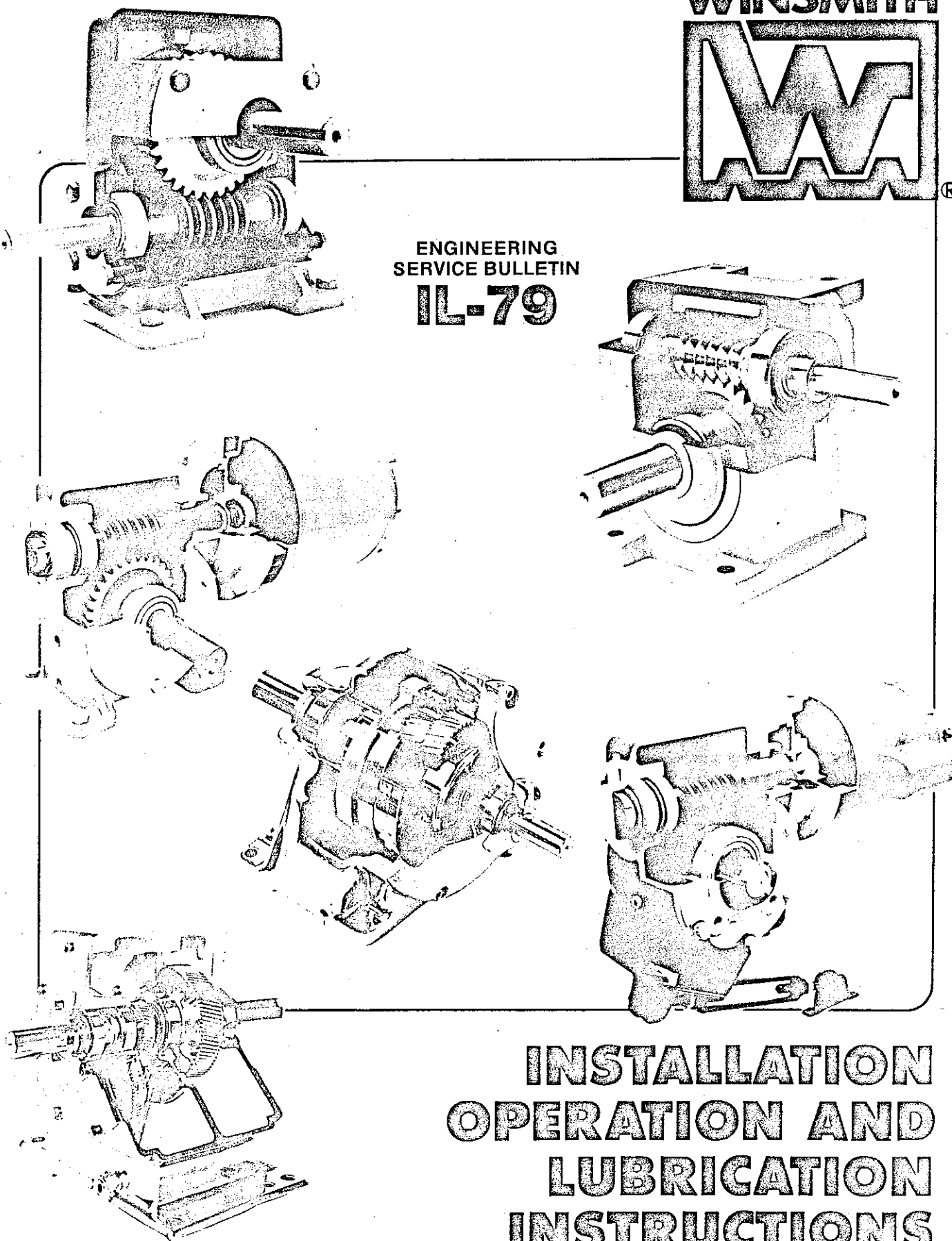
Pinion

Mounting: Shaft
Material: AISI 4130
Teeth: 20
Tooth Face: 5.75 inches
Pitch Diameter: 10.0 inches
Diametral Pitch: 2
Ultimate Strength: 86,000 psi
Mechanical Overload: Shear Pin



ENGINEERING
SERVICE BULLETIN

IL-79



INSTALLATION OPERATION AND LUBRICATION INSTRUCTIONS

This Engineering Service Bulletin is designed to enable users to obtain the best possible performance from their Winsmith Speed Reducers. The services of our Engineering Department are at your disposal at all times to help you solve any of your speed reducer problems.



INSTALLATION OPERATION AND

PROPER SELECTION

The selection of the appropriate speed reducer for a given application requires that all factors affecting the operation of the unit be given careful consideration. Service factors must be applied to catalog ratings depending on the type of prime mover used, severity of the application and duration of daily service. If you have any questions relative to the suitability of your Winsmith speed reducer for your particular application, refer to the selection section of the appropriate Winsmith catalog, contact your Winsmith representative or distributor, or contact Winsmith directly.

PROPER ALIGNMENT

1. The various drive members (motor, speed reducer, couplings, sprockets, sheaves, gears, etc.) should be aligned as accurately as possible to guard against unusual stresses and overloads imposed by misalignment.
2. If a prime mover shaft is to be directly connected to the high speed (input) shaft, or if the slow speed (output) shaft is to be directly connected to the driven shaft, flexible couplings should be used. It should be remembered that even flexible couplings have limited ability to accommodate misalignment. Care must be taken at installation to insure that shaft alignments are within the limits recommended by the coupling manufacturer. Use of a rigid coupling to connect speed reducer shafts to other drive components is not recommended as it is almost impossible to obtain exact alignment between two shafts.
3. A common base plate supporting the motor and reducer will help preserve the original alignment between reducer and motor shafts. If a structural steel base is used, the plate should be at least equal in thickness to the diameter of the bolts used to fasten the speed reducer to the base plate. Also, for sufficient rigidity, the design in general including angle or channel members should be substantial enough to prevent flexing under vibration. After the first week or two of operation all of the bolts and nuts used to fasten the reducer and motor, pedestal, etc., to the base plate should be retightened. Vibration tends to loosen the nuts even if tight initially. Dowelling the motor and speed reducer to the base plate will help insure that alignment is maintained.

LUBRICATION

1. **FACTORY FILLING.** Winsmith speed reducers are filled to the proper level prior to shipment with the appropriate grade of oil for operation in an industrial environment. The oil level should be checked prior to operation, using the oil level plug provided for that purpose.
2. **AMBIENT TEMPERATURE.** If ambient temperatures are abnormally low or high, the type of lubricant installed at the factory may be unsuitable. See the chart in this bulletin for extreme temperature lubricant recommendations.
3. **INITIAL OIL CHANGE.** The oil in a new speed reducer should be drained (using the drain plug provided) at the end of 250 hours of operation. (30 days for 8 hour per day service, 15 days for 16 hour service, 10 days for 24 hour service).
4. **OIL CHANGING.** When changing oil for any reason, it should be remembered that oils of various types may not be compatible. Therefore, when changing to a different oil, it is recommended that the housing be completely drained and thoroughly flushed with a light flushing oil prior to refilling with the appropriate lubricant. Under normal conditions, after the initial change, the oil should be changed after every 2500 hours of operation, or every six months, whichever occurs first. Under severe conditions (rapid temperature changes, moist, dirty or corrosive environment) it may be necessary to change oil at intervals of one to three months. Periodic examination of oil samples taken from the unit will help establish the appropriate interval. If a speed reducer is to stand idle for an extended period of time, (such as when used as a spare) it is recommended that the unit be filled completely with oil to protect interior parts from rust and corrosion due to condensation inside the housing. Be sure to drain the oil to the proper level before placing the speed reducer into service.

5. **EP (EXTREME PRESSURE) OILS.** Extreme pressure gear oils are generally recommended for use in planetary speed reducers. EP oils may also be used in helical gear speed reducers such as concentric shaft (Winline) shaft mount and parallel shaft (700-800-900) type units if no backstop device is used.

CAUTION: When a backstop is installed in a speed reducer, EP oils should not be installed. To assure proper operation of a backstop, non-EP gear oil of the proper viscosity as shown on the chart contained in this bulletin is mandatory.

6. **GREASE FITTINGS.** Some Winsmith reducers are equipped with grease fittings to lubricate bearings not adequately lubricated by the oil splash. These fittings should periodically be pressure lubricated with a short fiber grease with a work penetration of 310 to 340 at 77° F and an ASTM drop point of 250° F minimum.

7. **OIL TEMPERATURE.** Speed reducers in normal operation can generate temperatures up to 200° F depending on the type of reducer and the severity of the application (loading, duration of service, ambient temperatures). Excessive oil temperatures may be the result of one or more of the following factors:

A. **OVERLOADS.** An overload, due to the original selection of a unit too small for the application, or increasing loads on the speed reducer to a point where its rating is exceeded after it has been in service for a period of time. Always check the speed reducer rating when increasing driven loads or increasing the horsepower rating of the motor or other prime mover.

B. **OVERFILLING OR UNDERFILLING.** If a speed reducer is overfilled with oil, the energy used in churning the excessive oil can result in overheating. If this occurs, shut down the drive, remove the oil level plug and allow oil to drain until oil ceases to drain from the level hole, reinstall the oil level plug, and restart the drive. If the speed reducer is underfilled, the resultant friction can cause overheating. If this occurs, fill the speed reducer to the oil level plug hole.

C. **INADEQUATE COOLING.** In order to dissipate internally generated heat, the speed reducer must be installed in such a way that air can circulate freely. Tightly confined areas (inside cabinets, etc.) should be avoided. If this is not possible, forced air cooling by means of a separate blower or a fan integral to the speed reducer should be used.

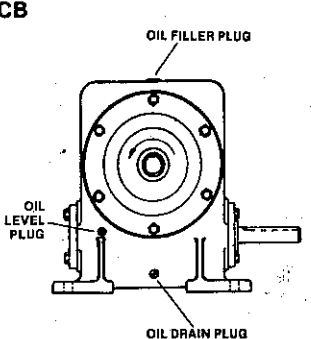
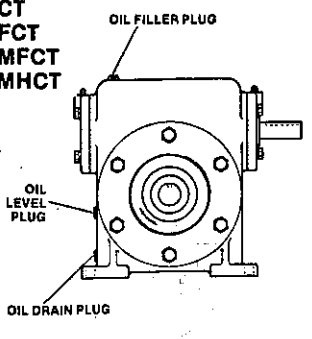
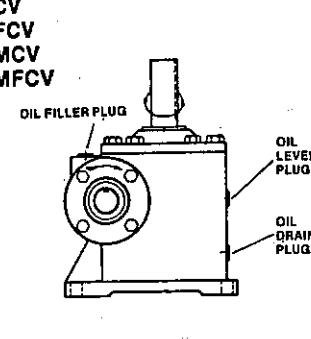
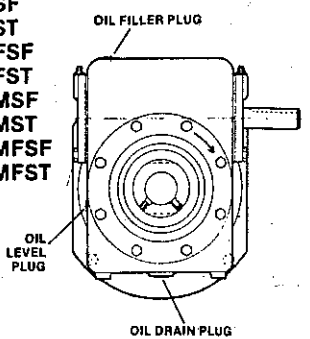
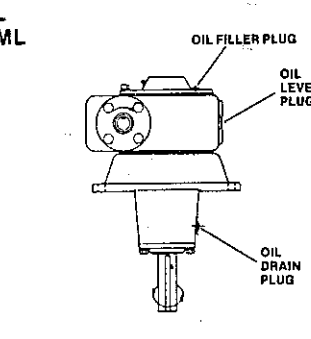
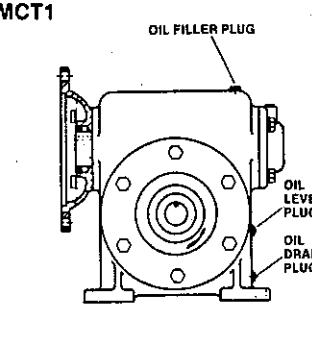
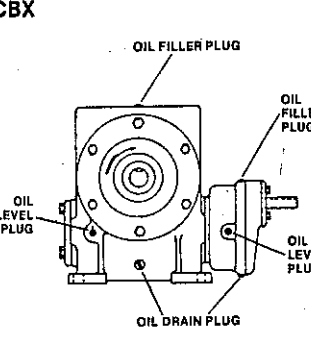
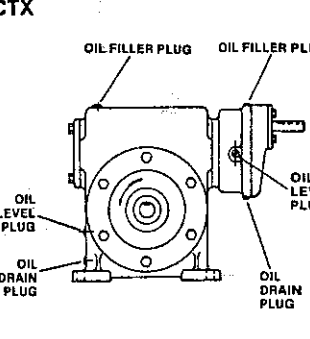
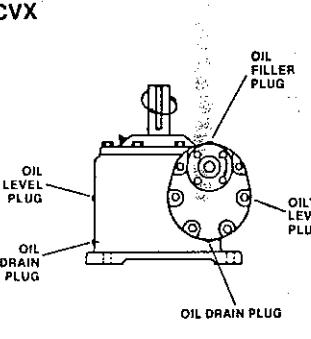
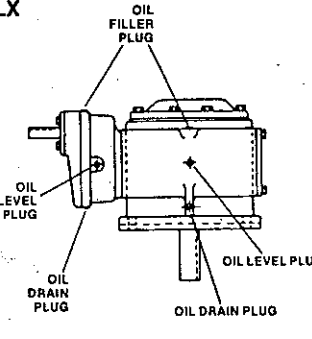
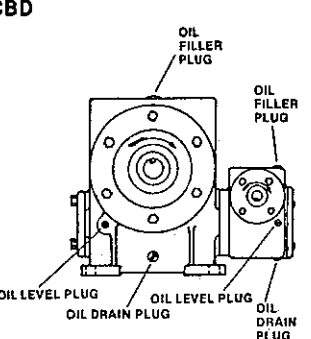
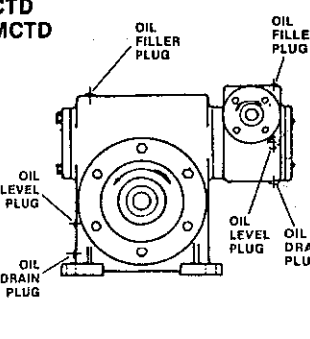
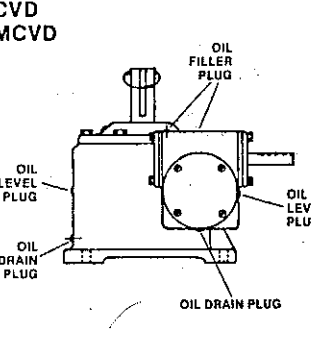
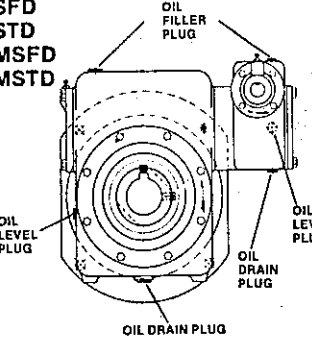
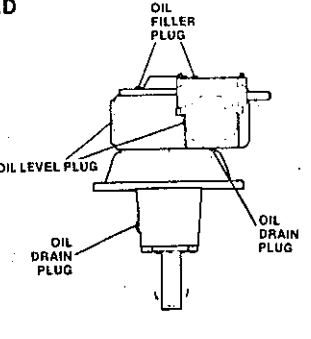
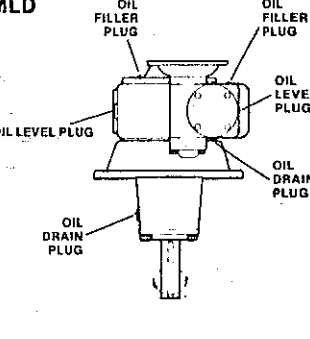
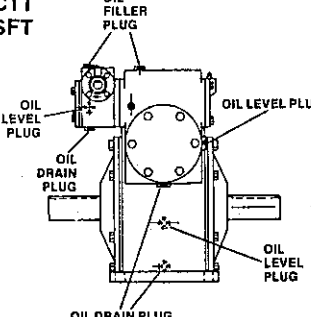
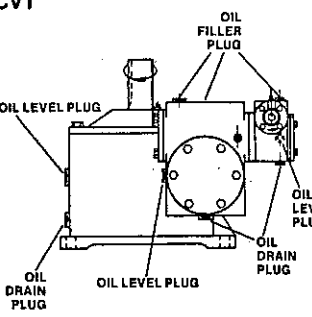
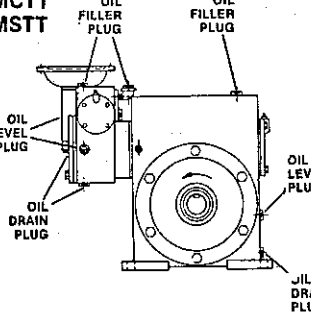
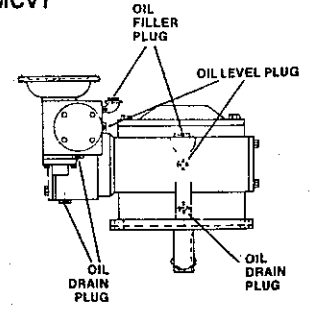
8. OIL RETENTION.

A. **VENT PLUGS.** To prevent loss of oil during shipment, Winsmith speed reducers are shipped with a brass pin in the vent hole in the filler and vent plug. This pin must be removed before the reducer is put into operation. Failure to remove the brass pin can result in pressure build up which can pump oil through the seals. If the speed reducer is installed in an atmosphere containing exceptional amounts of moisture or dust, a shielded or hooded vent plug should be used.

B. **OIL SEALS.** Although Winsmith uses high quality oil seals and precision ground shafts to provide a superior seal contact surface, it's possible that circumstances beyond Winsmith's control can cause oil seal leakage (defective seal, damage during shipment or installation, etc.). When replacing a shaft oil seal, using the following suggestions will help to insure leak-free operation and long seal life.

- a. When installing a new seal, wrap the shaft with light shim stock or heavy paper to protect the seal lip from being damaged by a rough shaft or cut by the sharp edge of the keyway.
- b. A sealant should be used between the O.D. of the seal and the I.D. of the bore into which the seal is installed. The seal bore should also be free of any burrs, nicks, or scratches.
- c. Be sure that the seal is not cocked in the seal bore. The outer face of the seal should be flush with the surface into which it is mounted.

LUBRICATION INSTRUCTIONS

CB  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	CT FCT MFCT MHCT  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	CV FCV MCV MFCV  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	SF ST FSF FST MSF MST MFSF MFST  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>
L ML  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	MCT1  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	CBX  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	CTX  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>
CVX  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	LX  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	CBD  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	CTD MCTD  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>
CVD MCVD  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	SFD STD MSFD MSTD  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	LD  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	MLD  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>
CTT SFT  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	CVT  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	MCTT MSTT  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>	MCVT  <p>OIL FILLER PLUG OIL LEVEL PLUG OIL DRAIN PLUG</p>



LUBRICANTS

117117

WORM GEAR REDUCERS

Ambient Temperature	-30 to 15°F	16 to 50°F	51 to 110°F	111 to 165°F
Max. Operating Temp.	150°F	185°F	200°F	200°F
Viscosity @ 100°F SUS		1919 to 2346	2837 to 3467	4171 to 5098
Compounded with:	3% to 10% fatty or synthetic fatty oils or mild EP additives			
AGMA Lubricant		#7 Compound	#8 Compound	#8A Compound
Cities Service Co.	CITGO EP Comp. #110	CITGO Cyl. Oil 460-5	CITGO Cyl. Oil 680-7	CITGO Cyl. Oil 680-7
Fiske Bros. Refining	Lubriplate #3	Lubriplate CP Gear Oil #7	Lubriplate CP Gear Oil #8	Lubriplate CP Gear Oil #8A
Gulf Oil Corp.	Multi-purpose 80W-90	Transgear EP 460	Transgear EP 680	Transgear EP 800
Keystone Div.	KSL-365	WG-A	K-600	WG-Special
Mobile Oil Corp.	SHC 634	Mobil 600W	Mobil 600W Super	Mobil Extra Hecla
Shell Oil Corp.	Omala 68	Omala 460	Omala 680	Omala 800
Sun Oil Corp.	Sunep 1070	Sunep 1090	Sunep 1150	Sunoco Gear Oil 8 AC
Texaco, Inc.	Meropa 68	Meropa 220	Vanguard #620	Vanguard #620
American Lub, Inc.		Ind. Gear Oil 140	AGMA #8 Gear Oil	AGMA #8 Gear Oil

PLANETARY GEAR REDUCERS, PARALLEL SHAFT REDUCERS (700-800-900)

Ambient Temperature	-30 to 15°F	16 to 50°F	51 to 110°F	111 to 165°F
Max. Operating Temp.	150°F	185°F	200°F	200°F
Viscosity @ 100°F SUS		284 to 347	417 to 510	626 to 765
AGMA Lubricant		#2EP	#3EP	#4 EP
Cities Service Co.	CITGO A/W Hydr. Oil #32	CITGO EP Comp. #68	CITGO EP Comp. #100	CITGO EP Comp. #150
Fiske Bros. Refining	Lubriplate APG 75	Lubriplate APG 80	Lubriplate APG 80	Lubriplate APG 90
Gulf Oil Corp.	EP Lubricant HD 32	EP Lubricant HD 68	EP Lubricant HD 100	EP Lubricant HD 150
Keystone Div.	KSL-365	KLC-543	KLC-432	KLC-432
Mobil Oil Corp.	Mobil ATF-220	Mobil Gear 626	Mobil Gear 627	Mobil Gear 629
Shell Oil Corp.	Donax TD	Omala 68	Omala 100	Omala 150
Sun Oil Corp.	Sunvis 921	Sunep 1050	Sunep 1060	Sunep 1060
Texaco, Inc.	Meropa 68	Meropa 68	Meropa 150	Meropa 150
American Lub, Inc.			Ind. Gear Oil 90-210	Ind. Gear Oil 90-210

WINLINE, HELICAL HOLLOW SHAFT

Ambient Temperature	-30 to 15°F	16 to 50°F	51 to 110°F	111 to 165°F
Max. Operating Temp.	150°F	185°F	200°F	200°F
Viscosity @ 100°F SUS		284 to 347	417 to 510	626 to 765
AGMA Lubricant		#2	#3	#4
Cities Service Co.	Pacemaker #32	Pacemaker #68	Pacemaker #100	Pacemaker #150
Fiske Bros. Refining	Lubriplate Non-Det. #10	Lubriplate Non-Det. #20	Lubriplate Non-Det. #30	Lubriplate STM 90
Gulf Oil Corp.	Paramount 32	Harmony 68	Harmony 90	Harmony 150 D
Keystone Div.	KSL-365	KLC-543	KLC-432	KLC-432
Mobil Oil Corp.	Mobil ATF-220	Mobil DTE heavy med.	Mobil DTE heavy	Mobil DTE extra heavy
Shell Oil Corp.	Donax TG	Turbo 68	Turbo 100	Turbo 150
Sun Oil Corp.	Sunvis 921	Sunvis 931	Sunvis 951	Sunvis 975
Texaco, Inc.	Regal Oil R & O 32	Regal Oil R & O 68	Regal Oil R & O 150	Regal Oil R & O 220
American Lub, Inc.	160 R&O Hyd. Oil	300 R&O Hyd. Oil	600 R&O Hyd. Oil	1000 R&O Hyd. Oil

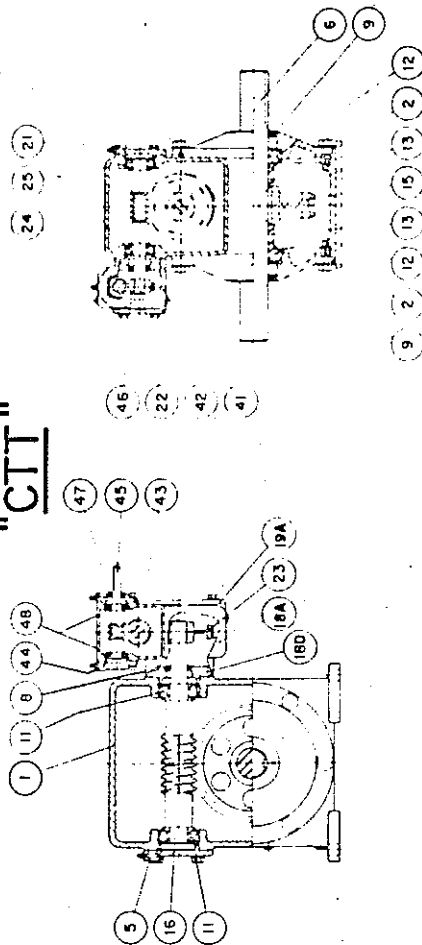


Winsmith
Division of UMC Industries, Inc.
Springville, New York 14141
Telephone 716/592-9311

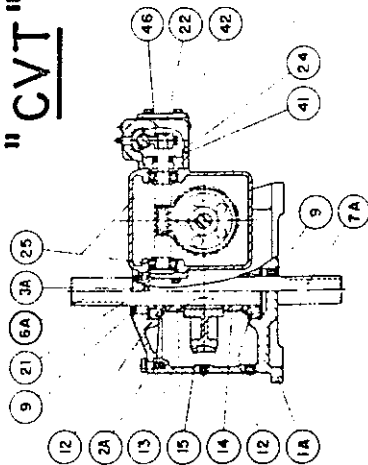
For special applications that involve severe ambient temperature extremes or a seasonal oil requirement, use Mobil SHC 626.

PARTS PRICE LIST FOR TRIPLE REDUCTION MODELS CTT — MCCT — CVT — MCVT

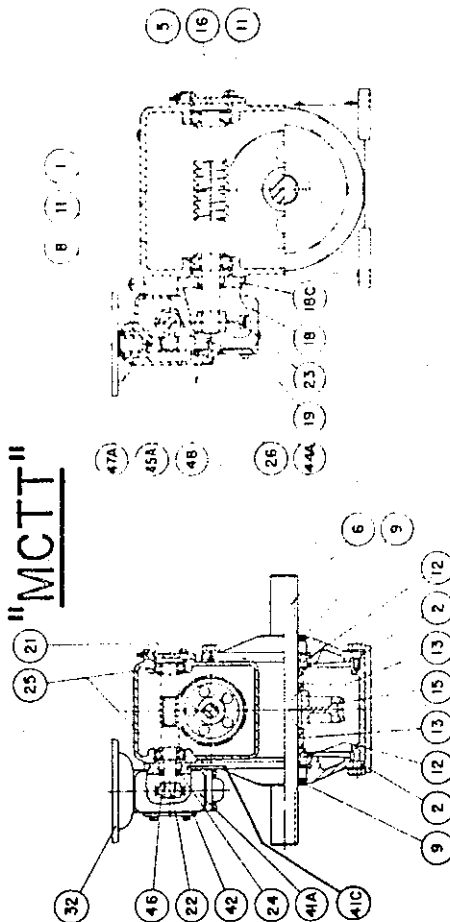
"CTT"



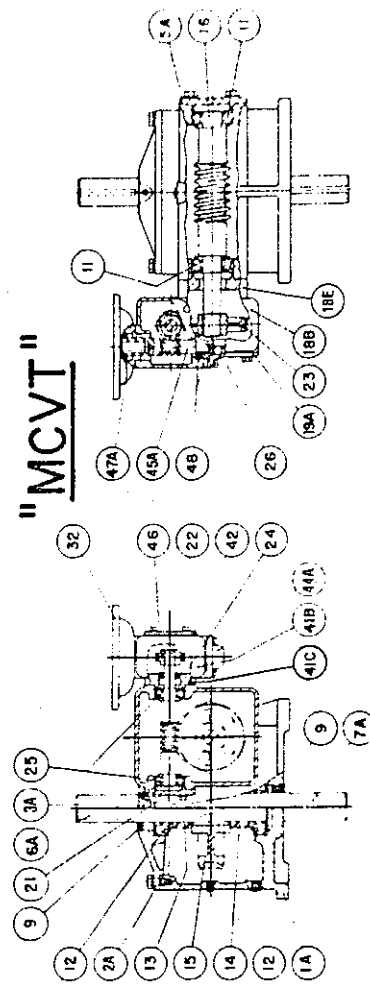
"CVT"



"MCCT"



"MCVT"



WINSMITH

PARTS PRICE LIST FOR STANDARD TRIPLE REDUCTION MODELS CTT — CVT — MCTT — MCVT

EFFECTIVE 9/1/81

PAGE 1 of 2

PLEASE CHECK REFERENCE NUMBER ON REQUIRED REDUCER DIAGRAM TO HELP DETERMINE CORRECT SELECTION OF PARTS

Unit Size: Code	5	6	7	8	9	10	11	12	13	14	15
Description	Part #/Price	Part #/Price	Part #/Price	Part #/Price	Part #/Price	Part #/Price	Part #/Price	Part #/Price	Part #/Price	Part #/Price	Part #/Price
1 Housing	4771 \$ 249	4841 \$ 294	4921 \$ 554	4970 \$ 990	5020 \$ 1125	5091 \$ 1576	5061 \$ 1683	5150 \$ 2059	5200 \$ 2554	5240 \$ 3870	7330 \$ 5240
1A Housing	4781 \$ 285	4825 \$ 321	4940 \$ 579	4960 \$ 1161	5030 \$ 1628	5100 \$ 1664	5071 \$ 2125	5161 \$ 2807	5210 \$ 3818	5250 \$ 5709	6900 \$ 5162
2 S. S. Cover Open	4722 \$ 55	4802 \$ 55	4883 \$ 125	4951 \$ 125	5002 \$ 168	5084 \$ 190	5042 \$ 230	5137 \$ 425	5182 \$ 540	5222 \$ 585	6904 \$ 965
2A S. S. Cover Open	4453 \$ 55	4455 \$ 55	4457 \$ 125	4450 \$ 125	394208 \$ 168	5084 \$ 190	5042 \$ 230	5137 \$ 425	5182 \$ 540	5222 \$ 585	6904 \$ 965
3* S.S. Cover Closed	4723 \$ 55	4803 \$ 55	4882 \$ 125	4952 \$ 125	5003 \$ 168	5085 \$ 190	5043 \$ 230	5136 \$ 425	5181 \$ 540	5221 \$ 585	6905 \$ 965
3A* S. S. Cover Closed/CV-FCV	4454 \$ 55	4456 \$ 55	4458 \$ 125	4460 \$ 125	394209 \$ 168	5085 \$ 190	5043 \$ 230	5136 \$ 425	5181 \$ 540	5221 \$ 585	6905 \$ 965
5 Inter. Cap Closed	4772 \$ 19	4949 \$ 23	4949 \$ 23	4949 \$ 23	4977 \$ 56	5238 \$ 86	5238 \$ 86	5218 \$ 96	5218 \$ 96	5235 \$ 120	7333 \$ 245
5A Inter. Cap Closed	4725 \$ 17	4954 \$ 21	4954 \$ 21	4954 \$ 21	5011 \$ 53	5045 \$ 66	5045 \$ 66	5138 \$ 85	5138 \$ 85	5224 \$ 114	6902 \$ 265
5B* Inter. Adapter Use with 5 or 5A	-- --	-- --	-- --	-- --	-- --	5046 \$ 144	5046 \$ 144	5143 \$ 173	5143 \$ 173	5225 \$ 219	6903 \$ 315
6 S.S. Shaft - Double	4732 \$ 71	4807 \$ 80	4886 \$ 103	4955 \$ 125	5006 \$ 135	5088 \$ 226	5049 \$ 283	5140 \$ 647	5183 \$ 955	5227 \$ 1108	7331 \$ 1459
6A S. S. Shaft - Top	4782 \$ 71	4828 \$ 80	4942 \$ 103	4956 \$ 125	5009 \$ 135	5086 \$ 226	5075 \$ 283	5144 \$ 647	5186 \$ 955	5229 \$ 1108	6908 \$ 1469
7* S.S. Shaft - Single	4733 \$ 71	4806 \$ 80	4887 \$ 103	4956 \$ 125	5007 \$ 135	5089 \$ 226	5050 \$ 283	5141 \$ 647	5184 \$ 955	5226 \$ 1108	7332 \$ 1459
7A S. S. Shaft - Bottom	4783 \$ 71	4827 \$ 80	4941 \$ 103	4978 \$ 125	5018 \$ 135	5087 \$ 226	5076 \$ 283	5145 \$ 647	5187 \$ 955	5230 \$ 1108	6909 \$ 1469
8 Inter. Speed Oil Seal	163 \$ 7	3304 \$ 8	3304 \$ 8	4959 \$ 8	663 \$ 10	3305 \$ 10	3305 \$ 10	3306 \$ 10	3306 \$ 10	3308 \$ 12	3309 \$ 15
9 S. S. Oil Seal	3305 \$ 10	3306 \$ 10	3308 \$ 12	3308 \$ 12	3309 \$ 16	3313 \$ 16	664 \$ 20	3310 \$ 26	213 \$ 30	511 \$ 27	533 \$ 72
11# Inter. S. S. Tapered Roller Bearings Cone: Cup:	4649 \$ 38 4650	4813 \$ 54 4814	4813 \$ 54 4814	4967 \$ 104 4968	2928 \$ 74 2929	5081 \$ 78 5082	5081 \$ 78 5082	5157 \$ 79 5156	5157 \$ 79 5156	5267 \$ 123 5268	5095 \$ 103 5094
Ball Bearing	-- --	-- --	-- --	-- --	-- --	2958 \$ 77	2958 \$ 77	2954 \$ 65	2954 \$ 65	3364 \$ 245	20085 \$ 165
12 S. S. Tapered Roller Brgs: Cone Cup	4730 \$ 54 4731	2889 \$ 52 2888	4889 \$ 52 4890	4889 \$ 81 4890	2936 \$ 89 2937	5095 \$ 103 5094	5078 \$ 99 5094	3396 \$ 162 3397	248 \$ 162 247	5265 \$ 196 5266	3374 \$ 353 3363
13 S. S. Spacer Short	4728 \$ 6	4808 \$ 6	4888 \$ 8	4957 \$ 13	5008 \$ 13	5090 \$ 12	5051 \$ 17	5142 \$ 84	5185 \$ 125	5228 \$ 144	6906 \$ 224
14 S.S. Spacer Long	4784 \$ 8	4826 \$ 6	2734 \$ 19	4957 \$ 13	5001 \$ 42	5093 \$ 64	5077 \$ 93	5146 \$ 145	5188 \$ 175	5231 \$ 202	6907 \$ 275
15 S. S. Bronze Gear	Per \$ 229 Ratio	Per \$ 298 Ratio	Per \$ 480 Ratio	Per \$ 640 Ratio	Per \$ 843 Ratio	Per \$ 1355 Ratio	Per \$ 1519 Ratio	Per \$ 1823 Ratio	Per \$ 2234 Ratio	Per \$ 2890 Ratio	Per \$ 3273 Ratio
16 Inter. S. S. Worm On Shaft	Per \$ 144 Ratio	Per \$ 179 Ratio	Per \$ 190 Ratio	Per \$ 262 Ratio	Per \$ 340 Ratio	Per \$ 584 Ratio	Per \$ 595 Ratio	Per \$ 799 Ratio	Per \$ 946 Ratio	Per \$ 1022 Ratio	Per \$ 1251 Ratio
18 Inter. Speed Attach. Hsg.	5517 \$ 179	5516 \$ 179	5681 \$ 208	5681 \$ 208	5681 \$ 208	5561 \$ 258	5561 \$ 258	5641 \$ 379	5641 \$ 379	5545 \$ 1123	3563 \$ 1511
18A Inter. Speed Attach. Hsg.	5517 \$ 179	5516 \$ 179	5525 \$ 208	5530 \$ 208	5531 \$ 208	5535 \$ 258	5535 \$ 258	5540 \$ 379	5540 \$ 379	5545 \$ 1123	3563 \$ 1511
18B Inter. Speed Attach. Hsg.	5520 \$ 179	5522 \$ 179	5525 \$ 208	5530 \$ 208	5531 \$ 208	5535 \$ 258	5535 \$ 258	5540 \$ 379	5540 \$ 379	5545 \$ 1123	3563 \$ 1511
18C Inter. Attach. Hsg. Adptr.	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	5532 \$ 1511
18D Inter. Attach. Hsg. Adptr.	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	6993 \$ 1511
18E Inter. Attach. Hsg. Adptr.	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	6996 \$ 1511
19 Inter. Attach. Hsg. Cover	5518 \$ 14	5518 \$ 14	5524 \$ 32	5524 \$ 32	5524 \$ 32	5538 \$ 43	5538 \$ 43	5545 \$ 56	5545 \$ 56	5546 \$ 152	6995 \$ 235

PARTS PRICE LIST FOR STANDARD TRIPLE REDUCTION MODELS CTT — CVT — MCCT — MCVT

PLEASE CHECK REFERENCE NUMBER ON REQUIRED REDUCER DIAGRAM TO HELP DETERMINE CORRECT SELECTION OF PARTS

Unit Size: Code Description	5 Part #/Price	6 Part #/Price	7 Part #/Price	8 Part #/Price	9 Part #/Price	10 Part #/Price	11 Part #/Price	12 Part #/Price	13 Part #/Price	14 Part #/Price	15 Part #/Price
19A Inter. Attach. Hsg. Cover	5518 \$ 14	5518 \$ 14	5544 \$ 32	5544 \$ 32	5544 \$ 32	5548 \$ 43	5544 \$ 43	5549 \$ 56	5549 \$ 56	5546 \$ 152	6895 \$ 295
21 Inter. H. S. Cap Closed	4522 \$ 14	4522 \$ 14	4691 \$ 15	4691 \$ 15	4691 \$ 15	4772 \$ 19	4772 \$ 19	4949 \$ 23	4949 \$ 23	4949 \$ 23	4977 \$ 56
22 Inter. H. S. Worm On shaft	Per \$ 83 Ratio	Per \$ 83 Ratio	Per \$ 95 Ratio	Per \$ 95 Ratio	Per \$ 95 Ratio	Per \$ 144 Ratio	Per \$ 144 Ratio	Per \$ 179 Ratio	Per \$ 179 Ratio	Per \$ 190 Ratio	Per \$ 340 Ratio
23 Inter. H. S. Bronze	Per \$ 95 Ratio	Per \$ 95 Ratio	Per \$ 112 Ratio	Per \$ 112 Ratio	Per \$ 112 Ratio	Per \$ 229 Ratio	Per \$ 229 Ratio	Per \$ 298 Ratio	Per \$ 298 Ratio	Per \$ 480 Ratio	Per \$ 845 Ratio
24 Inter. H. S. Oll Seal	3302 \$ 7	3302 \$ 7	3303 \$ 7	3303 \$ 7	3303 \$ 7	163 \$ 7	163 \$ 7	3304 \$ 8	3304 \$ 8	3304 \$ 8	663 \$ 10
25 Inter. H. S. Tapered Roller Brigs. Cone: Cup:	3370 \$ 38 3371	3370 \$ 38 3371	4651 \$ 39 4652	4651 \$ 39 4652	4651 \$ 39 4652	4649 \$ 38 4650	4649 \$ 38 4650	4813 \$ 54 4814	4813 \$ 54 4814	4813 \$ 54 4814	2928 \$ 74 2929
26 H.S. Locknut	158 \$ 8	158 \$ 8	158 \$ 8	158 \$ 8	158 \$ 8	1778 \$ 8	1778 \$ 8	1778 \$ 8	1778 \$ 8	176 \$ 8	176 \$ 8
26A* Inter. Speed Locknut	-- --	-- --	-- --	-- --	-- --	238 \$ 11	238 \$ 11	305 \$ 13	305 \$ 13	160 \$ 13	311 \$ 22
28* Inter. Speed Locknut Spacer Not Used on 15MCTT/MCVT	-- --	-- --	-- --	-- --	-- --	5291 \$ 4	5291 \$ 4	5196 \$ 4	5196 \$ 4	5269 \$ 7	5292 \$ 12
32 Motor Adapter 4-1/2" AK	1907 \$ 26	1907 \$ 26	1907 \$ 26	1907 \$ 26	1907 \$ 26	033210 \$ 26	033210 \$ 26	033210 \$ 26	033210 \$ 26	1782 \$ 31	1782 \$ 31
41 H.S. Attach. Hsg.	5500 \$ 136	5500 \$ 136	5501 \$ 136	5501 \$ 136	5501 \$ 136	5520 \$ 179	5520 \$ 179	5520 \$ 179	5520 \$ 179	5525 \$ 208	5531 \$ 208
41A H.S. Attach. Hsg.	1759 \$ 143	1759 \$ 143	1800 \$ 143	1800 \$ 143	1800 \$ 143	Per \$ 231 Assy.	Per \$ 231 Assy.	Per \$ 231 Assy.	Per \$ 231 Assy.	5688 \$ 260	5688 \$ 260
41B H. S. Attach. Hsg.	Per \$ 143 Assy.	Per \$ 143 Assy.	Per \$ 143 Assy.	Per \$ 143 Assy.	Per \$ 143 Assy.	Per \$ 231 Assy.	Per \$ 231 Assy.	Per \$ 231 Assy.	Per \$ 231 Assy.	Per \$ 260 Assy.	Per \$ 260 Assy.
41C Attach. Hsg. Adapter	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	-- --	5528 \$ 129	-- --
42 H.S. Attach Hsg. Cover	5510 \$ 14	5510 \$ 14	5510 \$ 14	5510 \$ 14	5510 \$ 14	5518 \$ 14	5518 \$ 14	5518 \$ 14	5518 \$ 14	5544 \$ 32	5544 \$ 32
43 H.S. Cap Open	4393 \$ 15	4393 \$ 15	4393 \$ 15	4393 \$ 15	4393 \$ 15	4523 \$ 15	4523 \$ 15	4523 \$ 15	4523 \$ 15	4692 \$ 16	4692 \$ 16
44 H.S. Cap Closed	4392 \$ 14	4392 \$ 14	4392 \$ 14	4392 \$ 14	4392 \$ 14	4522 \$ 14	4522 \$ 14	4522 \$ 14	4522 \$ 14	4691 \$ 15	4691 \$ 15
44A H.S. Cap Closed	1909 \$ 10	1909 \$ 10	1909 \$ 10	1909 \$ 10	1909 \$ 10	1779 \$ 10	1779 \$ 10	1779 \$ 10	1779 \$ 10	1781 \$ 17	1781 \$ 17
45 H.S. Worm on Shaft	Per \$ 67 Ratio	Per \$ 67 Ratio	Per \$ 67 Ratio	Per \$ 67 Ratio	Per \$ 67 Ratio	Per \$ 83 Ratio	Per \$ 83 Ratio	Per \$ 83 Ratio	Per \$ 83 Ratio	Per \$ 95 Ratio	Per \$ 95 Ratio
45A H. S. Worm on Shaft	" \$ 94	" \$ 94	" \$ 94	" \$ 94	" \$ 94	" \$ 114	" \$ 114	" \$ 114	" \$ 114	" \$ 121	" \$ 121
46 H.S. Bronze Gear	" \$ 48	" \$ 48	" \$ 48	" \$ 48	" \$ 48	" \$ 95	" \$ 95	" \$ 95	" \$ 95	" \$ 112	" \$ 112
47 H. S. Oll Seal	3301 \$ 7	3301 \$ 7	3301 \$ 7	3301 \$ 7	3301 \$ 7	3302 \$ 7	3302 \$ 7	3302 \$ 7	3302 \$ 7	3303 \$ 7	3303 \$ 7
47A H. S. Oll Seal	4959 \$ 8	4959 \$ 8	4959 \$ 8	4959 \$ 8	4959 \$ 8	30060 \$ 9	30060 \$ 9	30060 \$ 9	30060 \$ 9	30060 \$ 9	30060 \$ 9
48 H. S. Tapered Roller Brg. Cone Cup	3336 \$ 41 3337	3336 \$ 41 3337	3336 \$ 41 3337	3336 \$ 41 3337	3336 \$ 41 3337	3370 \$ 38 3371	3370 \$ 38 3371	3370 \$ 38 3371	3370 \$ 38 3371	4651 \$ 39 4652	4651 \$ 39 4652
66* Gasket Set	-- \$ 4	-- \$ 4	-- \$ 5	-- \$ 6	-- \$ 7	-- \$ 8	-- \$ 9	-- \$ 9	-- \$ 10	-- \$ 11	-- \$ 11

*Not Shown.

#Units 5 thru 9, use 2 tapered roller bearings. Units 10 thru 15, use 2 tapered roller bearings and 1 ball bearing.
When ordering parts, be sure to include unit size, ratio, serial number, and date of manufacture off of the unit nameplate.
For minimum order charge, see current general price list.
Prices shown are subject to appropriate multiplier as shown on current Multiplier Schedule "C".

CITY COUNCIL AGENDA
Regular Meeting: March 12, 2023

AGENDA ITEM: 12

Discussion of a draft Resolution that dissolves the current Stormwater Management Committee and creates a Stormwater Management Technical Committee.

SUBMITTED BY: Vanessa Shrauner

APPROVED FOR AGENDA: VRS

BACKGROUND: The Stormwater Management Committee has been meeting for several years and was apparently created to manage a debt taken out for improvements. The projects and money are complete, and the committee has gone to hearing problems from citizens, pitches from salesmen and cogitating possibilities.

In order to become more solutions oriented, this group is proposing a Technical Committee made of the experts in the fields that will have the ability to guide the peninsula-wide stormwater master plan, and then implement it regardless of jurisdictional lines.

FISCAL ANALYSIS: none

RECOMMENDATION: Discussion only

RESOLUTION NO. _____

A JOINT RESOLUTION OF ARANSAS COUNTY, TEXAS, THE TOWN OF FULTON, TEXAS, THE CITY OF ARANSAS PASS, TEXAS, THE ARANSAS COUNTY NAVIGATION DISTRICT AND THE CITY OF ROCKPORT, TEXAS, CREATING THE STORMWATER MANAGEMENT TECHNICAL COMMITTEE; PROVIDING AN EFFECTIVE DATE; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, upon the adoption of this resolution to establish a Stormwater Management Technical Committee, the existing Stormwater and Floodplain Management Advisory Committee shall be dissolved; and

WHEREAS, all entities will be authorized to appoint, as may be required by the laws of the State of Texas, or deemed desirable by each entity, such boards, commissions, and committees as deemed necessary to carry out the functions and obligations of the entities; and

WHEREAS, by fostering unity and cooperation, the citizens of Aransas County may benefit from collaborative efforts maximizing resources, expertise and knowledge to better serve the community for reduced flood risks and overall enhanced community flood resilience.

BE IT FURTHER RESOLVED AS FOLLOWS by the Aransas County Commissioners Court, the Town Council of the Town of Fulton, the City Council of the City of Aransas Pass, the Aransas County Navigation District Commissioners, and the City Council of the City of Rockport that the Stormwater Management Technical Committee (SMTTC) is hereby established as follows:

Section 1: Core Values

The core values of the Stormwater Management Technical Committee are as follows:

1. Strive for technical excellence,
2. Maintain transparency between entities and with the public,
3. Seek optimal balance between drainage needs and water quality needs, and
4. Promote respect for the sovereignty of participating entities.

Section 2: Appointments

1. The Stormwater Management Technical Committee shall consist of five (5) voting members, who shall elect among themselves a chairman and provide a staff administrator as secretary.

2. The Chairman shall be appointed annually at the first meeting of the calendar year and shall preside over the meetings and call for votes as necessary.
3. The SMTC Secretary shall record and distribute meeting agendas and minutes to members of the committee.
4. Aransas County, the Town of Fulton, the City of Aransas Pass, The Navigation District, and the City of Rockport shall each appoint one (1) voting member and one (1) alternate each calendar year. Members may be reappointed annually until the need arises for a new member/alternate to be identified.
5. Appointees shall serve until replaced by their respective entities
6. Appointees and alternates shall have such technical knowledge so as to make specialized and complex storm water management decisions in the best interest of the community without regard for political boundaries.
7. Appointees shall provide, at minimum, quarterly reports to their respective political entities to ensure the work of the committee is consistent with each entity's goals and planning.

Section 3: Charge

1. The SMTC shall conduct, at minimum, monthly meetings to discuss relevant stormwater issues.
2. Establish a concise storm water management criteria document which will be adopted by all governmental entities and applied to all drainage projects in Aransas County.
3. Monitor progress and implementation of the county wide drainage plan including construction oversight and management.
4. Establish a prioritized list of Capital Improvement Projects (CIPs) based on scientific data to be adopted by all entities.
5. Develop a plan for the funding of CIPs in conjunction with the political entities.
6. Seek qualified, professional services as needed for design, construction, and consultation.
7. The SMTC shall develop a criteria to determine which drainage plans will require full committee review and which may remain under existing processes for informal/staff reviews in each jurisdiction.

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, March 12, 2024

AGENDA ITEM: 13

Consider and act on presentation and acceptance of Annual Comprehensive Financial Report for the City of Rockport for fiscal year 2021-2022.

SUBMITTED BY: Robbie Sorrell, Director of Finance

APPROVED FOR AGENDA: VRS

BACKGROUND:

City Auditor, Park Fowler & Co., PLLC “Park Fowler” has completed their independent audit of the City financial records for fiscal year 2021-2022. A copy of the audit accompanies this agenda item. Mr. Patrick Hall, representing Park Fowler, will present this audit to Council for consideration and acceptance.

FISCAL ANALYSIS:

Not accepting this audit report jeopardizes current funding agreements and future funding sources.

RECOMMENDED ACTION: Staff recommends acceptance of the 2021-2022 Annual Comprehensive Financial Report as presented.



City of Rockport, Texas

Annual Financial Report

For the Year Ended September 30, 2022

**CITY OF ROCKPORT, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2022
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**CITY OF ROCKPORT, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2022
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FINANCIAL SECTION



PARK FOWLER & CO.

Certified Public Accountants & Management Consultants
A Professional Limited Liability Company

MANAGING PARTNER:
 Ronald H. Park, CPA

IN-OFFICE COUNCIL:
 Daniel T.A. Cotts, JD, LLM

ASSOCIATES:
 Clara A. Moreno, CPA
 Marc D. Kennedy, CPA
 P. Andrew Hall, CPA
 Pamela De La Pena, CPA

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
 City of Rockport, Texas

Report on the Audit of the Financial Statements

Opinions

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 Rockport, Texas, (the "City") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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 of Rockport, Texas, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Rockport, Texas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Rockport, Texas ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Rockport, Texas internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Rockport, Texas ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in net pension liability and related ratios – Texas Municipal Retirement System, the schedule of contributions - Texas Municipal Retirement System and the funding status – other postemployment benefits on pages 4-12, and 56-59, respectively, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rockport, Texas' basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2024, on our consideration of the City of Rockport, Texas internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Rockport, Texas internal control over financial reporting and compliance.

Park Fowler & Co., PLLC
Corpus Christi, Texas
February 23, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

**CITY OF ROCKPORT, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022**

Our discussion and analysis of the City's financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2022. Please read it in conjunction with the City's financial statements, which follow this section.

Financial Highlights

- The City's total net position increased by \$7,967,759 for the year, which is a change of 16%. The governmental activities increase was \$5,009,750 and the business-type activities showed a increase of \$2,958,009.
- The overall expenses for governmental activities increased by \$2,903,648 from 2021, which was mainly due to increases in personnel costs and materials and supplies.
- The overall expenses for business-type activities increased by \$1,617,385. These increases are primarily due to the increased costs associated with purchase of water and natural gas as well as increased maintenance costs for utility infrastructures.
- The assets and deferred outflows of the City of Rockport exceeded its liabilities and deferred inflows at the close of 2022 by \$58,591,695 (net position). The unrestricted net position was \$8,137,147, while net investment in capital assets was \$47,819,544 and restricted net position was \$2,635,004.
- The General Fund reported an unassigned fund balance of \$3,470,999 or, 30% of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements 3) notes to the financial statements and 4) required supplementary information which includes this management's discussion and analysis and multi-year changes in net pension and OPEB liability and pension funding progress on the City's pension plan and retiree health plans. In addition to the basic financial statements, this report also contains other supplementary information as listed in the Table of Contents.

Government-wide Financial 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 the City's assets, deferred outflows, liabilities, and deferred inflows, 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.

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

Both of the government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from 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 and administration, public safety, public works, cultural and recreation and tourism. The business-type activities of the City include water and sewer, natural gas, sanitation and the Community Aquatic Center operations. The government-wide financial statements can be found on pages 13-15 of this report.

**CITY OF ROCKPORT, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022**

Fund Financial Statements

A fund is a self-balancing set of accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All the funds of the City can be divided into two categories governmental funds and proprietary funds.

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 governmentwide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Non-financial assets such as governmental land, buildings and equipment, and long-term liabilities such as bonds payable or long-term liabilities that will not be paid with current assets are excluded. Such information may be useful in evaluating a government'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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The City maintains 18 governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and Debt Service Fund. Data from the other 15 funds are combined into a single, aggregated presentation. The basic governmental funds financial statements can be found on pages 16-20.

Proprietary Funds

The City maintains one type of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Utility System, Natural Gas System, Sanitation, and the Community Aquatic Park.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water & Sewer Fund, Natural Gas Fund, Sanitation Fund and Community Aquatic Center Fund, since they are major funds of the City. The basic proprietary fund financial statements can be found on pages 21-28 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41-68.

Other Information

In addition to the basic financial statements and accompanying notes, the basic financial statements contain required supplementary information including this discussion and analysis and information concerning the City's progress in funding its obligations to provide pension and retiree health benefits to its employees. The required supplementary information can be found on page 56-59.

Condensed Financial Information

Condensed financial information is presented in the following tables in a comparative format which allows for the analysis of current and prior year information.

**CITY OF ROCKPORT, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022**

Government-wide Financial Analysis

City's Net Position

The City's governmental activities showed an increase in net position of \$5,009,750. The major changes during the year were in the categories of current and other assets which increased by \$10,466,670, capital assets increased by \$5,389,940 and other liabilities increased by \$6,047,671.

The City's business-type activities showed an increase in net position of \$2,958,009. The major changes during the year were in the categories of current and other assets which increased by \$2,406,365, capital assets decreased by \$1,012,602, and other liabilities increased by \$2,066,131.

The largest portion of the City's net position \$47,819,544 (81%) reflects its net investments in capital assets (e.g., land, building, equipment, improvements, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending, and with exception of business type assets, do not generate direct revenue for the City. They do represent, however, an obligation on the part of the City to maintain these assets into the future. 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 capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net positions \$2,635,004 (4%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is \$8,137,147. The Table 1 illustrates the comparative detail of changes in net position of the City.

Table 1 – Summary of Net Positions

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 42,128,214	\$ 31,661,544	\$ 16,686,516	\$ 14,280,151	\$ 58,814,730	\$ 45,941,695
Capital Assets	37,744,481	32,354,541	39,507,197	40,519,799	77,251,678	72,874,340
Total Assets	79,872,695	64,016,085	56,193,713	54,799,950	136,066,408	118,816,035
Deferred Outflows	1,861,665	1,749,419	707,216	713,579	2,568,881	2,462,998
Noncurrent Liabilities	41,478,789	37,244,297	18,185,728	22,088,477	59,664,517	59,332,774
Other Liabilities	12,026,541	6,158,891	5,119,835	3,053,704	17,146,376	9,212,595
Total Liabilities	53,505,330	43,403,188	23,305,563	25,142,181	76,810,893	68,545,369
Deferred Inflows	2,436,391	1,579,427	796,310	530,301	3,232,701	2,109,728
Net Position:						
Net Investment in Capital Assets	24,487,789	22,756,047	23,331,755	23,733,553	47,819,544	46,489,600
Restricted	2,635,004	2,159,775	-	-	2,635,004	2,159,775
Unrestricted	(1,330,154)	(4,132,933)	9,467,301	6,107,494	8,137,147	1,974,561
Total Net Position	\$ 25,792,639	\$ 20,782,889	\$ 32,799,056	\$ 29,841,047	\$ 58,591,695	\$ 50,623,936

**CITY OF ROCKPORT, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022**

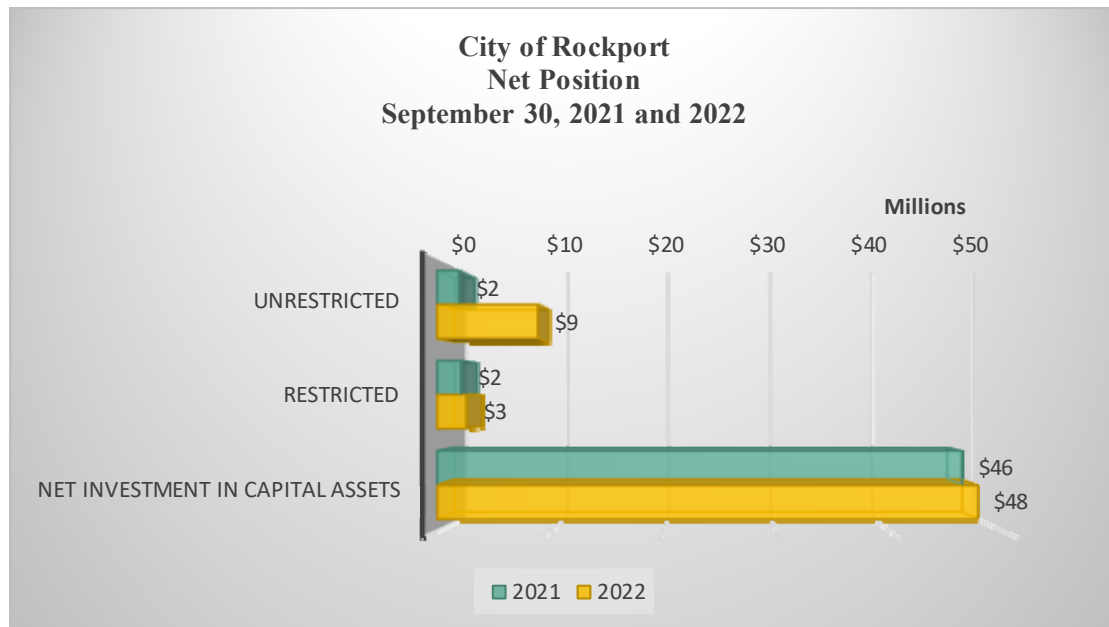


Table 2 – Changes in Net Positions

	Governmental activities		Business-type activities		Total primary government	
	2022	2021	2022	2021	2022	2021
Total revenues	\$ 20,868,777	\$ 16,189,727	\$ 20,346,540	\$ 17,776,794	\$ 41,215,317	\$ 33,966,521
Total expenses	(17,483,253)	(14,579,605)	(15,764,305)	(14,146,920)	(33,247,558)	(28,726,525)
Change before transfers	3,385,524	1,610,122	4,582,235	3,629,874	7,967,759	5,239,996
Transfers	1,624,226	1,177,608	(1,624,226)	(1,177,608)	-	-
Change in net position	5,009,750	2,787,730	2,958,009	2,452,266	7,967,759	5,239,996
Net position - beginning	20,782,889	17,995,159	29,841,047	27,388,781	50,623,936	45,383,940
Net position - ending	<u>\$ 25,792,639</u>	<u>\$ 20,782,889</u>	<u>\$ 32,799,056</u>	<u>\$ 29,841,047</u>	<u>\$ 58,591,695</u>	<u>\$ 50,623,936</u>

**CITY OF ROCKPORT, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022**

The specific changes in revenues and expenses are shown in the tables that follow:

Table 3 – Statement of Activities

	Governmental activities		Business-type activities		Total primary government	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	\$ 907,031	\$ 912,217	\$ 20,139,586	\$ 17,604,597	\$ 21,046,617	\$ 18,516,814
Operating grants and contributions	291,245	1,407,524	39,960	51,411	331,205	1,458,935
Capital grants and contributions	4,861,539	594,805	-	-	4,861,539	594,805
General revenues:						
Property taxes	7,551,441	7,195,781	-	-	7,551,441	7,195,781
Sales tax	3,620,483	3,239,904	-	-	3,620,483	3,239,904
Franchise tax	922,717	1,085,069	-	-	922,717	1,085,069
Hotel Occupancy	1,380,179	1,233,252	-	-	1,380,179	1,233,252
Investment Earnings	189,113	16,491	16,245	6,451	205,358	22,942
Other Revenues	136,356	270,081	150,749	114,335	287,105	384,416
Other Revenue - TMRS	1,008,673	234,603	-	-	1,008,673	234,603
Total revenues	<u>\$ 20,868,777</u>	<u>\$ 16,189,727</u>	<u>\$ 20,346,540</u>	<u>\$ 17,776,794</u>	<u>\$ 41,215,317</u>	<u>\$ 33,966,521</u>
Expenses						
General Government	\$ 4,272,064	\$ 3,716,764	\$ -	\$ -	\$ 4,272,064	\$ 3,716,764
Public safety	5,311,093	5,651,595	-	-	5,311,093	5,651,595
Public works	4,474,452	2,139,632	-	-	4,474,452	2,139,632
Culture and Recreation	1,627,805	1,410,908	-	-	1,627,805	1,410,908
Tourism	772,422	722,799	-	-	772,422	722,799
Interest and Fees on Debt	1,025,417	937,907	-	-	1,025,417	937,907
Water and Sewer	-	-	9,865,621	9,359,609	9,865,621	9,359,609
Natural Gas	-	-	2,741,025	1,849,671	2,741,025	1,849,671
Sanitation	-	-	2,446,560	2,437,819	2,446,560	2,437,819
Community Aquatic Center	-	-	711,099	499,821	711,099	499,821
Total expenses	<u>\$ 17,483,253</u>	<u>\$ 14,579,605</u>	<u>\$ 15,764,305</u>	<u>\$ 14,146,920</u>	<u>\$ 33,247,558</u>	<u>\$ 28,726,525</u>

Governmental Activities

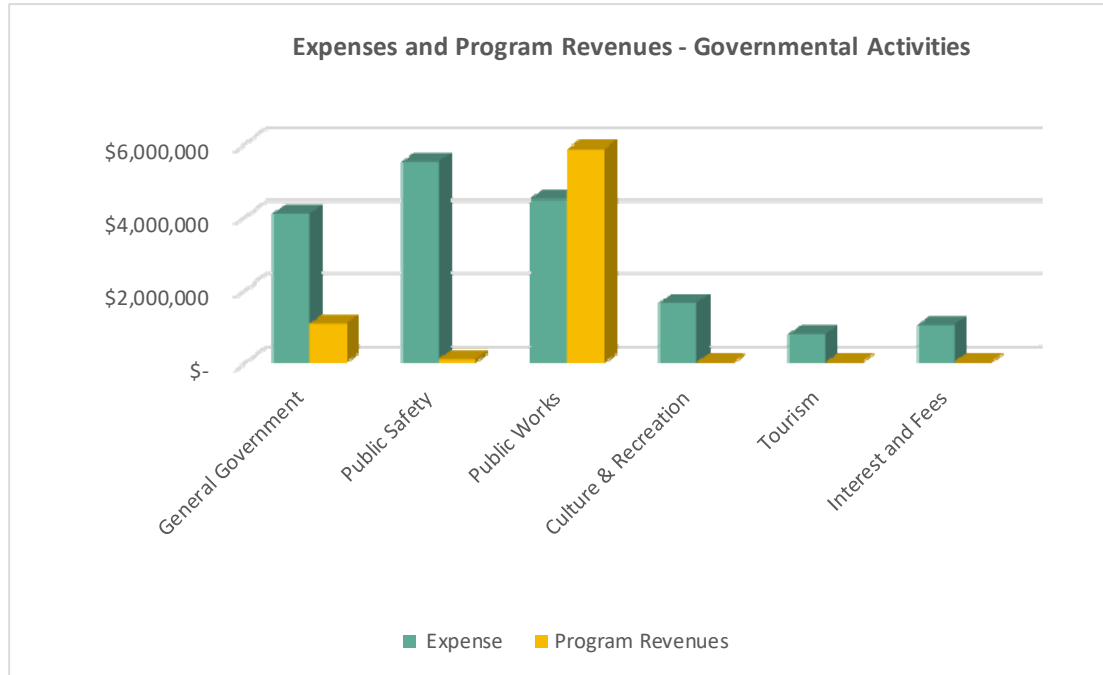
Governmental activities include the functions of general government, tourism, cultural and recreations, public safety and public works. Payment of interest on long-term debt is also considered a governmental activity and it is considered a class of activity but not a function of government. These are the basic services and cost centers any city provides to its citizens.

As shown in Table 3, Total Revenue increased by \$4,679,050. This increase is due to an increase in property tax, sales and use tax and FEMA grant revenues.

Total Expenses increased by \$2,903,648, this is due to increased personnel costs and costs associated with materials and supplies.

**CITY OF ROCKPORT, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022**

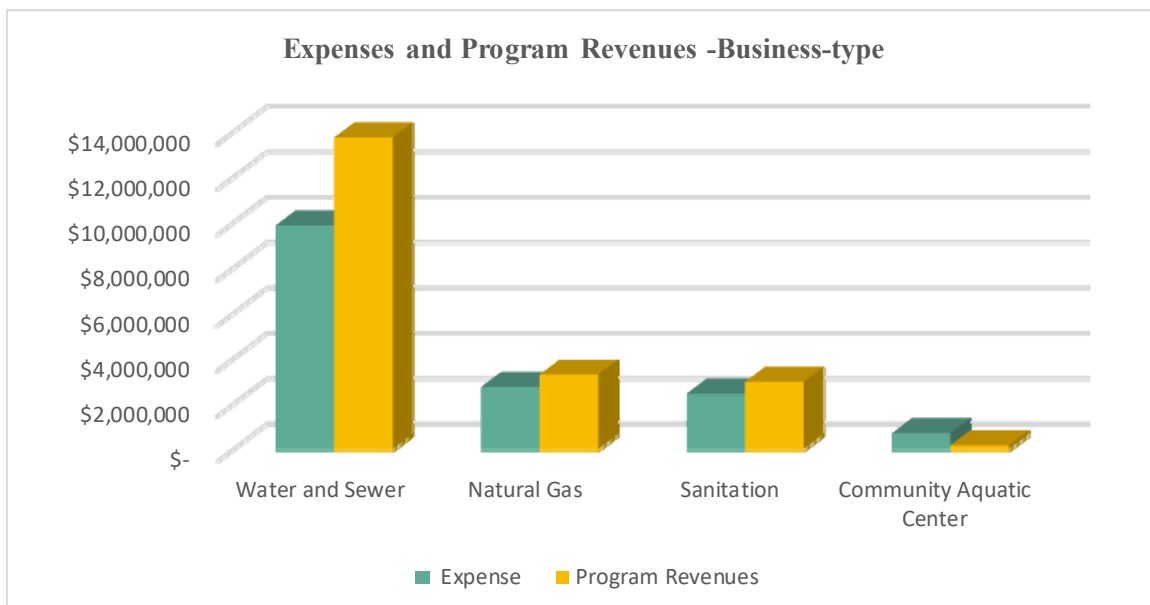
The chart below presents the City's major expenses by function, as well as the associated program revenues for governmental activities.



Business-Type Activities

As shown in Table 3, Total revenues increased by \$2,569,746 due mainly to increased water, wastewater, and natural gas sales revenue. Total expenses increased \$1,617,385 primarily due to increased personnel costs.

The chart below presents the City's expenses and program revenues for the business-type activities.



CITY OF ROCKPORT, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022

Financial Analysis of the Governmental Funds

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of \$30,440,696, a increase of \$4,702,775 compared to the prior year.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,470,999. This fund balance is the amount available without constraints from outside of the City to fund the City's normal operations. The fund balance decreased \$943,671. Total revenues exceeded budgeted revenues as sales and use taxes increased and proceeds from FEMA associated with Hurricane Harvey continued to be received. Expenditures were less than budgeted due to reductions in operational capital projects, facility maintenance and training.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2022, amounts to \$77,251,678 (net of accumulated depreciation). This investment in capital assets includes land, building, improvements, machinery, equipment, infrastructure, and construction in progress. Governmental activity capital assets increased by \$5,389,940 as a result of \$6,455,502 of additions offset by \$1,060,247 of depreciation and net retirements of \$5,315. Business-type activity capital assets decreased by \$1,012,602 as a result of \$740,057 additions less \$1,752,659 of depreciation.

Major capital asset additions during 2022 include the following:

- Concho Street Drainage - \$1,203,162
- City Hall – Architecture and Design - \$3,689,844
- Vehicles, Machinery, and Equipment –\$775,160
- Drainage Improvement – Grant Funded - \$1,926,539
- Park Improvements - \$84,509
- Water System Improvements - \$728,439
- Sewer System Improvements - \$39,010

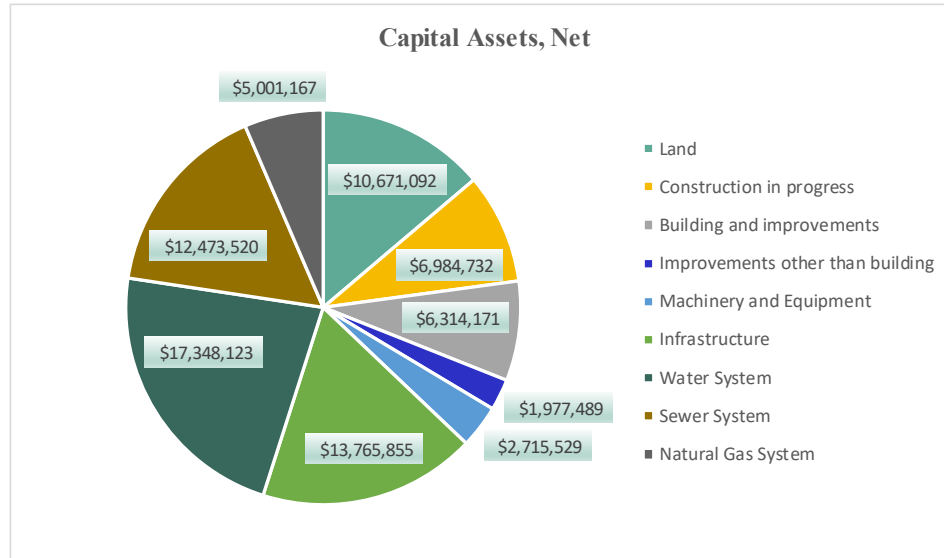
Additional information on the City's capital assets can be found in Note 3 of the financial statements.

The following capital asset information is presented net of depreciation:

Table 4 – Capital Assets at Year-End, Net of Accumulated Depreciation

	Governmental activities		Business-type activities		Total primary government	
	2022	2021	2022	2021	2022	2021
Land	\$ 10,456,139	\$ 10,456,139	\$ 214,953	\$ 214,953	\$ 10,671,092	\$ 10,671,092
Construction in progress	6,984,732	2,012,098	-	-	6,984,732	2,012,098
Building and improvements	2,765,500	2,891,189	3,548,671	3,718,783	6,314,171	6,609,972
Improvements other than building	1,977,489	2,157,230	-	-	1,977,489	2,157,230
Machinery and Equipment	1,794,766	1,214,565	920,763	389,826	2,715,529	1,604,391
Infrastructure	13,765,855	13,623,320	-	-	13,765,855	13,623,320
Water System	-	-	17,348,123	18,025,203	17,348,123	18,025,203
Sewer System	-	-	12,473,520	12,909,035	12,473,520	12,909,035
Natural Gas System	-	-	5,001,167	5,261,999	5,001,167	5,261,999
Total capital assets, net	<u>\$ 37,744,481</u>	<u>\$ 32,354,541</u>	<u>\$ 39,507,197</u>	<u>\$ 40,519,799</u>	<u>\$ 77,251,678</u>	<u>\$ 72,874,340</u>

CITY OF ROCKPORT, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022



See Note 3 – Capital Assets, for more detailed information on capital asset activity.

Debt Administration

At the end of the current fiscal year, the City had a total bonded debt of \$40,196,575, a increase of \$2,816,575 over the prior year. Of this amount, \$26,040,000 are general obligation bond, \$6,516,575 are certificates of obligation and \$7,640,000 tax notes backed by the full faith and credit of the government. Additionally, there were \$7,842,708 in an Energy Conservation Bond and \$205,862 in capital leases. Additional information on the City's long-term debt can be found in Note 5 of the financial statements.

The following is a summary of outstanding debt:

Table 5 – Long-Term Liabilities

	Governmental activities		Business-type activities		Total primary government	
	2022	2021	2022	2021	2022	2021
General Obligation Debt	\$ 19,133,023	\$ 8,503,473	\$ 6,906,977	\$ 7,971,527	\$ 26,040,000	\$ 16,475,000
Certificates of Obligation	4,045,000	4,275,000	2,471,575	2,625,000	6,516,575	6,900,000
Tax Notes	7,640,000	14,005,000	-	-	7,640,000	14,005,000
Energy Conservation Bonds	1,187,386	1,247,728	6,655,322	6,993,541	7,842,708	8,241,269
Premium on Bonds	2,892,963	799,584	299,824	505,579	3,192,787	1,305,163
Capital Leases	205,862	313,649	-	-	205,862	313,649
Compensated Absences	615,241	660,749	200,780	217,122	816,021	877,871
Pension Liability	2,097,604	3,241,543	733,086	1,111,128	2,830,690	4,352,671
OPEB Liability	3,661,710	4,197,578	2,640,127	2,664,180	6,301,837	6,861,758
Total Long-Term Liabilities	<u>\$ 41,478,789</u>	<u>\$ 37,244,304</u>	<u>\$ 19,907,691</u>	<u>\$ 22,088,077</u>	<u>\$ 61,386,480</u>	<u>\$ 59,332,381</u>

The City's debt and long-term liabilities increased by \$2,054,099 or approximately 3.46%. The key factors to the net change are as follows:

- Debt payments of \$15,892,670 in governmental activities bonds and \$1,762,349 in business-type bonds were made. During the year \$14,005,000 in tax notes were refunded with the issuance of \$11,925,000 in general obligation bonds and \$7,640,000 in tax notes.
- Compensated absences decreased by \$61,850.
- Net change in Pension obligation of \$1,521,981.
- Net change in OPEB obligation of \$559,921.

See Note 4 – Long-Term Liabilities, for more detailed information on long-term debt activity.

**CITY OF ROCKPORT, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022**

Economic Factors and Next Year's Budgets and Rates

The 2022-2023 budget will raise more revenue from property taxes than last year's budget by an amount of \$600,140, which is a 9.42% increase from the prior year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$179,789.

This financial report is designed to inform the citizens, taxpayers and customers of the City of Rockport as well as its investors and creditors about the City 's finances and to provide accountability for the public support that it receives. If you have any questions about the report or need additional financial information, contact the Director of Finance at the City of Rockport, 2751 State Highway 35 Bypass, Rockport, Texas 78382.

BASIC FINANCIAL STATEMENTS

CITY OF ROCKPORT, TEXAS
STATEMENT OF NET POSITION
September 30, 2022

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash and Cash Equivalents (Note 2)	\$ 7,379,011	\$ 13,004,866	\$ 20,383,877
Investments (Note 2)	2,939,000	735,000	3,674,000
Receivables (Net of Allowance for Uncollectible)	4,469,813	1,560,573	6,030,386
Internal balances	28,429	(28,429)	-
Inventories	90,364	325,137	415,501
Restricted cash and Investments	27,221,597	1,089,369	28,310,966
Capital assets			
Land and Construction in Progress	17,440,871	214,953	17,655,824
Other Capital Assets, Net of Accumulated Depreciation	20,303,610	39,292,244	59,595,854
TOTAL ASSETS	79,872,695	56,193,713	136,066,408
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources	1,861,665	707,216	2,568,881
LIABILITIES			
Obligations in Excess of Cash	7,299,248	223,639	7,522,887
Accounts Payable	1,301,077	1,000,767	2,301,844
Contractor's Retainage	513,150	-	513,150
Accrued Expenses	47,829	17,224	65,053
Accrued Interest	146,630	128,318	274,948
Deposits		2,029,500	2,029,500
Unearned Revenue	2,667,774	-	2,667,774
Unclaimed Property	50,834	-	50,834
Noncurrent liabilities:			
Due within one year	2,537,619	1,720,387	4,258,006
Due in more than one year	38,941,170	18,185,728	57,126,898
TOTAL LIABILITIES	53,505,331	23,305,563	76,810,894
DEFERRED INFLOW OF RESOURCES			
Deferred inflows of resources	2,436,390	796,310	3,232,700
NET POSITION			
Net Investment in Capital Assets	24,487,789	23,331,755	47,819,544
Restricted for:			
Tourism	2,158,007	-	2,158,007
Public Safety	138,940	-	138,940
Public Access TV	308,977	-	308,977
Security and Technology	15,305	-	15,305
Specified by Donors	11,384	-	11,384
Child Safety	2,391	-	2,391
Unrestricted	(1,330,154)	9,467,301	8,137,147
TOTAL NET POSITION	\$ 25,792,639	\$ 32,799,056	\$ 58,591,695

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 4,084,415	\$ 826,821	\$ 291,245	\$ -
Public Safety	5,498,742	80,210	-	-
Public Works	4,474,452	-	-	4,861,539
Culture and Recreation	1,627,805	-	-	-
Tourism	772,422	-	-	-
Interest and Fees on Long-Term Debt	1,025,417	-	-	-
Total Governmental Activities	<u>17,483,253</u>	<u>907,031</u>	<u>291,245</u>	<u>4,861,539</u>
Business-Type Activities:				
Water and Sewer	9,865,621	13,738,327	-	-
Natural Gas	2,741,025	3,296,863	-	-
Sanitation	2,446,560	2,971,727	-	-
Community Aquatic Center	711,099	132,669	39,960	-
Total Business-Type Activities	<u>15,764,305</u>	<u>20,139,586</u>	<u>39,960</u>	<u>-</u>
Total Primary Government	<u>\$ 33,247,558</u>	<u>\$ 21,046,617</u>	<u>\$ 331,205</u>	<u>\$ 4,861,539</u>

General Revenues:

Property Taxes, Levied for General Purposes
Property Taxes, Levied for Debt Service
Sales Taxes
Franchise and Other Taxes
Hotel Occupancy Taxes
Unrestricted Investment Earnings
TMRS
Other Revenues

Transfers

Total general revenues and special items

Change in net position

Net position--beginning

Net position--ending

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (2,966,349)	\$ -	\$ (2,966,349)
(5,418,532)	-	(5,418,532)
387,087	-	387,087
(1,627,805)	-	(1,627,805)
(772,422)	-	(772,422)
(1,025,417)	-	(1,025,417)
(11,423,438)	-	(11,423,438)
-	3,872,706	3,872,706
-	555,838	555,838
-	525,167	525,167
-	(538,470)	(538,470)
-	4,415,241	4,415,241
(11,423,438)	4,415,241	(7,008,197)
4,015,914	-	4,015,914
3,535,527	-	3,535,527
3,620,483	-	3,620,483
922,717	-	922,717
1,380,179	-	1,380,179
189,113	16,245	205,358
1,008,673	-	1,008,673
136,356	150,749	287,105
1,624,226	(1,624,226)	-
16,433,188	(1,457,232)	14,975,956
5,009,750	2,958,009	7,967,759
20,782,889	29,841,047	50,623,936
\$ 25,792,639	\$ 32,799,056	\$ 58,591,695

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

CITY OF ROCKPORT, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 2,709,763	\$ 1,337,048	\$ -	\$ 3,332,200	\$ 7,379,011
Investments	1,714,000	-	1,225,000	-	2,939,000
Receivables (net):					
Property Taxes	80,181	60,088	-	-	140,269
Other Taxes	649,107	-	-	-	649,107
Accounts	447,757	-	-	207,438	655,195
Intergovernmental	855,983	-	-	2,164,460	3,020,443
Due from Other Funds	24,423	141,337	-	1,260,623	1,426,383
Inventories	40,000	-	-	-	40,000
Restricted Cash and Investments	-	-	27,221,597	-	27,221,597
Total Assets	<u>\$ 6,521,214</u>	<u>\$ 1,538,473</u>	<u>\$ 28,446,597</u>	<u>\$ 6,964,721</u>	<u>\$ 43,471,005</u>
LIABILITIES					
Obligations in Excess of Cash	\$ -	\$ -	\$ -	\$ 7,054,992	\$ 7,054,992
Accounts Payable	304,173	-	-	995,755	1,299,928
Contractor's Retainage	-	-	513,150	-	513,150
Accrued Expenditures	39,474	-	-	6,204	45,678
Due to Other Funds (Note 7)	23,193	-	1,373,530	1,230	1,397,953
Unearned Revenue	2,592,541	60,088	-	15,145	2,667,774
Unclaimed Property	50,834	-	-	-	50,834
Total Liabilities	<u>3,010,215</u>	<u>60,088</u>	<u>1,886,680</u>	<u>8,073,326</u>	<u>13,030,309</u>
FUND BALANCE					
Nonspendable	40,000	-	-	-	40,000
Restricted					
Capital Projects	-	-	26,559,917	-	26,559,917
Tourism	-	-	-	2,158,007	2,158,007
Public Safety	-	-	-	138,940	138,940
Public Access TV	-	-	-	308,977	308,977
Security and Technology	-	-	-	15,305	15,305
Specified by Donors	-	-	-	11,384	11,384
Child Safety	-	-	-	2,391	2,391
Committed	-	1,478,385	-	-	1,478,385
Assigned	-	-	-	668,581	668,581
Unassigned	3,470,999	-	-	(4,412,190)	(941,191)
Total Fund Balance	<u>3,510,999</u>	<u>1,478,385</u>	<u>26,559,917</u>	<u>(1,108,605)</u>	<u>30,440,696</u>
Total Liabilities and Fund Balance	<u>\$ 6,521,214</u>	<u>\$ 1,538,473</u>	<u>\$ 28,446,597</u>	<u>\$ 6,964,721</u>	<u>\$ 43,471,005</u>

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

CITY OF ROCKPORT, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
September 30, 2022

Total Fund Balances - Total Governmental Funds \$ 30,440,696

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are reported in the governmental funds. The cost of assets in governmental activities and the accumulated depreciation are as follows:

Capital Assets		
(Excluding Internal Service of \$154,632)	\$ 49,870,725	
Accumulated Depreciation		
(Excluding Internal Service of \$79,232)	<u>(12,201,644)</u>	37,669,081

Deferred Outflows and Inflows are not reported in governmental funds as follows:

Deferred Loss on Bond Refunding	\$ 178,445	
Deferred Outflows Related to Pensions		
(Excluding Internal Service \$40,176)	1,089,601	
Deferred Outflows Related to OPEB		
(Excluding Internal Service \$22,552)	530,891	
Deferred Inflows Related to Pensions		
(Excluding Internal Service \$69,263)	(1,809,758)	
Deferred Inflows Related to OPEB		
(Excluding Internal Service \$19,627)	<u>(537,742)</u>	(548,563)

Some liabilities are not due and payable in the current period and therefore are not reported in funds.

A detail of these liabilities follows:

Long-Term Debt	\$ (35,104,236)	
Net Pension Liability		
(Excluding Internal Service \$75,188)	(2,022,416)	
OPEB Liability		
(Excluding Internal Service \$188,982)	(3,472,728)	
Accumulated Compensated Absences		
(Excluding Internal Service \$30,117)	(585,125)	
Accrued Interest	<u>(146,629)</u>	(41,331,134)

Internal service funds are used by management to charge cost of fleet management to individual funds. The assets and liabilities of the internal service fund is included in the governmental activities of net position.

(437,441)

Net Position of Governmental Activities \$ 25,792,639

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes and Business Fees	\$ 8,541,459	\$ 3,535,527	\$ -	\$ 1,595,360	\$ 13,672,346
Licenses and Permits	660,739	-	-	-	660,739
Intergovernmental	291,245	-	-	4,861,539	5,152,784
Fines and Forfeitures	154,894	-	-	11,188	166,082
Charges for Services	80,210	-	-	-	80,210
Interest on Investments	13,730	11,689	159,559	4,135	189,113
Other Revenues	136,300	-	-	56	136,356
Total Revenues	9,878,577	3,547,216	159,559	6,472,278	20,057,630
EXPENDITURES					
Current:					
General Government	3,954,840	-	-	9,963	3,964,803
Public Safety	3,795,873	-	-	1,467,739	5,263,612
Public Works	2,003,911	-	-	2,006,878	4,010,789
Culture and Recreation	1,260,259	-	-	167,028	1,427,287
Tourism	-	-	-	770,500	770,500
Capital Outlay	419,383	-	39,231	5,996,888	6,455,502
Debt service:					
Principal Retirement	60,342	2,268,445	-	10,276	2,339,063
Interest and Fiscal Charges	52,266	844,128	129,023	-	1,025,417
Total Expenditures	11,546,874	3,112,573	168,254	10,429,272	25,256,973
Excess (Deficiency) of Revenues over Expenditures	(1,668,297)	434,643	(8,695)	(3,956,994)	(5,199,343)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	7,640,000	-	7,640,000
Bond Premium	-	-	609,026	-	609,026
Transfers In	2,036,474	-	-	956,710	2,993,184
Transfers Out	(1,311,848)	-	-	(28,244)	(1,340,092)
Total Other Financing Sources (Uses)	724,626	-	8,249,026	928,466	9,902,118
Net Change in Fund Balance	(943,671)	434,643	8,240,331	(3,028,528)	4,702,775
Fund Balance at Beginning of Year	4,454,670	1,043,742	18,319,586	1,919,923	25,737,921
Fund Balance at End of Year	\$ 3,510,999	\$ 1,478,385	\$ 26,559,917	\$ (1,108,605)	\$ 30,440,696

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

CITY OF ROCKPORT, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Net Change in Fund Balance - Total Governmental Funds \$ 4,702,775

Amounts reported for governmental activities in the statement of activities (page 18-19)
are different because:

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 outlays exceed depreciation as follows:

Capital Outlay	6,455,502	
Depreciation (Excluding Internal Service \$ 12,588)	<u>(1,060,247)</u>	5,395,255

Loss on Sales and Retirements of Capital Assets

The issuance of long-term debt 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 premiums, discounts and similar items when debt is first issued, whereas the 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.

Issuance of Bonds	(7,640,000)	
Bond Premiums	(609,026)	
Principal Retirement	2,339,063	
Net adjustment related to bond refunding	1,838,337	
Amortization of Bond Premiums	194,090	
Amortization of Deferred Charges on Refunding	<u>(108,205)</u>	(3,985,741)

Expenditures are recognized in the governmental funds when paid or due for items not normally paid with available financial resources. However, the Statement of Activities is presented on an accrual basis and expenses reported when incurred. This amount is the net effect of these differences

Pension Cost, Net	(657,095)	
OPEB Expense	(351,578)	
Compensated Absence Expense	<u>(45,907)</u>	(1,054,580)

Internal service funds are used by management to charge the costs of fleet maintenance to individual funds. The net expenses and transfers to the business-type activities is reported in governmental activities

(47,959)

Change in net position of governmental activities \$ 5,009,750

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2022

	Original	Final		Variance With
	Budget	Amended	Actual	Final Budget
REVENUES	Budget	Budget	Amounts	Positive or
				(Negative)
Taxes and Business Fees	\$ 9,147,168	\$ 9,147,168	\$ 8,541,459	\$ (605,709)
Licenses and Permits	736,000	736,000	660,739	(75,261)
Intergovernmental	341,300	341,300	291,245	(50,055)
Fines and Forfeitures	216,475	216,475	154,894	(61,581)
Charges for Services	121,700	121,700	80,210	(41,490)
Interest on Investments	8,000	8,000	13,730	5,730
Other Revenues	97,000	97,000	136,300	39,300
Total Revenues	<u>10,667,643</u>	<u>10,667,643</u>	<u>9,878,577</u>	<u>(789,066)</u>
EXPENDITURES				
General Government	2,886,826	2,886,826	3,954,840	(1,068,014)
Public Safety	3,854,250	3,854,250	3,795,873	58,377
Public Works	3,635,491	3,635,491	2,003,911	1,631,580
Culture and Recreation	1,342,776	1,342,776	1,260,259	82,517
Debt service:				
Principal Retirement	-	-	60,342	(60,342)
Interest and Fiscal Charges	-	-	52,266	(52,266)
Capital Projects	781,845	781,845	419,383	362,462
Total Expenditures	<u>12,501,188</u>	<u>12,501,188</u>	<u>11,546,874</u>	<u>954,314</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,833,545)</u>	<u>(1,833,545)</u>	<u>(1,668,297)</u>	<u>165,248</u>
OTHER FINANCING SOURCES (USES)				
Community Disaster Loan	1,814,165	1,814,165	-	(1,814,165)
Transfers In	1,143,526	1,143,526	2,036,474	892,948
Transfers Out	(1,124,146)	(1,124,146)	(1,311,848)	(187,702)
Total Other Financing Sources (Uses)	<u>1,833,545</u>	<u>1,833,545</u>	<u>724,626</u>	<u>(1,108,919)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(943,671)</u>	<u>\$ (943,671)</u>
Fund Balance at Beginning of Year			<u>4,454,670</u>	
Fund Balance at End of Year			<u>\$ 3,510,999</u>	

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2022

	Business-type Activities		
	Enterprise Funds		
	Water & Sewer	Natural Gas	Sanitation
ASSETS			
Current Assets:			
Cash and Cash Equivalents (Note 2)	\$ 10,813,583	\$ 839,896	\$ 1,351,187
Investments (Note 2)	735,000	-	-
Receivables (Net of Allowance for Uncollectible)	1,092,440	191,478	276,475
Due from Other Funds (Note 7)	530,005	-	-
Inventories	223,510	101,627	-
Restricted Cash and Investments (Note 2)	248,897	840,472	-
Total Current Assets	13,643,435	1,973,473	1,627,662
Noncurrent :			
Capital Assets:			
Land	110,653	-	-
Other Capital Assets, Net of Accumulated Depreciation	33,590,817	5,093,341	-
Total Noncurrent Assets	33,701,470	5,093,341	-
Total Assets	47,344,905	7,066,814	1,627,662
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflow of Resources	563,353	125,962	-
LIABILITIES			
Current Liabilities:			
Obligations in Excess of Cash	-	-	-
Accounts Payable	494,076	225,830	279,802
Accrued Expenses	12,225	4,278	-
Accrued Interest	92,338	35,980	-
Due to Other Funds (Note 7)	141,337	417,097	-
Customers' Deposits	2,029,500	-	-
Long-Term Debt - Current (Note 5 & 6)	1,452,948	192,035	-
Compensated Absences - Current	58,329	17,075	-
Total Current Liabilities	4,280,753	892,295	279,802
Noncurrent Liabilities:			
Long-Term Debt (Note 5)	11,381,869	3,305,270	-
Compensated Absences	96,986	28,390	-
Net Pension Liability (Note 9)	541,522	167,728	-
OPEB Liability (Note 10)	1,950,230	604,053	-
Total Noncurrent Liabilities	13,970,607	4,105,441	-
Total Liabilities	18,251,360	4,997,736	279,802
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources	588,225	182,193	-
NET POSITION			
Net Investment in Capital Assets	21,023,332	1,596,037	-
Unrestricted (deficit)	8,045,341	416,810	1,347,860
Total Net Position	\$ 29,068,673	\$ 2,012,847	\$ 1,347,860

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2022

Business-type Activities		Governmental
Enterprise Funds		Activities
Nonmajor		
Community		Internal Service
Aquatic Center	Total	Fleet
\$ 200	\$ 13,004,866	\$ -
-	735,000	-
180	1,560,573	4,799
-	530,005	-
-	325,137	50,364
-	1,089,369	-
380	17,244,950	55,163
104,300	214,953	-
608,086	39,292,244	75,400
712,386	39,507,197	75,400
712,766	56,752,147	130,563
17,901	707,216	62,728
223,639	223,639	244,256
1,059	1,000,767	1,149
721	17,224	2,151
-	128,318	-
-	558,434	-
-	2,029,500	-
-	1,644,983	-
-	75,404	11,310
225,419	5,678,269	258,866
-	14,687,139	-
-	125,376	18,807
23,836	733,086	75,188
85,844	2,640,127	188,981
109,680	18,185,728	282,976
335,099	23,863,997	541,842
25,892	796,310	88,890
712,386	23,331,755	75,400
(342,710)	9,467,301	(512,841)
\$ 369,676	\$ 32,799,056	\$ (437,441)

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2022

	Business-type Activities		
	Enterprise Funds		
	Water & Sewer	Natural Gas	Sanitation
OPERATING REVENUES			
Charges for Services	\$ 13,738,327	\$ 3,296,863	\$ 2,971,727
OPERATING EXPENSES			
Personnel Services	1,825,629	485,115	-
Contractual Services	1,048,658	209,686	2,446,560
Maintenance	4,423,552	210,359	-
Supplies	93,074	1,375,012	-
Other	572,288	21,952	-
Depreciation	1,403,986	281,768	-
Total Operating Expenses	9,367,187	2,583,892	2,446,560
Operating Income (Loss)	4,371,140	712,971	525,167
NONOPERATING REVENUES (EXPENSES)			
Interest on Investments	16,245	-	-
Payments from Other Governments	-	-	-
Interest Expense and Fiscal Charges	(498,434)	(157,133)	-
Other Revenues	135,046	15,703	-
Total Nonoperating Revenues (Expenses)	(347,143)	(141,430)	-
Net Income (Loss) Before Transfers	4,023,997	571,541	525,167
Transfers In	339,651	-	-
Transfers Out	(1,914,463)	(390,951)	(13,776)
Change in net position	2,449,185	180,590	511,391
Net position - beginning	26,619,488	1,832,257	836,469
Net position - ending	\$ 29,068,673	\$ 2,012,847	\$ 1,347,860

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2022

Business-type Activities Enterprise Funds		Governmental Activities
Community Aquatic Center	Total	Internal Service Fleet
\$ 132,669	\$ 20,139,586	\$ 825,406
473,125	2,783,869	255,023
42,198	3,747,102	72,475
23,649	4,657,560	17,328
102,329	1,570,415	485,088
2,893	597,133	1,997
66,905	1,752,659	12,588
711,099	15,108,738	844,499
(578,430)	5,030,848	(19,093)
-	16,245	-
39,960	39,960	-
-	(655,567)	-
-	150,749	-
39,960	(448,613)	-
(538,470)	4,582,235	(19,093)
364,497	704,148	-
(9,184)	(2,328,374)	(28,866)
(183,157)	2,958,009	(47,959)
552,833	29,841,047	(389,482)
\$ 369,676	\$ 32,799,056	\$ (437,441)

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2022

	Business-type Activities		
	Enterprise Funds		
	Water & Sewer	Natural Gas	Sanitation
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 14,208,988	\$ 3,269,424	\$ 2,948,278
Receipts from Interfund Services Provided	-	-	-
Payments to Suppliers	(6,114,246)	(1,648,252)	(2,647,818)
Payments to Employees	(1,961,809)	(638,088)	-
Net cash Provided by (Used in) Operating Activities	6,132,933	983,084	300,460
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Change in Interfund Borrowings	-	-	-
Transfers In from Other Funds	339,651	-	-
Transfers Out to Other Funds	(1,914,463)	(390,951)	(13,776)
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,574,812)	(390,951)	(13,776)
CASH FLOWS FORM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Capital Assets	(650,675)	(89,383)	-
Principal Paid on Long-term Debt	(1,458,922)	(305,003)	-
Interest Expense and Fiscal Charges	(498,434)	(157,133)	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	(2,608,031)	(551,519)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Investments	259,245	-	-
Net cash Provided by (Used in) Investing Activities	259,245	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	2,209,335	40,614	286,684
Cash and Cash Equivalents at Beginning of Year	8,853,145	1,639,754	1,064,503
Cash and Cash Equivalents at End of Year	\$ 11,062,480	\$ 1,680,368	\$ 1,351,187

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2022

Business-type Activities		Governmental
Enterprise Funds		Activities
Community		Internal Service
Aquatic Center	Total	Fleet
\$ 172,981	\$ 20,599,671	\$ 831,899
-	-	(584,128)
(173,383)	(10,583,699)	-
(355,625)	(2,955,522)	(297,940)
(356,027)	7,060,450	(50,169)
-	-	-
364,497	704,148	-
(9,184)	(2,328,374)	(28,866)
355,313	(1,624,226)	(28,866)
-	(740,058)	(25,466)
-	(1,763,925)	-
-	(655,567)	-
-	(3,159,550)	(25,466)
-	259,245	-
-	259,245	-
(714)	2,535,919	(104,501)
(222,725)	11,334,677	(139,755)
<u>\$ (223,439)</u>	<u>\$ 13,870,596</u>	<u>\$ (244,256)</u>

(continued)

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
For the Year Ended September 30, 2022

	Business-type Activities		
	Enterprise Funds		
	Water & Sewer	Natural Gas	Sanitation
Reconciliation of operating income (loss)			
to net cash provided by (used in) operating activities:			
Operating Income (Loss)	\$ 4,371,140	\$ 712,971	\$ 525,167
Adjustments to Reconcile Operating Income (Loss)			
to Net Cash Provided by (Used in) Operating Activities:			
Depreciation	1,403,986	281,768	-
Nonoperating Revenues	135,046	15,703	-
Changes in Assets and Liabilities:			
Accounts Receivable	24,977	(43,143)	(23,449)
Inventories	(19,797)	(51,673)	-
Deferred Loss on Refunding of Bonds	65,451	-	-
Deferred Outflows Related to Pension	(75,960)	(16,739)	-
Deferred Outflows Related to OPEB	35,005	17,653	-
Accounts Payable	43,123	220,429	(201,258)
Accrued Expenses	(18,526)	(7,062)	-
Customer Deposits	310,638	-	-
Compensated Absences	(20,236)	3,894	-
OPEB Liability	(293,407)	(90,250)	-
Net Pension Liability	(11,817)	(116,382)	-
Deferred Inflows Related to Pension	183,502	55,914	-
Deferred Inflows Related to OPEB	(192)	-	-
Net Cash Provided by (Used in) Operating Activities	<u>\$ 6,132,933</u>	<u>\$ 983,083</u>	<u>\$ 300,460</u>

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

CITY OF ROCKPORT, TEXAS
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
For the Year Ended September 30, 2022

Business-type Activities		Governmental
Enterprise Funds		Activities
Community		Internal Service
Aquatic Center	Total	Fleet
\$ (578,430)	\$ 5,030,848	\$ (19,093)
66,905	1,752,659	12,588
39,960	190,709	-
352	(41,263)	6,493
-	(71,470)	(4,076)
-	65,451	-
(15,112)	(107,811)	(7,165)
(3,935)	48,723	-
748	63,042	68
(3,062)	(28,650)	(3,232)
-	310,638	-
-	(16,342)	1,409
78,014	(305,643)	(27,656)
31,747	(96,452)	(41,004)
17,806	257,222	31,499
8,980	8,788	-
<u>\$ (356,027)</u>	<u>\$ 7,060,449</u>	<u>\$ (50,169)</u>

(concluded)

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

NOTES TO FINANCIAL STATEMENTS

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rockport, Texas (the City) was incorporated in 1871 under the provisions of the laws for the State of Texas. The City operates under a Home-Rule Charter, which was adopted on April 12, 1983, and provides the following services, as authorized, by its charter: public safety (police and fire), streets, sanitation, culture-recreation, public improvements, planning and zoning, and general administration services. Other services include utilities. The City operates with a Council- Manager type of government, where the City Council consists of the mayor and four council members. The mayor is elected at large, and one council member is elected from each of four wards.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the City are described below.

A. REPORTING ENTITY

The City's basic financial statements include the accounts of all City operations. The criteria for including legally separate organizations as component units within the City's reporting entity are set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards. Based on this criterion, the City has no component units.

B. BASIS OF PRESENTATION

The government-wide financial statements (the statement of net position and the statement of activities) report information on all non-fiduciary activities of the primary government. The effect of interfund activity, within the government and business- type activities columns, has been removed from these statements. However, any interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program, and 2) operating or capital grants and contributions that are restricted to meeting operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

C. FUND FINANCIAL STATEMENTS

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balances of current financial resources. The City has reported the following major governmental funds:

General Fund - The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other funds are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—continued

C. FUND FINANCIAL STATEMENTS--continued

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long- term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted exclusively for debt service expenditures.

Capital Projects Fund - The Capital Projects Fund is used to account for bond proceeds and related expenditures for capital projects.

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determination on net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary funds.

Water and Sewer Fund - Water and Sewer Fund is used to account for the provision of water and sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted, if necessary, to ensure integrity of the funds.

Natural Gas Fund - Natural Gas Fund is used to account for the provision of natural services to the residents of the City. Activities of the fund include administration, operations and maintenance of the gas system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for natural gas debt. All costs are financed through charges to natural gas customers with rates reviewed regularly and adjusted, if necessary, to ensure integrity of the funds.

Sanitation Fund - Sanitation Fund is used to account for the sanitation services provide through a contract with Republic Services for curbside collection of solid waste and commingled recyclables. Activities of the fund include collection of revenues and payments to the service provider. All costs are financed through charges to customers.

Community Aquatic Center Fund - Community Aquatic Center Fund is used to account for the water-based programs provided to the citizens of the City, Aransas County and the Town of Fulton. Activities of the fund include administration, operations and maintenance of the Community Aquatic Center and billing and collection activities. All costs are financed through charges for water-based programs and intergovernmental revenue from Aransas County and the City of Fulton.

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented in the summary form as part of the proprietary fund financial statements. The City's internal service funds account for vehicle maintenance services to other departments within the City on a cost-reimbursement basis. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental column when presented at the government-wide level in the Statement of Net Position. The net activity of these services is offset against the appropriate functional activity in the Statement of Activities. This complies with the City's policy of eliminating internal activity from the government-wide statements.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—continued

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING--continued

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, debt services expenditures, except for interest payable accrued at the debt issuance date for which cash is received with the debt proceeds, as well as expenditures related to compensated absences are recorded only when payment has matured and will be payable shortly after year-end. The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received, as they are deemed immaterial.

When both restricted and unrestricted resources are available, it is the City's policy to use restricted resources first, then unrestricted resources, as needed.

E. BUDGETARY INFORMATION

Annual budgets are adopted for General Fund, Utility Surcharge Fund, Hotel/Motel Occupancy Tax Fund, Municipal Court Security & Technology Fund, City/County Dispatch Fund, Capital Projects and Debt Service Fund.

The City Charter establishes the fiscal year as the twelve-month period beginning October 1. On or before the first regular scheduled meeting in August of each year, the City Manager submits a proposed budget for the ensuing fiscal year. The City council reviews the proposed budget and makes any appropriate changes prior to publishing the final budget. The Council holds a public hearing on the proposed budget.

At a regular or special meeting, not fewer than seven days after the public hearing, the City Council will adopt the budget by ordinance on one reading. Adopting of the budget shall constitute appropriation of the amounts specified therein as expenditures from the funds indicated and constitutes a levy of property tax therein proposed.

Once a budget is approved, it can be amended only by approval of a majority of the members of the City Council. The City prepares all budgets on a "GAAP" basis.

F. CASH AND CASH EQUIVALENTS

Cash of all funds, including restricted cash, are combined into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's equity in the pooled cash accounts is available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with maturity of ninety days or less are also considered to be "cash equivalents". Negative balances incurred in pooled cash at year-end are treated as interfund receivables of the General Fund and interfund payables of the deficit fund.

G. INVESTMENTS

This City's reports money market investments and short-term participating interest-earning investment contracts at amortized cost and reports nonparticipating interest-earning investment contracts using a cost-based measure. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments, which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Non-negotiable certificates of deposit are examples of nonparticipating interest-earning investments.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—continued

H. PROPERTY TAX

Property taxes attach, as an enforceable lien, on property as of January 1. The City's property tax is levied each October 1 on the basis of assessed values at the date the enforceable lien attaches. Appraised values are established by the Aransas County Appraisal District, assessed at 100% of appraised value, approved by the Aransas County Appraisal Review Board, and certified by the Chief Appraiser. Responsibility for the billing and collection of the City's taxes is contracted to Aransas County as an efficiency measure.

Taxes are due on receipt of the tax bill and are delinquent if not paid before February of the year following the year in which imposed. Taxes become delinquent on February 1 at which time penalty and interest charges are applicable. Property tax revenues are recorded as revenues when they become available.

I. RECEIVABLES

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

All trade and property tax receivables are shown net of an allowance for uncollectible. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectible. The property tax receivable allowance is based on historical experience in collecting tax receivables.

Utility revenue is recorded when earned. Customers are billed monthly.

J. INVENTORY

Inventories of supplies is valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. Special reporting treatments are applied to governmental fund inventories to indicate that they do not represent "available spendable resources", even though they are a component of net current assets. Governmental fund inventories at year end are offset by a reservation of fund balance. Proprietary fund-type inventories are reported at the lower of cost or market.

K. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All purchased capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Outlays for capital assets are capitalized as projects are constructed. Infrastructure assets begin depreciating at the end of the year in which costs are incurred. Other capital assets begin depreciating when the asset is placed in service.

Assets capitalized have an original cost of \$5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20-40 years
Water and Sewer System	5-50 years
Infrastructure	50 years
Machinery and Equipment	5-10 years
Improvements Other than Buildings	20 years
Vehicles	3-10 years

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--continued

L. ACCUMULATED UNPAID COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. These benefits are accounted for using the termination payment method. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. Expenditures are recorded in the governmental funds as employees resign or retire. In governmental funds, compensated absences liabilities are paid from the funds reporting payroll and related expenditures which is mainly the general fund.

M. LONG-TERM DEBT

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in the governmental funds. Bond discounts and issuance costs are treated as costs in the year issued.

N. PENSION PLAN

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. Information regarding the City's Total Pension liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Codification Section P20 - Pension Activities.

O. OTHER POSTRETIREMENT EMPLOYEE BENEFITS

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to City of Rockport Retiree Health Care Plan (Plan), and OPEB expense, information about the fiduciary net position and additions to/deductions for the Plan's fiduciary net position have been using the flow of economic resources measurement focus and full accrual basis of accounting. 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. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

P. FUND EQUITY

In the government-wide financial statements and proprietary fund financial statements, net position is classified in the following categories:

Net Investment in Capital Assets: This category represents the net carrying value of all capital assets, reduced by the outstanding balances of long-term debt that are attributable to the acquisition, construction or improvement of these assets.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--continued

P. FUND EQUITY--continued

Restricted: The restricted component of net position represents restricted assets reduced by liabilities related to those assets. This category represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted: This category is the “residual” component of net position. It consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the governmental fund financial statements, fund balances are classified in the following categories:

The *nonspendable* fund balance includes the portion of net resources that cannot be spent because of their form or because they must be maintained intact. Resources not in spendable form include inventories and prepaid items, long-term advances, long-term receivables and nonfinancial assets held for resale.

The *restricted* fund balance includes net resources that can be spent only for the specific purposes stipulated by constitution, external resource providers (creditors, grantors, contributors), laws and regulations of other governments, or through enabling legislation. Some resources are spendable but are legally or contractually required to be maintained intact. Such resources include the principal of an endowment. The enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources from external resource providers; those resources can be used only for the specific purposes stipulated in the legislation.

The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by formal action of the City’s highest level of decision-making authority. City Council is the highest decision-making authority for the City 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.

The *assigned* fund balance includes amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. The City Council and the City Manager, have the authority to assign amounts for a specific purpose. The residual fund balance that is not Restricted or Committed in governmental funds except the General Fund is assigned.

The *unassigned* fund balance represents the spendable net resources that have not been restricted, committed, or assigned to specific purposes. The General Fund is the only fund that reports a positive unassigned fund balance.

R. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net 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. The City has the following items that qualify for reporting in this category:

- Deferred charges on refunding - 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.
- Pension and OPEB contributions after measurement date - These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension assets - This difference is deferred and amortized over a closed five-year period.
- Changes in actuarial assumptions used to determine pension and OPEB liabilities - These differences are deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--continued

R. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES—continued

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.

The City has the following items that qualify for reporting in this category:

- Difference in projected and actual earnings on pension assets - This difference is deferred and amortized over a closed five-year period.
- Difference in expected and actual pension or OPEB experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions used to determine pension or OPEB liability - This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.

The components of the City's Government-wide deferred outflows of resources and deferred inflows of resources are as follows

		Business-type Activities				
		Enterprise Funds				
	Governmental Activities	Water & Sewer	Natural Gas	Community Aquatic Center	Internal Service Fleet	Total
Deferred Outflows of Resources						
Deferred Loss on Bond Refundings	\$ 178,445	\$ 156,677	\$ -	\$ -		\$ 335,122
Deferred Outflows Related to Pension	1,089,601	273,056	84,575	12,019	40,176	1,499,427
Deferred Outflows Related to OPEB	530,891	133,620	41,387	5,882	22,552	734,332
Total Deferred Outflows of Resources	<u>\$ 1,798,937</u>	<u>\$ 563,353</u>	<u>\$ 125,962</u>	<u>\$ 17,901</u>	<u>\$ 62,728</u>	<u>\$ 2,568,881</u>
Deferred Inflows of Resources						
Deferred Gain on Bond Refundings	\$ -	\$ -	\$ -	\$ -	-	\$ -
Deferred Inflows Related to Pension	1,809,758	453,658	140,513	19,969	69,263	2,493,161
Deferred Inflows Related to OPEB	537,742	134,567	41,680	5,923	19,627	739,539
Deferred Inflows of Resources	<u>\$ 2,347,500</u>	<u>\$ 588,225</u>	<u>\$ 182,193</u>	<u>\$ 25,892</u>	<u>\$ 88,890</u>	<u>\$ 3,232,700</u>

S. SPENDING PRIORITIZATION IN USING AVAILABLE RESOURCES

When both restricted resources and other resources (i.e., committed, assigned and unassigned) can be used for the same purpose, the City budget considers restricted resources to be spent first. When committed, assigned and unassigned resources can be used for the same purpose, the flow assumption in the City budget is to spend in the sequence of committed resources first, assigned second, and unassigned last.

T. ESTIMATES

The preparation of basic financial statements in conformance with GAAP requires management to make estimates and assumptions that affect the amount reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 2—CASH AND INVESTMENTS

The Public Funds Investment Act (Texas Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. It requires the City to adopt, implement, and publicize an investment policy. That policy must address the following areas: 1) safety of principal and liquidity, 2) portfolio diversification, 3) allowable investments, 4) acceptable risk levels, 5) expected rates of return, 6) maximum allowable stated maturity of portfolio investments, 7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, 8) investment staff quality and capabilities, and 9) bid solicitation preferences for certificates of deposit. Statutes authorize the City to invest in: 1) obligations of the U.S. Treasury, certain U.S. Agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) money market savings accounts, 5) repurchase agreements, 6) bankers' acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) common trust funds. The Act also requires the City to have independent auditors perform test procedures related to investment practices as provided by the Act. The City is in substantial compliance with the requirements of the Act and with local policies.

The bank deposits of \$17,192,337 (bank balances) at September 30, 2022, were covered by Federal Depository Insurance (FDIC) or by collateral held by the City's agent bank in the City's name. As of September 30, 2022, the City had \$24,574,634 invested in Texpool and the Texas Daily Funds. This investment is included in cash and cash equivalents because of its short-term maturity. As of September 30, 2022, the City had \$3,674,000 invested in certificates of deposit that are included as investments.

An escrow account that was set up as part of the Energy Conservation Bond and related agreements, was not covered by collateral held by the City's agent in the City's name. \$250,000 was covered by federal deposit insurance but the remaining balance of \$235,657 was uncollateralized as of September 30, 2022.

Interest Rate Risk - In compliance with the City's Investment Policy the City minimized the interest rate risk in the portfolio, related to current market events, by limiting the weighted average maturity to a maximum of two years.

Credit Risk - In accordance with state law and the City's investment policy, investments in mutual funds and investment pools must be rated at least AAA, commercial paper must be rated at least A-1 or P-1, and investments in obligations from other states, municipalities, countries, etc. must be rated at least A. The City's investments in investment pools were rated AAA.

Public funds investment pools in Texas (Pools) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (PFIA), Chapter 2256 of the Texas Government Code. In addition to other provisions of the PFIA designed to promote liquidity and safety of principal, the (PFIA) requires Pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares. All investments noted above have been rated AAA-m by Standard & Poor's and AAA by Moody's.

Concentration of Credit Risk - The City does not place a limit on the amount the City may invest in any one issuer. The City does not have a concentration of credit risk.

Custodial Credit Risk - For an investment, custodial credit risk 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 does not have a custodial credit risk.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 3—CAPITAL ASSETS

Capital Assets for governmental and business-type activities are as follows:

	Governmental Activities				Ending Balance September 30, 2022
	Beginning Balance October 1, 2021	Additions	Deletions	Transfers	
Governmental Activities:					
Capital assets, not being depreciated					
Land	\$ 10,456,139	\$ -	\$ -	\$ -	\$ 10,456,139
Construction in progress	2,012,098	5,240,384	-	(267,750)	6,984,732
Total capital assets, not being depreciated	12,468,237	5,240,384	-	(267,750)	17,440,871
Capital assets, being depreciated					
Buildings and Improvements	4,831,702	-	-	-	4,831,702
Improvements other than Building	3,578,886	-	-	-	3,578,886
Machinery and Equipment	5,096,969	945,140	(28,982)	-	6,013,127
Infrastructure	17,623,043	269,978	-	267,750	18,160,771
Total capital assets, being depreciated	31,130,600	1,215,118	(28,982)	267,750	32,584,486
Less accumulated depreciation for:					
Buildings and Improvements	(1,940,513)	(125,689)	-	-	(2,066,202)
Improvements other than Building	(1,421,656)	(179,741)	-	-	(1,601,397)
Machinery and Equipment	(3,882,404)	(359,624)	23,667	-	(4,218,361)
Infrastructure	(3,999,723)	(395,193)	-	-	(4,394,916)
Total accumulated depreciation	(11,244,296)	(1,060,247)	23,667	-	(12,280,876)
Total capital assets, being depreciated, net	19,886,304	154,871	(5,315)	267,750	20,303,610
Governmental activities, capital assets, net	\$ 32,354,541	\$ 5,395,255	\$ (5,315)	\$ -	\$ 37,744,481

	Business-type Activities				Ending Balance September 30, 2022
	Beginning Balance October 1, 2021	Additions	Deletions	Transfers	
Business-type activities:					
Capital assets, not being depreciated					
Land	\$ 214,953	\$ -	\$ -	\$ -	\$ 214,953
Construction in Progress	-	-	-	-	-
Total capital assets, not being depreciated	214,953	-	-	-	214,953
Capital assets, being depreciated					
Building and Improvements	6,207,831	-	-	-	6,207,831
Water System	29,356,800	-	-	-	29,356,800
Sewer System	24,075,770	74,885	-	-	24,150,655
Natural Gas System	6,937,295	11,720	-	-	6,949,015
Machinery and Equipment	2,276,379	653,452	-	-	2,929,831
Total capital assets, being depreciated	68,854,075	740,057	-	-	69,594,132
Less accumulated depreciation for:					
Building and Improvements	(2,489,048)	(170,112)	-	-	(2,659,160)
Water System	(11,331,597)	(677,080)	-	-	(12,008,677)
Sewer System	(11,166,735)	(510,400)	-	-	(11,677,135)
Natural Gas System	(1,675,296)	(272,552)	-	-	(1,947,848)
Machinery and Equipment	(1,886,553)	(122,515)	-	-	(2,009,068)
Total	(28,549,229)	(1,752,659)	-	-	(30,301,888)
Total capital assets, being depreciated, net	40,304,846	(1,012,602)	-	-	39,292,244
Business-type activities, capital assets, net	\$ 40,519,799	\$ (1,012,602)	\$ -	\$ -	\$ 39,507,197

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 3—CAPITAL ASSETS—continued

Depreciation expense was charged as follows:

Governmental functions		Business-type functions	
General Government	\$ 142,795	Water & Sewer	\$ 1,403,986
Public Safety	250,393	Natural Gas	281,768
Public Works	463,223	Aquatic Center	66,905
Culture and Recreation	203,836	Total business-type functions	<u>\$ 1,752,659</u>
Total governmental functions	<u>\$ 1,060,247</u>		

NOTE 4—LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended September 30, 2022:

	Beginning Balance	Additions	Retirements/ Deductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
General Obligations	\$ 8,503,473	\$ 11,925,000	\$ (1,295,450)	\$ 19,133,023	\$ 1,653,454
Certificates of Obligation	4,275,000	-	(230,000)	4,045,000	240,000
Tax Notes	14,005,000	7,640,000	(14,005,000)	7,640,000	150,000
Energy Conservation Bond	1,247,728	-	(60,342)	1,187,386	52,062
Premium on Bonds	799,584	2,287,470	(194,091)	2,892,963	109,527
Capital Leases	313,649	-	(107,787)	205,862	101,520
Total Long-Term Debt	<u>29,144,434</u>	<u>21,852,470</u>	<u>(15,892,670)</u>	<u>35,104,234</u>	<u>2,306,563</u>
Other Long-Term Liabilities					
Compensated Absences	660,742	185,555	(231,056)	615,241	231,056
Pension Liability	3,241,543	-	(1,143,939)	2,097,604	-
OPEB Liability	4,197,578	-	(535,868)	3,661,710	-
Total Other Long-Term Liabilities	<u>8,099,863</u>	<u>185,555</u>	<u>(1,910,863)</u>	<u>6,374,555</u>	<u>231,056</u>
Total Governmental Activities	<u>\$ 37,244,297</u>	<u>\$ 22,038,025</u>	<u>\$ (17,803,533)</u>	<u>\$ 41,478,789</u>	<u>\$ 2,537,619</u>
	Beginning Balance	Additions	Retirements/ Deductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:					
General Obligations	\$ 7,971,527	\$ -	\$ (1,064,550)	\$ 6,906,977	\$ 1,106,547
Certificates of Obligation	2,625,000	-	(155,000)	2,470,000	160,000
Energy Conservation Bond	6,993,541	-	(338,219)	6,655,322	291,812
Premium on Bonds	505,979	-	(206,155)	299,824	86,624
Total Long-Term Debt	<u>18,096,047</u>	<u>-</u>	<u>(1,763,924)</u>	<u>16,332,123</u>	<u>1,644,983</u>
Other Long-Term Liabilities					
Compensated Absences	217,122	59,062	(75,404)	200,780	75,404
Pension Liability	1,111,128	-	(378,042)	733,086	-
OPEB Liability	2,664,180	-	(24,053)	2,640,127	-
Total Other Long-Term Liabilities	<u>3,992,430</u>	<u>59,062</u>	<u>(477,499)</u>	<u>3,573,993</u>	<u>75,404</u>
Total Business-Type Activities	<u>\$ 22,088,477</u>	<u>\$ 59,062</u>	<u>\$ (2,241,423)</u>	<u>\$ 19,906,116</u>	<u>\$ 1,720,387</u>

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 4—LONG-TERM LIABILITIES--continued

Pension and OPEB liabilities related to governmental activities are liquidated by the fund which the expense relates based on the employees included in the specific funds. The majority of the related expense is paid by the general fund.

NOTE 5—LONG-TERM DEBT

The following is a summary of bonds payable as of September 30, 2022:

	Governmental Activity	Business-Type Activity
General Obligation Refunding Bonds, Series 2012, Original Issuance \$6,880,000 Callable February 15, 2023 at par; Varying Interest Rates 1% to 3%	\$ 1,536,416	\$ 1,123,584
General Obligation Refunding Bonds, Series 2014, Original Issuance \$5,430,000 Callable February 15, 2025 at par; Varying interest rates 2% to 4.25%	4,408,793	906,207
General Obligation Refunding Bonds, Series 2015, Original Issuance \$7,125,000 Callable February 15, 2027 at par; Varying interest rates 2% to 3.75%	1,262,814	342,186
General Obligation Refunding Bonds, Series 2017, Original Issuance \$5,710,000 Callable February 15, 2028 at par; Interest rate 4%	-	4,535,000
General Obligation Refunding Bonds, Series 2022, Original Issuance \$11,925,000 Callable February 15, 2031 at par; Interest rate 4% to 5%	11,925,000	-
Total General Obligations	19,133,023	6,906,977
Combination Tax and Revenue Certificates of Obligation, Series 2014 Original Issuance \$3,610,000, Callable February 15, 2024 at par Varying interest rates 3% to 4.5%	-	2,470,000
Combination Tax and Revenue Certificates of Obligation, Series 2015 Original Issuance \$1,950,000, Callable February 15, 2025 at par Varying interest rates 2% to 4%	1,430,000	-
Combination Tax and Revenue Certificates of Obligation, Series 2016 Original Issuance \$3,275,000, Callable February 15, 2026 at par Varying interest rates 3% to 4%	2,615,000	-
Total Certificates of Obligation	4,045,000	2,470,000
Tax Notes, Series 2022, Original Issuance \$7,640,000 Redeemable after February 15, 2026 at par, Interest rate 4%	7,640,000	-
Taxable Direct Pay Qualified Energy Conservation Bond; Original Amount \$9,319,538, Due in semi-annual payments; Interest rate 4%	1,187,385	6,655,322
Total Long-Term Liabilities at September 30, 2022	\$ 32,005,408	\$ 16,032,299

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 5—LONG-TERM DEBT--continued

Debt service requirements on outstanding bonds and certificates of obligation are as follows:

Year Ended September 30,	Governmental Activities		Business-type Activities		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	2,095,516	1,345,316	1,558,358	624,495	3,653,874	1,969,811
2024	2,462,292	1,139,240	1,642,485	563,592	4,104,776	1,702,832
2025	2,768,682	1,039,026	1,708,309	498,449	4,476,990	1,537,475
2026	2,976,373	928,018	1,783,610	429,999	4,759,982	1,358,017
2027	3,079,201	809,583	1,564,579	362,983	4,643,780	1,172,566
Thereafter	18,623,345	3,856,681	7,774,960	1,349,363	26,398,305	5,206,044
	<u>\$ 32,005,408</u>	<u>\$ 9,117,865</u>	<u>\$ 16,032,300</u>	<u>\$ 3,828,880</u>	<u>\$ 48,037,707</u>	<u>\$ 12,946,745</u>

NOTE 6—CAPITAL LEASES

The City has entered into a lease purchase agreement for the Public Safety Center with the County of Aransas, Texas. The City and County jointly paid for the facility to house the law enforcement entities. This lease agreement qualifies as capital leases for accounting purposes, and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of their inception. At September 30, 2022, the Center is carried at the cost of \$1,607,000 net of accumulated depreciation of \$723,150. The City acquired four vehicles under a lease purchase agreement that are carried at a cost of \$44,914 net of accumulated depreciation of \$44,914 as of September 30, 2022. The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at September 30, 2022:

Year Ended September 30,	BUILDING	EQUIPMENT	TOTAL
2023	101,520	-	101,520
2024	104,342	-	104,342
	<u>\$ 205,862</u>	<u>\$ -</u>	<u>\$ 205,862</u>

NOTE 7--INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of September 30, 2022, is as follows:

	Due From	Due To
Governmental Funds		
General Fund	\$ 588	\$ -
Debt Service	141,337	-
Nonmajor Governmental Funds	-	113,497
Business-Type Funds		
Water & Sewer	530,005	141,337
Natural Gas	-	417,096
Total	<u>\$ 671,930</u>	<u>\$ 671,930</u>

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 8—INTERFUND TRANSFERS

The following is a summary of transfers to and from other funds by individual major fund and nonmajor funds in the aggregate for governmental, proprietary and internal service funds.

Governmental Activities	Transfers	
	In	Out
General Fund		
Water & Sewer	\$ 1,477,451	\$ -
Natural Gas	225,343	-
Sanitation	22,960	-
Community Aquatic Center	9,184	246,604
Internal Service	19,506	-
Nonmajor Governmental Funds	28,921	930,652
Total General Fund	1,783,365	1,177,256
Nonmajor Governmental Funds		
Utility Bill Surcharge	-	9,184
Stonegarden Grant	-	12,050
City/County Dispatch Services	506,211	20,053
Storm Uri	9,962	22,483
Vehicle and Equipment Replacement	442,787	-
2007 Capital Project	-	311,761
Total Nonmajor Funds	958,960	375,531
Total Governmental Funds	\$ 2,742,325	\$ 1,552,787

Business-Type Activities	Transfers	
	In	Out
Water & Sewer		
General Fund	-	1,477,451
Natural Gas	90,000	143,643
Vehicle and Equipment Replacement	515,567	329,078
Storm Uri	-	5,118
Debt Service	2,144,182	2,144,182
Total Water & Sewer	2,749,749	4,099,472
Natural Gas		
General Fund	-	225,343
Vehicle and Equipment Replacement	151,157	18,300
Storm Uri	-	510
Water & Sewer	136,059	90,000
Total Natural Gas	287,216	334,153
Sanitation		
General Fund	-	18,368
Total Sanitation	-	18,368
Community Aquatic Center		
General Fund	246,604	9,184
Total Community Aquatic Center	246,604	9,184
Total Proprietary Funds	3,283,569	4,461,177
Fleet Fund		
General Fund	16,993	28,923
Total Fleet Fund	16,993	28,923
Total All Funds	\$ 6,042,887	\$ 6,042,887

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 8—INTERFUND TRANSFERS--continued

The Water & Sewer transfers to the General Fund were for an allocated amount for administrative service charges and the transfer to Debt Service were payment of Debt Service related to the various bond series. Transfers from Nonmajor Governmental to Water & Sewer and Natural Gas are for capital expenditures. Transfer to Nonmajor Governmental Funds is for vehicle and equipment replacement and to cover deficits.

NOTE 9—PROPERTY TAXES

The City's taxes are billed and collected by the Aransas County Tax office. Ad valorem taxes of \$7,175,254 were assessed on property values totaling \$1,610,751,822 using a tax rate of .39272 per \$100 assessed value.

NOTE 10—DUE FROM OTHER GOVERNMENTS

The City participates in certain federal financial assistance programs for which grant revenues are expenditure driven. Receivables have been recorded as necessary to recognize revenue in an amount equivalent to program expenditures.

NOTE 11—RECEIVABLES

Receivables are recorded net of allowances for uncollectible accounts, as follows:

	Gross Receivables	Allowance for Uncollectible	Net Receivables
General Fund			
Property Taxes	\$ 145,100	\$ (64,919)	\$ 80,181
Other Taxes	649,107	-	649,107
Accounts Receivable	447,757	-	447,757
Intergovernmental	855,983	-	855,983
Debt Service Fund			
Property Taxes	107,688	(47,600)	60,088
Nonmajor Funds			
Accounts Receivable	207,527	(89)	207,438
Intergovernmental	2,164,460	-	2,164,460
Internal Service Fund			
Accounts Receivable	4,799	-	4,799
Water & Sewer			
Accounts Receivable	1,101,490	(9,050)	1,092,440
Natural Gas			
Accounts Receivable	191,478	-	191,478
Sanitation			
Accounts Receivable	276,848	(373)	276,475
Community Aquatic Center			
Accounts Receivable	180	-	180
Total	<u>\$ 6,152,417</u>	<u>\$ (122,031)</u>	<u>\$ 6,030,386</u>

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 12—FUND BALANCE CLASSIFICATIONS

The following table presents additional detail of fund balances as of September 30, 2022:

	General	Debt Service	Capital Projects	NON-MAJOR GOVERNMENT FUNDS		Total
				Special Revenue	Capital Projects	
Non-spendable:						
Inventories and prepayments	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Total Non-spendable	40,000	-	-	-	-	40,000
Restricted:						
General Fund - Sesquicentennial	-	-	-	-	-	-
Utility Bill Surcharge	-	-	-	133,088	-	133,088
Stonegarden Grant	-	-	-	(11,965)	-	(11,965)
Contribution Fund	-	-	-	11,384	-	11,384
Public Access TV	-	-	-	308,977	-	308,977
Hotel Motel Tax	-	-	-	2,158,007	-	2,158,007
Key Allegro Property Improvement	-	-	-	-	-	-
Border Star Grant	-	-	-	(3,175)	-	(3,175)
Child Safety	-	-	-	2,391	-	2,391
Forfeiture	-	-	-	20,992	-	20,992
Municipal Court	-	-	-	15,305	-	15,305
Capital Project	-	-	26,559,917	-	-	26,559,917
Total Restricted	-	-	26,559,917	2,635,004	-	29,194,921
Committed:						
Debt Service	-	1,478,385	-	-	-	1,478,385
Total Committed	-	1,478,385	-	-	-	1,478,385
Assigned:						
Storm Uri	-	-	-	10,719	-	10,719
City/Council Dispatch Services	-	-	-	(14,383)	-	(14,383)
Vehicle and Equipment Replacement	-	-	-	-	672,245	672,245
Total Assigned	-	-	-	(3,664)	672,245	668,581
Unassigned:						
General Fund Unassigned	3,470,999	-	-	-	-	3,470,999
2017 Capital Project	-	-	-	-	-	-
CDBG	-	-	-	-	-	-
General Capital Improvements	-	-	-	-	(4,399,394)	(4,399,394)
Juvenile Case Manager	-	-	-	(12,796)	-	(12,796)
Total Unassigned	3,470,999	-	-	(12,796)	(4,399,394)	(941,191)
Total	\$ 3,510,999	\$ 1,478,385	\$ 26,559,917	\$ 2,618,544	\$ (3,727,149)	\$ 30,440,696

NOTE 13—PENSION PLAN

A. Plan Description

The City participates as one of 930 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 that can be obtained at www.tmr.com.n All eligible employees of the City are required to participate in TMRS.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 13—PENSION PLAN--continued

B. 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.

At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits, also known as the matching ratio, are 200% of the employee's accumulated contributions and are only payable in the form of an annuity.

The City granted monetary credit for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee with interest, prior to establishment of the Plan. Monetary credits for service since the plan began are a percent (100%, 150% or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence and if the employee's salary had always been the average of his or her salary in the last three years that are one year before the effective date. At retirement the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer match plus employer-financed monetary credits with interest were used to purchase an annuity.

The plan provisions are adopted by the City Council within the options available in statutes governing TMRS. Plan provisions for the City are as follows:

Employee Deposit Rate	7.00%
Matching Ratio (City to Employee)	2 to 1
Years Required for Vesting	5
Service Requirement Eligibility Age/Years of Service)	20 years at any age, 10 years at age (Expressed as 60 and above

At the December 31, 2021, valuation and measurement date, the following employees were covered by the benefit terms:

Retirees or Beneficiaries Currently Receiving Benefits	88
Inactive Employees Entitled to but not Receiving Benefits	74
Active employees	120
Total	<u>282</u>

C. Contributions

Under the state law governing TMRS, the contribution rate for each city is determined annually by the consulting 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 Rockport were required to contribute 7% of their annual gross earnings during the fiscal year. For fiscal year 2022, the City made contributions of 16.98% which included .027%, for supplemental death benefits for the calendar year 2022 and 17.65% which included .030% for supplemental death benefits for the calendar year 2021.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 13—PENSION PLAN—continued

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2021, 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, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall Payroll Growth	3.5% to 11.5% 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 are based on the PUB(10) mortality tables with the Public safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5 % and 3.0 % minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Actuarial assumptions used in the December 31, 2021, valuation was based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010, through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2014 through 2018, and dated December 31, 2018. These assumptions were first used in the December 31, 2019, valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. 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).

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CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 13—PENSION PLAN--continued

The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	6.10%
Core Fixed Income	6.0%	1.00%
Non-Core Fixed Income	20.0%	3.39%
Other Public & Private Markets	12.0%	3.78%
Real Estate	12.0%	4.44%
Hedge Funds	5.0%	3.56%
Private Equity	10.0%	7.75%
Total	100.0%	

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension (Asset) Liability

	Increase (Decrease)		
	Total Pension (Asset) Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a)-(b)
Balance at 12/31/20	\$ 36,719,225	\$ 32,366,554	\$ 4,352,671
Changes for the Year:			
Service Cost	1,307,529		1,307,529
Interest	2,463,862		2,463,862
Difference between Expected and Actual Experience	663,561		663,561
Contributions - Employer		1,251,275	(1,251,275)
Contributions - Employee		504,837	(504,837)
Net Investment Income		4,220,211	(4,220,211)
Benefit Payments, Including Refunds of Employee Contributions	(1,742,674)	(1,742,674)	-
Administrative Expenses		(19,523)	19,523
Other Changes		134	(134)
Net Changes	2,692,278	4,214,260	(1,521,982)
Balance at 12/31/21	\$ 39,411,503	\$ 36,580,814	\$ 2,830,689

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 13—PENSION PLAN--continued

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 one-percentage-point lower (5.75%) or one -percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's Net Pension Liability	\$ 8,177,973	\$ 2,830,689	\$ (1,545,422)

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.

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions after Measurement Date	\$ 1,010,235	\$ -
Difference in Projected and Actual Earnings on Pension Assets	-	2,167,400
Difference in Projected and Actual Pension Experience	473,428	325,761
Difference in Actuarial Assumptions Used to Determine Pension Liability	15,764	-
Total	<u>\$ 1,499,427</u>	<u>\$ 2,493,161</u>

For the year ended September 30, 2022, \$994,171 was reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended Dec 31,	Net deferred outflows (inflows) of resources
2022	\$ (428,232)
2023	(804,057)
2024	(364,583)
2025	<u>(407,097)</u>
Total	<u>\$ (2,003,969)</u>

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 14—POST RETIREMENT BENEFITS OTHER THAN PENSION

The City provides for two post-employment benefit (OPEB) plans; one provides for post-employment medical care through a single-member defined benefit medical pay (Medical OPEB) and the other is the Texas Municipal Retirement System Supplemental Death Benefits Fund (TMRS SDBF), a single-employer defined benefit OPEB Plan. Both plans are described in detail below.

Aggregate amounts for the two OPEB Plans are as follows:

	<u>MEDICAL OPEB</u>	<u>TMRS SDBF</u>	<u>TOTAL</u>
Total OPEB Liability	5,602,553	548,194	6,150,747
Deferred Outflow of Resources	635,858	98,473	734,331
Deferred Inflow of Resources	700,293	39,246	739,539
OPEB Expense	504,723	39,883	544,606

MEDICAL BENEFITS

Plan description:

In addition to the pension benefits described in Note 10, as required by state law and defined by City Policy, the City makes available health care benefits to employees who retire from the City as follows:

- Retirement before 4/24/2001 - City pays 100% of premium.
- Retirement after 4/24/2001 with ten years of service - City pays 50% of the premium. The percentage of premiums paid increases annually and at twenty years of service the City pays 80% of the premium.

Early retirement, and duty disabled benefits are the same as above but if retiring after 4/24/2001, at age 65, the retiree must apply for Medicare and the City furnishes a Medicare Supplemental Policy.

After 4/24/2001, eligible employees must enroll for this coverage within thirty days of retirement. The health care benefit provided by the plan is for the retiree only.

The subsidy provided by the City for non-Medicare retirees is capped at an amount determined by the City each fiscal year. The monthly subsidy provided by the City in FYE19 was capped at \$1,093, which is roughly 80% of the overall retiree premium. In the December 31, 2019, valuation, the actuary had modeled the City's maximum contribution as the entire retiree premium. This clarification in benefit terms is being treated as a plan change which is fully recognized in the OPEB expense.

At September 30, 2022, the following employees were covered by the benefit terms:

Retirees or Beneficiaries Currently Receiving Benefits	51
Inactive Employees Entitled to but not Receiving Benefits	
Active employees	120
Total	<u>171</u>

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City Council. The City has funded all obligations arising under this plan on a pay-as-you-go basis, which is the practice of paying for these benefits as they become due each year. Funds must be used for the exclusive purpose of providing benefits to eligible retirees and their dependents. The City intends to make subsequent annual contributions to the OPEB in accordance with a plan that results in fully funding the actuarially determined annual required contributions for those benefits over a period.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 14—POST RETIREMENT BENEFITS OTHER THAN PENSION--continued

Total OPEB Liability – Medical Benefits

The City's total OPEB liability of \$5,602,553 was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The covered payroll (annual payroll of active employees covered by the plan) for plan year 2022 was \$7,077,342, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 79.16%.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For December 31, 2021, actuarial valuation, the individual entry-age cost method was used. The actuarial assumptions use a 3.5% to 11.5% payroll growth rate, including inflation; 2.5% inflation rate; and 7.0% initial rate, declining to an ultimate rate of 4.15% after ten years for medical trends. For healthy retirees, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment were used 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 employees who retire prior to age 65, the participation rate was assumed to equal the percentage of the premium paid for by the City. 80% of eligible employees who are at least 65 years old at retirement were assumed to participate.

Discount Rate

The plan does not have formal assets and the discount rate is equal to the tax-exempt municipal bond rate on the index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of the valuation, the municipal bond rate is 2.0% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-year Municipal GO AA Index"). The discount rate was 2.75% as of the prior measurement date.

Changes in the Total OPEB Liability

	<u>MEDICAL OPEB</u>
Balance at January 1, 2020	\$ 6,338,353
Changes for the year	
Service Cost	482,551
Interest on Total OPEB Liability	129,909
Changes of Benefit Terms	(881,598)
Difference between Expected and Actual Experience	(224,035)
Changes in Assumptions	(74,229)
Benefit Payments	(168,398)
Net Change in Total OPEB Liability	<u>(735,800)</u>
Balance at December 31, 2021	<u><u>\$ 5,602,553</u></u>

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 14—POST RETIREMENT BENEFITS OTHER THAN PENSION--continued

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.0%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate:

Sensitivity of the total OPEB liability to changes in the discount rate and healthcare cost trend rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

	Discount Rate Assumption		
	1% Decrease	No Change	1% Increase
Total Medical OPEB Liability	\$ 6,306,254	\$ 5,602,553	\$ 4,999,918

	Healthcare Cost Trend Rate Assumption		
	1% Decrease	No Change	1% Increase
Total Medical OPEB Liability	\$ 5,166,253	\$ 5,602,553	\$ 6,131,162

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

For the year ended September 30, 2022, the City reported OPEB expense of \$351,578 and deferred outflows of resources and determined inflows of resources related to OPEB from the following sources:

Deferred Outflows and Inflows

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions after Measurement Date	\$ 156,120	
Difference in Projected and Actual Experience		\$ 552,539
Change in Assumptions	479,738	147,754
Total	<u>\$ 635,858</u>	<u>\$ 700,293</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$127,660 will be recognized as a reduction of the total OPEB liability for the measurement year ending December 31, 2022 (i.e., recognized in the city's financial statements September 30, 2022). Other amounts reported as deferred outflows and inflows of resources related to OPEB at September 30, 2022 will be recognized in OPEB expense as follows:

Year Ended September 30:	Deferred Inflows of Resources
2023	\$ (52,957)
2024	(99,460)
2025	(34,392)
2026	733
2027	(34,479)
Total	<u>\$ (220,555)</u>

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 14—POST RETIREMENT BENEFITS OTHER THAN PENSION--continued

TMRS SUPPLEMENTAL DEATH BENEFIT FUND

Plan Description

In addition to the pension benefits described in Note 9, as required by state law and defined by City Policy, the City voluntarily participates in the Texas Municipal Retirement System Supplemental Death Benefit Fund (SDBF). SDBF provides group-term life insurance to employees who are active members in TMRS, including or not including retirees. The City Council opted into this system via an ordinance, and may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1st of any year to be effective the following January 1st. Payments from this fund are similar to group-term life insurance benefits and are paid to the designated beneficiaries upon the receipt of an approved application for payment. 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 for the 12-month period preceding the month of death).

At September 30, 2022, the following employees were covered by the benefit terms:

Retirees or Beneficiaries Currently Receiving Benefits	68
Inactive Employees Entitled to but not Receiving Bene	13
Active employees	120
Total	<u>201</u>

Funding Policy

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was 0.27% for 2022 and 0.30% for 2021, of which .05%, represented the retiree-only portion for each year as percentage of annual covered payroll. 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 the death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. The City's contribution to the SDBF for two years ended September 30, 2022, and 2021 were \$20,953 and \$21,129 respectively representing contributions for both active and retiree coverage, which equaled the required contribution each year.

Total OPEB Liability

The City's total OPEB liability of \$548,194 was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The covered payroll (annual payroll of active employees covered by the plan) for plan year 2021 was \$7,211,964, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 7.60%.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the December 31, 2021, actuarial valuation, the individual entry-age cost method was used. The actuarial assumptions use a 3.5% to 10.5% payroll growth rate, including inflation; 2.5% inflation rate; and 7.5% initial rate, declining to an ultimate rate of 5.5% after ten years for medical trends. For healthy retirees, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment were used 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.

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 14—POST RETIREMENT BENEFITS OTHER THAN PENSION--continued

Discount Rate

The plan does not have formal assets and the discount rate is equal to the tax-exempt municipal bond rate on the index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of the valuation, the municipal bond rate is 3.71% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-year Municipal GO AA Index"). The discount rate was 3.31% as of the prior measurement date.

Changes in the Total OPEB Liability

	<u>TMRS SDBF</u>
Balance at January 1, 2020	\$ 523,405
Changes for the year	
Service Cost	29,569
Interest on Total OPEB Liability	10,641
Difference Between Expected and Actual Experience	(18,822)
Changes in Assumptions	15,661
Benefit Payments	<u>(12,260)</u>
Net Change in Total OPEB Liability	<u>24,789</u>
Balance at December 31, 2021	<u><u>\$ 548,194</u></u>

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 2.75%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate:

	<u>1% Decrease</u>	<u>No Change</u>	<u>1% Increase</u>
Total TMRS SDBF Liability	\$ 661,714	\$ 548,194	\$ 459,324

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

For the year ended September 30, 2022, the City reported OPEB expense of \$50,301 and deferred outflows of resources and determined inflows of resources related to OPEB from the following sources:

Deferred Outflows and Inflows

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB Contributions after Measurement Date	\$ 19,944	
Difference in Projected and Actual Experience		\$ 33,723
Change in Assumptions	<u>78,529</u>	<u>5,523</u>
Total	<u><u>\$ 98,473</u></u>	<u><u>\$ 39,246</u></u>

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 14—POST RETIREMENT BENEFITS OTHER THAN PENSION--continued

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$10,418 will be recognized as a reduction of the total OPEB liability for the measurement year ending December 31, 2022 (i.e., recognized in the city's financial statements September 30, 2022). Other amounts reported as deferred outflows and inflows of resources related to OPEB at September 30, 2022 will be recognized in OPEB expense as follows:

Year Ended September 30:	Deferred Inflows of Resources
2023	\$ 11,550
2024	17,143
2025	11,159
2026	(569)
2027	
Total	<u>\$ 39,283</u>

NOTE 15—COMMITMENTS AND CONTINGENT LIABILITIES

The City is exposed to various risks of loss related to third party liability claims; theft of damage to and destruction of assets; errors and omissions and injuries to employees. The City obtains general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool (TML). TML is a self-funded pool operating as a common risk management and insurance program. The City pays an annual premium to TML for its insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The City continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

NOTE 16—RISK MANAGEMENT

The City's risk management program includes coverage for property, general liability, automobile liability, public officials' liability and employee dishonesty bonds. The City participates in the Texas Municipal League joint self-insurance fund, which is a public entity risk pool. The premiums paid to TML result in the transfer of risk to the pool.

NOTE 17—FUND DEFICITS

As of September 30, 2022, the General Capital Improvements fund had a deficit balance of (\$3,591,248).

CITY OF ROCKPORT, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 18—SIGNIFICANT BUDGET OVERAGES

The budgetary comparison for the General Fund reflected budgetary overages as follows:

- General Government expenditures overage of \$1,068,013

The following are the budgetary overages for nonmajor governmental funds:

- Utility Bill Surcharge Fund – Public Safety expenditures overage of \$21,134.
- Overage due to prior year distribution.
- City/County Dispatch Fund – Public Safety expenditures overage of \$60,203.
- Overage due to timing for County to remit fund.
- Municipal Court Security & technology Fund – Public Safety expenditures overage of \$2,263.
- Debt Service Fund – Principal Retirement expenditures overage of \$143,972.

NOTE 19—EVALUATION OF SUBSEQUENT EVENTS

In preparing the financial statements the management of the City of Rockport has evaluated events and transactions for potential recognition or disclosure through February 23, 2024, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROCKPORT, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS (WILL ULTIMATELY BE DISPLAYED)

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service Cost	\$ 1,307,529	\$ 1,200,234	\$ 1,164,313	\$ 1,114,592	\$ 1,558,081	\$ 982,451	\$ 876,152	\$ 740,391
Interest (on Total Pension Liability)	2,463,862	2,375,106	2,271,179	2,136,342	1,915,431	1,750,739	1,721,744	1,625,684
Changes of Benefit Terms:								
Difference Between Expected and Actual Experience	663,561	(598,085)	(350,839)	162,769	1,248,532	(14,404)	(291,293)	(29,335)
Change of Assumptions:	-	-	76,395	-	-	665,897	126,355	-
Benefit Payments, including Refunds of Employee Contributions	(1,742,674)	(1,689,335)	(1,589,356)	(1,292,599)	(1,162,491)	(1,331,557)	(930,802)	(1,133,860)
Net Change in Total Pension Liability	2,692,278	1,287,920	1,571,692	2,121,104	3,559,553	2,053,126	1,502,156	1,202,880
Total Pension Liability - Beginning	36,719,225	35,431,305	33,859,613	31,738,509	28,178,956	26,125,830	24,623,674	23,420,794
Total Pension Liability - Ending (a)	<u>\$ 39,411,503</u>	<u>\$ 36,719,225</u>	<u>\$ 35,431,305</u>	<u>\$ 33,859,613</u>	<u>\$ 31,738,509</u>	<u>\$ 28,178,956</u>	<u>\$ 26,125,830</u>	<u>\$ 24,623,674</u>
Plan Fiduciary Net Position								
Contributions - Employer	\$ 1,251,275	\$ 1,198,891	\$ 1,108,588	\$ 961,933	\$ 1,375,596	\$ 877,449	\$ 830,773	\$ 777,084
Contributions - Employee	504,837	469,628	444,879	413,468	608,286	398,907	365,498	339,762
Net Investment Income	4,220,211	2,286,145	4,041,271	(805,105)	3,172,753	1,453,921	31,339	1,150,850
Benefit Payments, including Refunds of Employee Contributions	(1,742,674)	(1,689,335)	(1,589,356)	(1,292,599)	(1,162,491)	(1,331,557)	(930,802)	(1,133,860)
Administrative Expenses	(19,523)	(14,792)	(22,830)	(15,558)	(16,446)	(16,421)	(19,088)	(12,015)
Other	134	(577)	(685)	(812)	(833)	(885)	(943)	(988)
Net Change in Plan Fiduciary Net Position	4,214,260	2,249,960	3,981,867	(738,673)	3,976,865	1,381,414	276,777	1,120,833
Plan Fiduciary Net Position - Beginning	32,366,554	30,116,594	26,134,727	26,873,400	22,896,535	21,515,121	21,238,344	20,117,511
Plan Fiduciary Net Position - Ending (b)	<u>\$ 36,580,814</u>	<u>\$ 32,366,554</u>	<u>\$ 30,116,594</u>	<u>\$ 26,134,727</u>	<u>\$ 26,873,400</u>	<u>\$ 22,896,535</u>	<u>\$ 21,515,121</u>	<u>\$ 21,238,344</u>
Net Pension (Asset) Liability - Ending (a)-(b)	<u>\$ 2,830,689</u>	<u>\$ 4,352,671</u>	<u>\$ 5,314,711</u>	<u>\$ 7,724,886</u>	<u>\$ 4,865,109</u>	<u>\$ 5,282,421</u>	<u>\$ 4,610,709</u>	<u>\$ 3,385,330</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.82%	88.15%	85.00%	77.19%	84.67%	81.25%	82.35%	86.25%
Covered Payroll	\$ 7,211,964	\$ 6,708,966	\$ 6,355,418	\$ 5,906,687	\$ 8,689,797	\$ 5,698,673	\$ 5,221,406	\$ 4,853,742
Net Pension Liability as a Percentage of Covered Payroll	39.25%	64.88%	83.62%	130.78%	55.99%	92.70%	88.30%	69.75%

Until a full 10-year end is complete, we will present information for those years for which information is available.

CITY OF ROCKPORT, TEXAS
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS (WILL ULTIMATELY BE DISPLAYED)

	Fiscal Year Ended September 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 1,187,965	\$ 1,230,488	\$ 1,198,891	\$ 1,069,089	\$ 1,153,763	\$ 917,078	\$ 877,449	\$ 831,456	\$ 758,836	\$ 679,157
Contributions in relation to actuarially determined contribution	1,308,319	1,230,488	1,237,615	1,054,491	1,153,763	917,078	877,449	831,456	758,836	418,917
Contribution deficiency (excess)	\$ 120,354	\$ -	\$ 38,724	\$ (14,598)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (260,240)
Covered payroll	\$ 6,822,433	\$ 6,708,088	\$ 6,870,088	\$ 6,149,048	\$ 7,163,204	\$ 5,793,290	\$ 5,698,673	\$ 5,136,730	\$ 4,853,742	\$ 4,369,466
Contributions as a percentage of covered payroll	-19.18%	-18.34%	-18.01%	-17.15%	-16.11%	-15.83%	-15.40%	-16.19%	-15.63%	-9.59%

CITY OF ROCKPORT, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM SUPPLEMENTAL DEATH BENEFITS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS (WILL ULTIMATELY BE DISPLAYED)

	2021	2020	2019	2018	2017
Total Pension Liability					
Service Cost	\$ 29,569	\$ 24,152	\$ 17,160	\$ 12,404	\$ 16,511
Interest	10,641	12,279	13,574	13,074	12,874
Changes of Benefit Terms	-	-	-	-	-
Difference Between Expected and Actual Experience	(18,822)	(8,742)	(13,755)	(31,557)	-
Change in Assumptions or Other Inputs	15,661	63,296	63,429	(22,651)	30,715
Benefit Payments	(12,260)	(4,025)	(2,542)	(2,953)	(4,345)
Net Change in OPEB Liability	24,789	86,960	77,866	(31,683)	55,755
Total OPEB Liability - Beginning	523,405	436,445	358,579	390,262	334,507
Total OPEB Liability - Ending	<u>\$ 548,194</u>	<u>\$ 523,405</u>	<u>\$ 436,445</u>	<u>\$ 358,579</u>	<u>\$ 390,262</u>
Covered Payroll	\$ 7,211,964	\$ 6,708,966	\$ 6,355,418	\$ 5,906,687	\$ 8,689,797
Total OPEB Liability as a Percentage of Covered Payroll	7.60%	7.80%	6.87%	6.07%	4.49%

Changes of assumptions reflect a change in the discount rate each period.

The following are the discount used each period

2021	1.84%
2020	2.00%
2019	2.75%
2018	3.71%
2017	3.31%

Until a full 10-year end is complete, we will present information for those years for which information is available.

CITY OF ROCKPORT, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
MEDICAL OPEB
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS (WILL ULTIMATELY BE DISPLAYED)

	2021	2020	2019	2018	2017
Total Pension Liability					
Service Cost	\$ 482,551	\$ 378,651	\$ 357,387	\$ 447,574	\$ 391,117
Interest	129,909	153,610	210,376	212,555	214,798
Changes of Benefit Terms	(881,598)	-	-	(868,485)	-
Difference Between Expected and Actual Experience	(224,035)	(15,765)	(700,917)	(72,989)	-
Change in Assumptions or Other Inputs	(74,229)	502,691	203,490	(249,986)	324,340
Benefit Payments	(168,398)	(154,661)	(176,676)	(172,625)	(176,658)
Net Change in OPEB Liability	(735,800)	864,526	(106,340)	(703,956)	753,597
Total OPEB Liability - Beginning	6,338,353	5,473,827	5,580,167	6,284,123	5,530,526
Total OPEB Liability - Ending	<u>\$ 5,602,553</u>	<u>\$ 6,338,353</u>	<u>\$ 5,473,827</u>	<u>\$ 5,580,167</u>	<u>\$ 6,284,123</u>
Covered Payroll	\$ 7,077,342	\$ 6,581,617	\$ 6,507,443	\$ 5,930,211	\$ 7,994,196
Total OPEB Liability as a Percentage of Covered Payroll	79.16%	96.30%	84.12%	94.10%	78.61%

FYE 2019 - A benefit clarification regarding the City's maximum subsidy for non-Medicare retirees was treated as a change in benefit terms.

Changes of assumptions reflect a change in the discount rate each period.
The following are the discount used each period

2021	1.84%
2020	2.00%
2019	2.75%
2018	3.31%
2017	3.81%

Until a full 10-year end is complete, we will present information for those years for which information is available.

**COMBINING STATEMENTS AND
SUPPLEMENTARY SCHEDULES SECTION**

CITY OF ROCKPORT, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2022

	Special Revenue Funds				
	Utility Bill Surcharge	Stonegarden Grant	Juvenile Case Manager	Contribution Fund	City/County Dispatch Services
ASSETS					
Cash and Cash Equivalents	\$ 320,295	\$ -	\$ -	\$ 11,384	\$ -
Receivables (Net of Allowance for Uncollectible)					
Accounts	15,587	-	-	-	-
Intergovernmental	-	34,527	-	-	-
Due from Other Funds	-	-	-	-	-
Total Assets	\$ 335,882	\$ 34,527	\$ -	\$ 11,384	\$ -
LIABILITIES					
Obligations in Excess of Cash	\$ -	\$ 44,542	\$ 12,796	\$ -	\$ 4,486
Accounts Payable	187,649	802	-	-	4,075
Accrued Expenditures	-	-	-	-	5,822
Due to Other Funds	-	1,148	-	-	-
Unearned Revenue	15,145	-	-	-	-
Total Liabilities	202,794	46,492	12,796	-	14,383
FUND BALANCE					
Restricted for:					
Tourism	-	-	-	-	-
Public Safety	133,088	(11,965)	-	-	-
Public Access TV	-	-	-	-	-
Security and Technology	-	-	-	-	-
Specified by Donors	-	-	-	11,384	-
Child Safety	-	-	-	-	-
Assigned	-	-	-	-	(14,383)
Unassigned	-	-	(12,796)	-	-
Total Fund Balance	133,088	(11,965)	(12,796)	11,384	(14,383)
Total Liabilities and Fund Balance	\$ 335,882	\$ 34,527	\$ -	\$ 11,384	\$ -

CITY OF ROCKPORT, TEXAS
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2022

Special Revenue Funds								
Public Access TV	Hotel Motel Tax	Border Star Grant	Child Safety	Forfeiture	Community Development Block Grant	Municipal Court Security & Technology	Storm Uri	
\$ 308,977	\$ 1,968,172	\$ 1,720	\$ 2,391	\$ 20,992	\$ -	\$ 15,305	\$ 10,719	
-	191,851	-	-	-	-	-	-	
-	-	-	-	-	266,687	-	-	
-	-	-	-	-	-	-	-	
<u>\$ 308,977</u>	<u>\$ 2,160,023</u>	<u>\$ 1,720</u>	<u>\$ 2,391</u>	<u>\$ 20,992</u>	<u>\$ 266,687</u>	<u>\$ 15,305</u>	<u>\$ 10,719</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,687	\$ -	\$ -	
-	1,634	4,813	-	-	-	-	-	
-	382	-	-	-	-	-	-	
-	-	82	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	2,016	4,895	-	-	266,687	-	-	
-	2,158,007	-	-	-	-	-	-	
-	-	(3,175)	-	20,992	-	-	-	
308,977	-	-	-	-	-	-	-	
-	-	-	-	-	-	15,305	-	
-	-	-	-	-	-	-	-	
-	-	-	2,391	-	-	-	-	
-	-	-	-	-	-	-	10,719	
-	-	-	-	-	-	-	-	
<u>308,977</u>	<u>2,158,007</u>	<u>(3,175)</u>	<u>2,391</u>	<u>20,992</u>	<u>-</u>	<u>15,305</u>	<u>10,719</u>	
<u>\$ 308,977</u>	<u>\$ 2,160,023</u>	<u>\$ 1,720</u>	<u>\$ 2,391</u>	<u>\$ 20,992</u>	<u>\$ 266,687</u>	<u>\$ 15,305</u>	<u>\$ 10,719</u>	

(continued)

CITY OF ROCKPORT, TEXAS
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2022

	Capital Projects Funds		Total
	General Capital Improvements	Vehicle and Equipment Replacement	Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 672,245	\$ 3,332,200
Receivables (Net of Allowance for Uncollectible)			
Accounts	-	-	207,438
Intergovernmental	1,863,246	-	2,164,460
Due from Other Funds	1,260,623	-	1,260,623
Total Assets	<u>\$ 3,123,869</u>	<u>\$ 672,245</u>	<u>\$ 6,964,721</u>
LIABILITIES			
Obligations in Excess of Cash	\$ 6,726,481	\$ -	\$ 7,054,992
Accounts Payable	796,782	-	995,755
Accrued Expenditures	-	-	6,204
Due to Other Funds	-	-	1,230
Unearned Revenue	-	-	15,145
Total Liabilities	<u>7,523,263</u>	<u>-</u>	<u>8,073,326</u>
FUND BALANCE			
Restricted for:			
Tourism	-	-	2,158,007
Public Safety	-	-	138,940
Public Access TV	-	-	308,977
Security and Technology	-	-	15,305
Specified by Donors	-	-	11,384
Child Safety	-	-	2,391
Assigned	-	672,245	668,581
Unassigned	(4,399,394)	-	(4,412,190)
Total Fund Balance	<u>(4,399,394)</u>	<u>672,245</u>	<u>(1,108,605)</u>
Total Liabilities and Fund Balance	<u>\$ 3,123,869</u>	<u>\$ 672,245</u>	<u>\$ 6,964,721</u>
			(concluded)

CITY OF ROCKPORT, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022

	Special Revenue Funds				
	Utility Bill Surcharge	Stonegarden Grant	Juvenile Case Manager	Contribution Fund	City/County Dispatch Services
REVENUES					
Taxes and Business Fees	\$ 197,525	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	153,118	-	-	479,384
Fines and Forfeitures	-	-	4,403	-	-
Interest on Investments	-	-	-	-	-
Other Revenues	-	-	-	-	-
Total revenues	197,525	153,118	4,403	-	479,384
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	187,649	260,580	17,199	-	985,838
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Tourism	-	-	-	-	-
Principal Retirement	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total expenditures	187,649	260,580	17,199	-	985,838
Excess (deficiency) of revenues over expenditures	9,876	(107,462)	(12,796)	-	(506,454)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	504,925
Transfers Out	(9,876)	-	-	-	(18,368)
Total other financing sources (uses)	(9,876)	-	-	-	486,557
Net change in fund balance	-	(107,462)	(12,796)	-	(19,897)
Fund balances - beginning	133,088	95,497	-	11,384	5,514
Fund balances - ending	\$ 133,088	\$ (11,965)	\$ (12,796)	\$ 11,384	\$ (14,383)

CITY OF ROCKPORT, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022

Special Revenue Funds								
Public Access TV	Hotel Motel Tax	Border Star Grant	Child Safety	Forfeiture	Community Development Block Grant	Municipal Court Security & Technology	Storm Uri	
\$ 30,216	\$ 1,367,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	9,951	-	-	2,345,121	-	10,719	
-	-	-	115	-	-	6,670	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	56	-	
30,216	1,367,619	9,951	115	-	2,345,121	6,726	10,719	
-	-	-	-	-	-	9,963	-	
-	-	14,042	-	2,431	-	-	-	
-	-	-	-	-	2,006,878	-	-	
-	35,000	-	-	-	-	-	-	
-	770,500	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	338,243	-	-	
-	805,500	14,042	-	2,431	2,345,121	9,963	-	
30,216	562,119	(4,091)	115	(2,431)	-	(3,237)	10,719	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
30,216	562,119	(4,091)	115	(2,431)	-	(3,237)	10,719	
278,761	1,595,888	916	2,276	23,423	-	18,542	-	
\$ 308,977	\$ 2,158,007	\$ (3,175)	\$ 2,391	\$ 20,992	\$ -	\$ 15,305	\$ 10,719	

(continued)

CITY OF ROCKPORT, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022

	Capital Projects Funds		Total
	General Capital Improvements	Vehicle and Equipment Replacement	Nonmajor Governmental Funds
REVENUES			
Taxes and Business Fees	\$ -	\$ -	\$ 1,595,360
Intergovernmental	1,863,246	-	4,861,539
Fines and Forfeitures	-	-	11,188
Interest on Investments	-	4,135	4,135
Other Revenues	-	-	56
Total revenues	1,863,246	4,135	6,472,278
EXPENDITURES			
Current:			
General Government	-	-	9,963
Public Safety	-	-	1,467,739
Public Works	-	-	2,006,878
Culture and Recreation	99,876	28,663	163,539
Tourism	-	-	770,500
Principal Retirement	-	10,276	10,276
Capital Outlay	4,902,141	759,993	6,000,377
Total expenditures	5,002,017	798,932	10,429,272
Excess (deficiency) of revenues over expenditures	(3,138,771)	(794,797)	(3,956,994)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	451,785	956,710
Transfers out	-	-	(28,244)
Total other financing sources (uses)	-	451,785	928,466
Net change in fund balance	(3,138,771)	(343,012)	(3,028,528)
Fund balances - beginning	(1,260,623)	1,015,257	1,919,923
Fund balances - ending	<u>\$ (4,399,394)</u>	<u>\$ 672,245</u>	<u>\$ (1,108,605)</u>
			(concluded)

CITY OF ROCKPORT, TEXAS
BUDGETARY COMPARISON SCHEDULE
UTILITY BILL SURCHARGE
For the Year Ended September 30, 2022

	Original Budget	Final Amended Budget	Actual Amounts	Variance With Final Budget Positive or (Negative)
REVENUES				
Taxes and Business Fees	\$ 175,300	\$ 175,300	\$ 197,525	\$ 22,225
Total Revenues	175,300	175,300	197,525	22,225
EXPENDITURES				
Current				
Public Safety	166,515	166,515	187,649	(21,134)
Total Expenditures	166,515	166,515	187,649	(21,134)
Excess (Deficiency) of Revenues over Expenditures	8,785	8,785	9,876	1,091
OTHER FINANCING SOURCES (USES)				
Transfers out	8,785	8,785	(9,876)	(9,876)
Total Other Financing Sources (Uses)	8,785	8,785	(9,876)	(9,876)
Net Change in Fund Balance	\$ 17,570	\$ 17,570	-	\$ (8,785)
Fund Balance at Beginning of Year			133,088	
Fund Balance at End of Year			\$ 133,088	

CITY OF ROCKPORT, TEXAS
BUDGETARY COMPARISON SCHEDULE
CITY/COUNTY DISPATCH
For the Year Ended September 30, 2022

	Original Budget	Final Amended Budget	Actual Amounts	Variance With Final Budget Positive or (Negative)
REVENUES				
Intergovernmental	\$ 476,017	\$ 476,017	\$ 479,384	\$ 3,367
Total Revenues	<u>476,017</u>	<u>476,017</u>	<u>479,384</u>	<u>3,367</u>
EXPENDITURES				
Current				
Public Safety	<u>925,635</u>	<u>925,635</u>	<u>985,838</u>	<u>(60,203)</u>
Total Expenditures	<u>925,635</u>	<u>925,635</u>	<u>985,838</u>	<u>(60,203)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(449,618)</u>	<u>(449,618)</u>	<u>(506,454)</u>	<u>(56,836)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	495,446	495,446	504,925	(9,479)
Transfers out	<u>(45,828)</u>	<u>(45,828)</u>	<u>(18,368)</u>	<u>(27,460)</u>
Total Other Financing Sources (Uses)	<u>449,618</u>	<u>449,618</u>	<u>486,557</u>	<u>(36,939)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(19,897)</u>	<u>\$ (93,775)</u>
Fund Balance at Beginning of Year			<u>5,514</u>	
Fund Balance at End of Year			<u>\$ (14,383)</u>	

CITY OF ROCKPORT, TEXAS
BUDGETARY COMPARISON SCHEDULE
HOTEL MOTEL TAX
For the Year Ended September 30, 2022

	Original Budget	Final Amended Budget	Actual Amounts	Variance With Final Budget Positive or (Negative)
REVENUES				
Taxes and Business Fees	\$ 1,120,000	\$ 1,120,000	\$ 1,367,619	\$ 247,619
Total Revenues	<u>1,120,000</u>	<u>1,120,000</u>	<u>1,367,619</u>	<u>247,619</u>
EXPENDITURES				
Current				
Culture and Recreation	55,000	55,000	35,000	20,000
Tourism	<u>1,065,000</u>	<u>1,065,000</u>	<u>770,500</u>	<u>294,500</u>
Total Expenditures	<u>1,120,000</u>	<u>1,120,000</u>	<u>805,500</u>	<u>314,500</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>562,119</u>	<u>\$ 562,119</u>
Net Change in Fund Balance			562,119	
Fund Balance at Beginning of Year			<u>1,595,888</u>	
Fund Balance at End of Year			<u>\$ 2,158,007</u>	

CITY OF ROCKPORT, TEXAS
BUDGETARY COMPARISON SCHEDULE
MUNICIPAL COURT SECURITY & TECHNOLOGY
For the Year Ended September 30, 2022

	Original Budget	Final Amended Budget	Actual Amounts	Variance With Final Budget Positive or (Negative)
REVENUES				
Fines and Forfeitures	\$ 7,700	\$ 7,700	\$ 6,670	\$ (1,030)
Other Revenues	-	-	56	56
Total Revenues	<u>7,700</u>	<u>7,700</u>	<u>6,726</u>	<u>(974)</u>
EXPENDITURES				
Current				
Public Safety	<u>7,700</u>	<u>7,700</u>	<u>9,963</u>	<u>(2,263)</u>
Total Expenditures	<u>7,700</u>	<u>7,700</u>	<u>9,963</u>	<u>(2,263)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(3,237)</u>	<u>\$ 1,289</u>
Net Change in Fund Balance			(3,237)	
Fund Balance at Beginning of Year			<u>18,542</u>	
Fund Balance at End of Year			<u>\$ 15,305</u>	

CITY OF ROCKPORT, TEXAS
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
For the Year Ended September 30, 2022

	Original Budget	Final Amended Budget	Actual Amounts	Variance With Final Budget Positive or (Negative)
REVENUES				
Taxes and Business Fees	\$ 3,166,861	\$ 3,166,861	\$ 3,535,527	\$ 368,666
Interest on Investments	-	-	11,689	11,689
Total Revenues	<u>3,166,861</u>	<u>3,166,861</u>	<u>3,547,216</u>	<u>380,355</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	2,124,473	2,124,473	2,268,445	(143,972)
Interest and Fiscal Charges	1,129,114	1,129,114	844,128	284,986
Total Expenditures	<u>3,253,587</u>	<u>3,253,587</u>	<u>3,112,573</u>	<u>141,014</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(86,726)</u>	<u>(86,726)</u>	<u>434,643</u>	<u>521,369</u>
Net Change in Fund Balance	<u>\$ (86,726)</u>	<u>\$ (86,726)</u>	<u>434,643</u>	<u>\$ 521,369</u>
Fund Balance at Beginning of Year			<u>1,043,742</u>	
Fund Balance at End of Year			<u>\$ 1,478,385</u>	

FEDERAL AND STATE FINANCIAL ASSISTANCE



PARK FOWLER & CO.

*Certified Public Accountants & Management Consultants
A Professional Limited Liability Company*

MANAGING PARTNER:
Ronald H. Park, CPA

IN-OFFICE COUNCIL:
Daniel T.A. Cotts, JD, LLM

ASSOCIATES:
Clara A. Moreno, CPA
Marc D. Kennedy, CPA
P. Andrew Hall, CPA
Pamela De La Pena, CPA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of City Council
City of Rockport, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rockport, Texas (the "City"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 23, 2024.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of finding and questioned costs as items 2022-001.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Finding 2022-001.

City of Rockport's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Rockport's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Rockport's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Park Fowler & CO., PLLC
Corpus Christi, Texas
February 23, 2024



PARK FOWLER & CO.

Certified Public Accountants & Management Consultants
A Professional Limited Liability Company

MANAGING PARTNER:
 Ronald H. Park, CPA

IN-OFFICE COUNCIL:
 Daniel T.A. Cotts, JD, LLM

ASSOCIATES:
 Clara A. Moreno, CPA
 Marc D. Kennedy, CPA
 P. Andrew Hall, CPA
 Pamela De La Pena, CPA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Council
 City of Rockport Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Rockport, Texas (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and The Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Rockport, Texas and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Rockport, Texas compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Rockport, Texas federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Rockport, Texas compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is

considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Rockport, Texas compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Rockport, Texas compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Rockport, Texas internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Rockport, Texas internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-001. Our opinion on each major federal program is not modified with respect to these matters. Government Auditing Standards requires the auditor to perform limited procedures on City of Rockport's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. City of Rockport's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Park Fowler & CO., PLLC
Corpus Christ
February 23, 2024

CITY OF ROCKPORT, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND OTHER AWARDS
YEAR ENDING SEPTEMBER 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
U.S. DEPARTMENT OF TREASURY			
Corona Virus State & Local Recovery Funds	21.027	2021CLFRF	12,700
Total CFDA Number 21.027			12,700
TOTAL U.S. DEPARTMENT OF TREASURY			12,700
U.S. DEPARTMENT OF HOMELAND SECURITY			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)			
FEMA-Hurricane Harvey	97.036	4332	1,884,031
FEMA-Hazard Mitigation Grant	97.036	4332	2,785
FEMA- Texas COVID19 Pandemic	97.036	4485	47,836
Total Disaster Grants			1,934,652
Passed Through Texas Office of the Governor - Homeland Security Grants Division (HSGD)			
OPSG 2021	97.067	3171907	115,763
OPSG 2020	97.067	3171906	80,932
Total CFDA Number 97.067			196,695
Total Passed Through Texas Office of the Governor - HSDG			196,695
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			2,144,047
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed Through Texas General Land Office			
Community Development Block Grant	14.228	20-065-090-C252	2,342,337
Total CFDA Number 14.228			2,342,337
Total Passed Through Texas General Land Office			2,342,337
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			2,342,337
U.S. DEPARTMENT OF JUSTICE			
Edward Byrne Memorial Justice Assistance Grant	16.738	3586302	63,885
Total CFDA Number 16.738			63,885
TOTAL U.S. DEPARTMENT OF JUSTICE			63,885
TOTAL EXPENDITURES OF FEDERAL AWARDS			4,550,269
State Awards:			
Texas Office of the Governor - Homeland Security Grants Division (HSGD)			
Border Star	N/A	3136406	14,042
Total Texas Office of the Governor - HSGD			14,042
TOTAL STATE AWARDS			14,042
TOTAL AWARDS:			\$ 4,564,311

CITY OF ROCKPORT, TEXAS
Notes on Accounting Policies for Federal Awards
For the Year Ended September 30, 2022

NOTE 1 -- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (Schedule) includes the federal and state award activity of the primary government of the City of Alice, Texas (City) under programs of the federal and state government for the year ended September 30, 2022. The City's reporting entity is defined in Note 1 in the City's basic financial statements for the year ended September 30, 2022.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State of Texas Uniform Grant Management Standards (UGMS) issued by the Texas Comptroller of Public Accounts. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

NOTE 2 -- SIGNIFICANT ACCOUNTING POLICIES

Governmental fund expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Proprietary fund expenses reported on the Schedule are reported on the accrual basis of accounting. The City's summary of significant accounting policies is presented in Note 1 to the City's basic financial statements for the year ended September 30, 2022. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, other applicable regulatory guidance or State of Texas Uniform Grant Management Standards (UGMS), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 -- INDIRECT COST RATE

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF ROCKPORT, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2022

I. Summary of Auditor's Results

A. Financial Statements

- | | |
|---|--|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| - Material weakness(es) identified? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| - Significant deficiency(ies) identified that are not considered to be material | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> None Reported |
| 3. Noncompliance material to financial statements noted? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

B. Federal Awards

- | | |
|--|---|
| 1. Internal control over major programs: | |
| - Material weakness(es) identified? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| - Significant deficiency(ies) identified that are not considered to be material | <input checked="" type="checkbox"/> Yes See finding 2022-001 |
| 2. Type of auditor's report issued on compliance for major programs: | Unmodified |
| - | |
| Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) of the Uniform Guidance? | <input checked="" type="checkbox"/> Yes See finding 2022-001 |

3. Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.228	Community Development Block Grants
97.067	Homeland Security Grant
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**CITY OF ROCKPORT, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS-CONTINUED
Year Ended September 30, 2022**

Section II - Financial Statement Finding

None reported.

Section III - Federal Award Finding and Questioned Costs

Finding 2022-001: Single Audit Submission to the Federal Audit Clearinghouse

Program:

14.228 – Community Development Block Grants

97.067 – Homeland Security Grant

Criteria:

Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, §.320, requires APCD to submit its Single Audit Reporting Package to the federal clearinghouse no later than 9 months after fiscal year-end, unless the federal oversight agency approves an extension of this deadline.

Condition:

The federal reporting deadline for the City of Rockport's Single Audit Reporting Package was June 30, 2023; however, the City of Rockport did not issue its Single Audit Reporting Package until March 2024.

Cause:

The single audit was not completed by June 30, 2023, because the Annual Financial Report was not ready until March 2024. Due to the unforeseen turnover of critical finance department staff, the City experienced delays in completing the audit and issuing the Annual Financial Report.

Effect:

The late submission affects the federal programs. This finding is a significant deficiency in internal control over compliance and noncompliance with the Uniform Guidance.

Recommendation:

The City should improve its financial reporting process so that it can submit its Single Audit Reporting Package to the federal clearinghouse no later than 9 months after the fiscal year-end.

Management Response and Corrective Action:

The City of Rockport filled the vacant positions as quickly as possible. The Finance Department is now staffed and is working diligently to catch up in all delayed finance and accounting matters.