

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, JULY 20, 2020
5:00 P.M.**

- A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A. 2. PLEDGE OF ALLEGIANCE LED BY COUNCIL MEMBER DARON HOLLAND**
- A. 3. INVOCATION BY COUNCIL MEMBER DARON HOLLAND**
- A. 4. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JULY 6, 2020**

Special Presentations

- B. 1. SPECIAL PRESENTATION**
Recognizing the Heroic, Life Saving Efforts of Sherman Police Officers Kylon Harvey, Priscilla Tirado, Jared Gibson, Dylan Anglin, Chris Stephens and Kevin Yu and Corporal Scott Barker

Citizen Comments

- C. 1. CITIZEN COMMENTS**
During this meeting, the City Council welcomes public comment **only** on agenda items listed under the Open Meeting portion of the agenda, in accordance with Texas Government Code Section 551.007. For items not listed on the agenda, those matters may be discussed with City staff during regular business hours, or with the Mayor or any Council member by contacting them at times other than at City Council meetings.

Public Hearing

- D. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6307**
Providing for Permanent "No Parking" Signs Restricting Parking along the East and West Sides of North Broughton Street between College Street and Brockett Street within the City Limits of the City of Sherman; Providing for a Penalty Provision

Close Public Hearing and Consider Adoption of Ordinances

- D. 2. ADOPTION OF ORDINANCES**
Consider Adoption of Ordinance Number: 6307

D. 3. CONSENT AGENDA

Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Resolutions

E. 1. RESOLUTION NO. 6629

Awarding a Bid to and Authorizing Execution of a Contract with Lynn Vessels Construction, LLC, based on an Invitation to Bid, for Construction of the WTP Sludge Removal Project

E. 2. * RESOLUTION NO. 6630

Appointing and Authorizing the Execution of an Agreement with Pattillo, Brown & Hill, L.L.P. to Perform the Fiscal Year 2020 Audit

E. 3. * RESOLUTION NO. 6631

Abandoning a Portion of a Platted Twenty Foot (20') Utility Easement lying along the northern lot line of Lot 6, Block 31, Hilltop Estates Subdivision, Volume 662, Page 379, Deed Records, Grayson County, Texas, and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes

E. 4. * RESOLUTION NO. 6632

Abandoning One (1) Twenty Foot (20') Utility Easement located in Lots 1, 2, 4 and 5 of Gleckler Plaza Addition, Volume 8, Page 34, Plat Records, Grayson County, Texas, and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes, which Utility Easement is recorded in Volume 8, Page 34 of the Plat Records of Grayson County, Texas

E. 5. * RESOLUTION NO. 6633

Authorizing Execution of an Agreement with Ameritex Homes LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 516 South First Street within City of Sherman Reinvestment Zone, Number Ten (#10)

E. 6. * RESOLUTION NO. 6634

Authorizing Execution of an Agreement with Ameritex Homes LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 514 South Maxey Street within City of Sherman Reinvestment Zone, Number Ten (#10)

E. 7. * RESOLUTION NO. 6635

Authorizing Execution of an Agreement with Luis and Yaressi Moran for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 609 South Maxey Street within City of Sherman Reinvestment Zone, Number Ten (#10)

Other Business

F. 1. OTHER BUSINESS

Receive Quarterly Progress Report from Sherman Economic Development Corporation President Kent Sharp

F. 2. OTHER BUSINESS

Preview of the 2020-2021 Draft Budget

F. 3. * OTHER BUSINESS

Approve Quarterly Investment Report for Quarter Ended June 30, 2020

F. 4. OTHER BUSINESS

Consider Calling a Special Meeting of the City Council for Tuesday, September 8, 2020, due to Conflict with a Federal Holiday

G. MEDIA QUESTIONS

H. COUNCIL COMMENTS

Executive Session

I. 1. EXECUTIVE SESSION

In Accordance with Chapter 551, Government Code, V.T.C.S. (Open Meetings Law), "The City Council Will Now Hold a Closed Executive Meeting Pursuant to the Provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Codes Annotated, in Accordance with the Authority Contained in the Following Sections:

Section 551.071 Consultation with City Attorney concerning Pending or Contemplated Litigation

Section 551.071 Consult with the City Attorney on a Matter in which the Duty of the Attorney to the Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this Chapter

Section 551.074 Personnel Matters:

- (a) Deliberate the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer or Employee
- (b) Consider the Qualifications, Appointment and Removal of Members to Boards and Commissions:
 - (1) Texoma Council of Governments (TCOG) Governing Body (1)

Section 551.087 Deliberation Regarding Economic Development Negotiations:

- (a) Deliberate Regarding Commercial or Financial Information that the City has Received from a Business Prospect and Deliberate any Offers or Incentives to the Business Prospect

The Council reconvenes into General Session

J. 1. OPEN MEETING

Reconvene into Open Meeting and Consider Action, if any, on items discussed in Executive Session

Other Business

K. 1. OTHER BUSINESS

Consider Approval of a Term Sheet between the City of Sherman, the Sherman Tax Increment Reinvestment Zone, Number Seven (TIRZ #7), and American-Companies, LLC for the Bel Air Village Planned Development

L. ADJOURNMENT

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on July 17, 2020 at 1:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 17th day of July, 2020.
City of Sherman, Texas

City Clerk

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time.

All agenda items are subject to final action by the City Council.

An unscheduled closed executive session may be held if the discussion of any of the above agenda items concerns the purchase, exchange, lease or value of real property; the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; the deployment or use of security personnel or equipment; or requires consultations with the City Attorney.

At the discretion of the City Council, non-agenda items under the headings of "Citizens Requests", "Media Questions", and "Council Concerns" may be presented to the Council for informational purposes; however, by law, the Council shall not discuss, deliberate, or vote upon such matters except that a statement of specific factual information, a recitation of existing policy, and deliberations concerning the placing of the subject on a subsequent agenda may take place.

The City Attorney has approved the Executive Session items on this agenda.

PERSONS WITH DISABILITIES, WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT LINDA ASHBY AT (903) 892-7204, TWO (2) WORKING DAYS PRIOR TO THE MEETING SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.

Mayor

David Plyler

Deputy Mayor

Willie Steele

Council Members

Willie Steele, Council-At-Large, PL #1
Sandra Melton, Council-At-Large, PL #2
Shawn C. Teamann, Council – District #1

Josh Stevenson, Council – District #2
Pamela L. Howeth, Council – District #3
Daron Holland, Council – District #4



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

A. 4.

Meeting Date: 07/20/2020

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JULY 6, 2020

Attachments

July 6, 2020

STATE OF TEXAS §
COUNTY OF GRAYSON §

July 6, 2020

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on July 6, 2020.

**MEMBERS PRESENT: MAYOR DAVID PLYLER.
COUNCIL MEMBERS HOLLAND, MELTON, STEVENSON,
TEAMANN.**

**MEMBERS ABSENT: DEPUTY MAYOR WILLIE STEELE.
COUNCIL MEMBER HOWETH.**

CALL TO ORDER

Mayor Plyler called the meeting to order at 5:00 p.m. The Pledge of Allegiance and Invocation were given by Council Member Sandra Melton.

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meetings of June 1, 2020 and June 15, 2020. Council Member Melton asked to amend the Minutes of June 1, 2020 on page 23 to read “Council Member Melton asked which location had more space.”

Council Member Melton moved to approve the Minutes, as amended; Second by Council Member Teamann; All present voted AYE.

MOTION CARRIED TO AMEND THE MINUTES.

CITIZEN'S REQUESTS

There were no citizen's requests.

Mayor Plyler introduced Ordinance No. 6303 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 1, ENTITLED "GENERAL PROVISIONS", AT ARTICLE 1.07, ENTITLED "AVIATION", TO DELETE IN ITS ENTIRETY DIVISION 3, ENTITLED "AIRPORT RULES", AND PROVIDE FOR A NEW DIVISION 3 TO BE ENTITLED "AIRPORT RULES AND REGULATIONS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

Mary Lawrence, Director of Finance, said about a year ago the Council appointed an Airport Advisory Board, and since that time several things have happened. One is that the Engineering Department is working with a private aviation development that plans to locate west of the Airport.

The proposed agreement is a "Through-the-Fence" Agreement that would allow access from his development to the Municipal Airport. In working with the development, the

CALL TO ORDER

**APPROVE MINUTES
(JUNE 1, 2020,
MINUTES AMENDED)**

CITIZEN'S REQUESTS

**ORD 6303
MUNICIPAL AIRPORT
RULES &
REGULATIONS**

staff determined that the Airport rules and regulations needed to be updated to clarify things as the development progresses.

She said they also used a template from the Texas Department of Transportation Aviation Division to help ensure the Airport is in compliance with TxDOT and their requirements. The City will need to work closely with TxDOT on the “Through-the-Fence” Agreement to make sure that no grant assurances are violated. This proposed update to the ordinance will help the City facilitate the agreement.

Ms. Lawrence said many of the elements are the same as the old ordinance, but it has been rearranged and reformatted, based on TxDOT’s template.

No citizens appeared before the City Council to discuss Ordinance No. 6303.

Mayor Plyler introduced Ordinance No. 6304 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, ENTITLED “UTILITIES”, ARTICLE 13.07, ENTITLED “WATER, SEWERS AND SEWAGE DISPOSAL”, DIVISION 5, ENTITLED “REGULATIONS FOR DISPOSAL OF INDUSTRIAL WASTE”, AT SECTION 13.07.356, ENTITLED “SPECIFIC POLLUTANT LIMITATIONS”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

ORD 6304
INDUSTRIAL WASTE
DISPOSAL

Clint Philpott, Assistant City Manager, said the City has received tentative approval from the Texas Commission on Environmental Quality to modify the daily maximum local limits for the pretreatment program.

The changes do not increase the limit of pollutants that leave the Wastewater Treatment Plant, but do increase the daily maximum allowed for individual users. The current limits were set in 2011, and since that time, there has been significant changes in the discharge from local industries.

These changes allowed the City the opportunity to reallocate the loading of the pollutants, and provide additional capacity for current and future industries.

The final approval requires adoption by the City of Sherman and the City of Howe. Sherman also treats the City of Howe’s sewer system and operates their pre-treatment program. This is to assure that the City’s process can also handle the pollutants that they are sending into the system.

No citizens appeared before the City Council to discuss Ordinance No. 6304.

Mayor Plyler introduced Ordinance No. 6305 and called for a public hearing:

ORD 6305
ZONE CHANGE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 1527 EAST LAMAR STREET, BEING LOTS 9 AND 10, BLOCK 40, COLLEGE PARK ADDITION (LISA FOSTER, OWNER; PRESTON TRAIL LAND SURVEYING, SURVEYOR; AND NBS DRAFTING & DESIGN, NATHAN GRAY, DRAFTSMAN); PROVIDING FOR A REPEALER.

(1527 E. LAMAR)

Rob Rae, Director of Development Services, said the property is located at the corner of Lamar and Cleveland Streets, and the owners have requested a zone change from a C-1 (Retail Business) District to an R-1 (One Family Residential) District.

There was previously a substandard structure at this location, and the City removed it. The owner would like to construct a single family residence on the property.

The Planning and Zoning Commission recommended approval of the zone change, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6305.

Mayor Plyler introduced Ordinance No. 6306 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-2 (MULTI-FAMILY RESIDENTIAL) DISTRICT AT 1225 PARK PLACE, BEING A PART OF BLOCKS 4 AND 5 OF THE REPLAT OF LOTS 6 THRU 45, WOODHAVEN ADDITION, CONTAINING 1.252 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763 (SHERMAN C&G PROPERTIES, OWNERS; MICHAEL J. WRIGHT & ASSOCIATES, INC., ARCHITECT; AND PLS PIPELINE LAND SERVICES, INC., SURVEYOR); PROVIDING FOR A REPEALER.

ORD 6306
ZONE CHANGE
(1225 PARK PLACE)

Mr. Rae said the property is zoned an R-1 (One Family Residential) District and the owners are requesting a zone change to an R-2 (Multi-Family Residential) District.

The apartment building burned down in 2019, and they would like to rebuild in a similar manner as it previously was. The building was originally built in 1982, and was probably allowed through a Specific Use Permit.

The Planning and Zoning Commission recommended approval of the zone change, subject to the Staff Review Letter.

Michael Wright, 8233 Mid Cities Blvd. Suite A, North Richland Hills, Texas

COUNCIL MINUTES – JULY 6, 2020

Mr. Wright, Michael J. Wright & Associates, Inc., said their client purchased the property over 10 years ago and would like to build it back to what it was originally in the 1980s.

No other citizens appeared before the City Council to discuss Ordinance No. 6306.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 6303

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 1, ENTITLED "GENERAL PROVISIONS", AT ARTICLE 1.07, ENTITLED "AVIATION", TO DELETE IN ITS ENTIRETY DIVISION 3, ENTITLED "AIRPORT RULES", AND PROVIDE FOR A NEW DIVISION 3 TO BE ENTITLED "AIRPORT RULES AND REGULATIONS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

ORD 6303
MUNICIPAL AIRPORT
RULES &
REGULATIONS

Council Member Melton asked when construction on the subdivision would begin. Wayne Lee, Director of Engineering, said staff met with the developer last week and are working on finalizing the plans, but there is not a set time schedule at this time.

Ordinance 6304

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, ENTITLED "UTILITIES", ARTICLE 13.07, ENTITLED "WATER, SEWERS AND SEWAGE DISPOSAL", DIVISION 5, ENTITLED "REGULATIONS FOR DISPOSAL OF INDUSTRIAL WASTE", AT SECTION 13.07.356, ENTITLED "SPECIFIC POLLUTANT LIMITATIONS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

ORD 6304
INDUSTRIAL WASTE
DISPOSAL

Council Member Teamann said it appeared that the change was to eliminate Arsenic and increase the allowable levels of Molybdenum, and he asked if that was changed because an industry that previously released Arsenic was no longer in Sherman.

Mr. Philpott said there are still requirements for the discharge of Arsenic, and those levels were increased. In 2011, the plant had restrictions on what TCEQ required the City to treat.

The City reviewed the local industries in Sherman to determine how their contribution to pollutants could be limited, so there would be no overtreatment.

The method used was to allow each industry an equal portion of the pollutant for disposal. However, some industries had more of a certain pollutant, but they could not dispose of more than their allotted amount. Others didn't have any of that

COUNCIL MINUTES – JULY 6, 2020

pollutant. The ordinance changes allow the City to increase that maximum, knowing that, overall the City will still be at conservative levels.

Council Member Teamann confirmed that the City is discharging the same level of pollutants that they were, but it's being sent for treatment at a different level.

Ordinance 6305

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 1527 EAST LAMAR STREET, BEING LOTS 9 AND 10, BLOCK 40, COLLEGE PARK ADDITION (LISA FOSTER, OWNER; PRESTON TRAIL LAND SURVEYING, SURVEYOR; AND NBS DRAFTING & DESIGN, NATHAN GRAY, DRAFTSMAN); PROVIDING FOR A REPEALER.

ORD 6305
ZONE CHANGE
(1527 E. LAMAR)

Ordinance 6306

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-2 (MULTI-FAMILY RESIDENTIAL) DISTRICT AT 1225 PARK PLACE, BEING A PART OF BLOCKS 4 AND 5 OF THE REPLAT OF LOTS 6 THRU 45, WOODHAVEN ADDITION, CONTAINING 1.252 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763 (SHERMAN C&G PROPERTIES, OWNERS; MICHAEL J. WRIGHT & ASSOCIATES, INC., ARCHITECT; AND PLS PIPELINE LAND SERVICES, INC., SURVEYOR); PROVIDING FOR A REPEALER.

ORD 6306
ZONE CHANGE
(1225 PARK PLACE)

ACTION TAKEN.

Motion by Council Member Stevenson to adopt Ordinance Nos. 6303, 6304, 6305, and 6306, as presented. Second by Council Member Melton.

VOTING AYE: Holland, Melton, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

CONSENT AGENDA

The Council reviewed the Consent Agenda. Council Member Teamann moved to approve the Consent Agenda, as presented. Second by Council Member Stevenson. All present voted AYE.

CONSENT AGENDA

RESOLUTION NO. 6627 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH SOUTHERN TIRE MART, LLC FOR AN ANNUAL SUPPLY OF LIGHT TRUCK, PASSENGER, AND OTR/COMMERCIAL TIRES
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH SOUTHERN TIRE MART,

RES 6627
ANNUAL SUPPLY
OF TIRES

LLC FOR AN ANNUAL SUPPLY OF LIGHT TRUCK,
PASSENGER, AND OTR/COMMERCIAL TIRES.
CONSENT AGENDA.

RESOLUTION NO. 6628 – AWARDING A BID TO AND
AUTHORIZING EXECUTION OF A CONTRACT WITH JERRY
PAUL HIGGINS, LTD. FOR THE GENERATOR AND
UNINTERRUPTED POWER SUPPLY (PTS) PROJECT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING
EXECUTION OF A CONTRACT WITH JERRY PAUL HIGGINS,
LTD. FOR THE GENERATOR AND UNINTERRUPTED POWER
SUPPLY (UPS) PROJECT.
CONSENT AGENDA.

RES 6628
MUNICIPAL BLDG
GENERATOR &
UNINTERRUPTED
POWER SUPPLY

OTHER BUSINESS

SETTING A PUBLIC HEARING ON THE 2020 IMPACT FEE
LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENT
PROGRAMS FOR MONDAY, AUGUST 17, 2020

Mr. Philpott said State law requires that the City set a public
meeting prior to adoption of the Impact Fees that the Council
has discussed. The meeting will be a public meeting to
discuss the Land Use Assumption Maps and the 10 Year
Capital Improvement Plan, on which the fee is based.

IMPACT FEE LAND
USE ASSUMPTIONS
& CAPITAL
IMPROVEMENT
PROGRAM

At this meeting, the Capital Improvement Advisory Committee
will provide written comments and recommendations on the
program. Another public meeting will be set to discuss the
actual fee calculation.

ACTION TAKEN.

Motion by Council Member Stevenson to set a Public
Hearing on the 2020 Impact Fee Land Use Assumptions
and Capital Improvement Program for Monday, August 17,
2020, as presented. Second by Council Member Teamann.
VOTING AYE: Holland, Melton, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

CONSIDER SCHEDULING A JOINT MEETING OF THE CITY
COUNCIL AND THE SHERMAN ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS FOR 12:00 P.M. ON
FRIDAY, SEPTEMBER 11, 2020, TO REVIEW AND APPROVE
SEDCO'S ANNUAL BUDGET AND WORK PLAN

Robby Hefton, City Manager, said this meeting would be the
annual joint meeting with the Sherman Economic
Development Corporation Board of Directors to review their
Budget and Work Plan. The SEDCO Board has already
approved it and the Council will now consider it.

SET CALLED MEETING
SEDCO BUDGET &
WORK PLAN

ACTION TAKEN.

Motion by Council Member Melton to schedule a Joint
Meeting of the City Council and the Sherman Economic
Development Corporation Board of Directors for
September 11, 2020, at 12:00 noon, as presented. Second
by Council Member Holland.

COUNCIL MINUTES – JULY 6, 2020

VOTING AYE: Holland, Melton, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

REPLAT APPROVAL OF HALL & JONES ADDITION, BLOCK 1, LOT 13R, BEING PART OF LOT 13, BLOCK 1, HALL & JONES ADDITION AND AN UNPLATTED TRACT IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, CONTAINING 0.194 ACRES; LAZY L ENTERPRISES, OWNER; PRESTON TRAIL LAND SURVEYING, SURVEYOR (321 EAST CARTER STREET)

The City Council approved the Replat of Hall & Jones Addition, Block 1, Lot 13R, being a part of Lot 13, Block 1, Hall & Jones Addition, and an unplatted tract in the J.B. McAnair Survey.

The property is located at 521 East Carter Street, and is zoned an R-1 (One Family Residential) District. It is also located in the College Park Overlay District.

The owner was granted a variance to allow a 52.84 foot lot width to replat the property into one lot for residential development at the June 16, 2020 Planning and Zoning Commission Meeting. They also recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA.

MEDIA QUESTIONS

There were no media questions.

COUNCIL COMMENTS

KUDOS TO THE POLICE DEPARTMENT

Council Member Melton gave kudos to the Police Department for their quick response to a call that happened last night. She said she had received many comments about how quickly they responded.

KUDOS TO THE SANITATION DEPARTMENT

Council Member Melton also gave kudos to the Sanitation Department. She received a call from a citizen that said the truck driver actually got out of the truck and moved her sanitation cart so they could pick it up, on a holiday weekend.

LIGHTS ON THE LAKE

Deputy Mayor Teamann recognized the Fire Department and all those that were involved with the Lights on the Lake event. He said it was impressive, and the finale was one of the best in the area. He thanked them for spending their day working and into the evening.

SUPPORT THE POLICE DEPARTMENT

Council Member Holland recognized the Council for supporting the Police Department with all the incidents that went on last week. He said they talked with each shift to assure them that they had the support of the Council.

APPROVE REPLAT
HALL & JONES
ADDITION
(321 E. CARTER ST)

MEDIA QUESTIONS

KUDOS TO THE
POLICE DEPT.

KUDOS TO THE
SANITATION DEPT.

LIGHTS ON THE LAKE

SUPPORT OF THE
POLICE DEPT.

SUPPORT THE POLICE DEPARTMENT

Council Member Stevenson agreed about support for the Police Department.

SUPPORT OF THE
POLICE DEPT.

ANNOUNCEMENTS

Mayor Plyler announced the following:

- Four shows remain for Hot Summer Nights. This week the Tom Petty cover band Petty Theft will play, with fellow Texans Deep Blue Something following up next week.
- The Sherman Chamber of Commerce will host their 9th Annual Golf Tournament, on September 4, 2020. Contact the Chamber for more information.

ANNOUNCEMENTS

EXECUTIVE SESSION – IN ACCORDANCE WITH CHAPTER 551, GOVT. CODE, V.T.C.S., (OPEN MEETINGS LAW)

THE CITY COUNCIL WILL NOW HOLD AN EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW, CHAPTER 551, GOVERNMENT CODE, VERNONS TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN THE FOLLOWING SECTIONS.

EXECUTIVE SESSION

SECTION 551.071 --

CONSULTATION WITH CITY
ATTORNEY CONCERNING
PENDING OR CONTEMPLATED
LITIGATION

SECTION 551.071 --

CONSULT WITH THE CITY
ATTORNEY ON A MATTER IN
WHICH THE DUTY OF THE
ATTORNEY TO THE
GOVERNMENTAL BODY UNDER
THE TEXAS DISCIPLINARY RULES
OF PROFESSIONAL CONDUCT OF
THE STATE BAR OF TEXAS
CLEARLY CONFLICTS WITH THIS
CHAPTER

SECTION 551.074 --

PERSONNEL MATTERS:
DELIBERATE THE APPOINTMENT,
EMPLOYMENT, EVALUATION,
REASSIGNMENT, DUTIES,
DISCIPLINE, OR DISMISSAL OF A
PUBLIC OFFICER OR EMPLOYEE

SECTION 551.087 --

DELIBERATION REGARDING
ECONOMIC DEVELOPMENT
NEGOTIATIONS:
DELIBERATE REGARDING
COMMERCIAL OR FINANCIAL
INFORMATION THAT THE CITY
HAS RECEIVED FROM A

**BUSINESS PROSPECT AND
DELIBERATE ANY OFFERS OR
INCENTIVES TO THE
BUSINESS PROSPECT**

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:18 p.m.

On Motion duly made and carried, the Executive Session recessed at 5:46 p.m. and reconvened in Open Meeting.

OPEN MEETING

Reconvene into Open Meeting and take action, if any, on items discussed in Executive Session.

OPEN MEETING

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 5:47 p.m.

ADJOURNMENT

MAYOR

CITY CLERK



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B. 1.

Meeting Date: 07/20/2020

Prepared By: Zachary Flores, Police Chief

Approved By: Robby Hefton, City Manager

Caption:

SPECIAL PRESENTATION

Recognizing the Heroic, Life Saving Efforts of Sherman Police Officers Kylon Harvey, Priscilla Tirado, Jared Gibson, Dylan Anglin, Chris Stephens and Kevin Yu and Corporal Scott Barker

Issue:

Police Chief Zachary Flores will officially recognize and present awards and commendations to Sherman Police Officers Kylon Harvey, Priscilla Tirado, Jared Gibson, Dylan Anglin, Chris Stephens and Kevin Yu and Corporal Scott Barker

Origination:

Police Chief Zachary Flores
City Manager Robby Hefton



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 1.

Meeting Date: 07/20/2020

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6307

Providing for Permanent "No Parking" Signs Restricting Parking along the East and West Sides of North Broughton Street between College Street and Brockett Street within the City Limits of the City of Sherman; Providing for a Penalty Provision

Issue:

To consider introducing, seeking public input, and adopting an ordinance concerning the establishment of parking restrictions along the east and west sides of North Broughton Street, from College Street to Brockett Street

Background:

Broughton Street between College and Brockett Streets is a very narrow street that is adjacent to an active railroad. Newly constructed residential properties have been built along Brockett Street, raising concerns about citizens parking within Broughton Street. Vehicles parking along the sides of Broughton Street is a safety concern for the pedestrians and drivers. With the adoption of this ordinance, "No Parking" signs will be placed along the east and west sides of North Broughton Street, between College Street and Brockett Street.

Origination:

Engineering Department

Financial Consideration:

The Street Department is estimated to incur a cost of approximately \$800.00 for labor and materials to install four (4) "No Parking" signs.

Staff Recommendation:

Adopt the proposed ordinance to provide for restricted parking along the east and west sides of North Broughton Street, between College Street and Brockett Street.

Alternatives:

The Council could reject the proposed ordinance.

Attachments

Ordinance No. 6307

Aerial Location Map

ORDINANCE NO. 6307

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR PERMANENT “NO PARKING” SIGNS RESTRICTING PARKING ALONG THE EAST AND WEST SIDES OF NORTH BROUGHTON STREET BETWEEN COLLEGE STREET AND BROCKETT STREET WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR REPEALER; PROVIDING FOR SEVERABILITY; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That, from and after the passage of this ordinance, permanent “NO PARKING” signs will be erected within the corporate limits of the City of Sherman, Texas, and parking is prohibited in the following locations:

Along the east and west sides of North Broughton Street, between College Street and Brockett Street.

SECTION 2. That the City Engineer is directed to designate this action by the appropriate marking and sign.

SECTION 3. That, from and after the erection of the “NO PARKING” signs herein authorized, it shall be unlawful for any motorist to park a vehicle in such area designated as a “NO PARKING” zone, as provided in Sec. 12.04.020 of the Code of Ordinances of the City of Sherman, Texas. Violators of this ordinance shall be subject to fine as provided in Sec. 1.01.009 of the Code of Ordinances of the City of Sherman, Texas.

SECTION 4. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 5. That the provisions of this ordinance are severable and the invalidity of any word, phrase, or part of this ordinance shall not affect the validity or effectiveness of the remainder of the ordinance.

SECTION 6. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

INTRODUCED on this the _____ day of _____, 2020.

ADOPTED on this the _____ day of _____, 2020.

EFFECTIVE DATE on this the _____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

NO PARKING - Broughton Street between College Street and Brockett Street



0 100 200 400 600 800 1 inch = 200 feet Feet



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 2.

Meeting Date: 07/20/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Number: 6307

Issue:

- D. 1. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6307**
Providing for Permanent "No Parking" Signs Restricting Parking along the East and West Sides of North Broughton Street between College Street and Brockett Street within the City Limits of the City of Sherman; Providing for a Penalty Provision
-



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 3.

Meeting Date: 07/20/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Issue:

E. 2. * RESOLUTION NO. 6630

Appointing and Authorizing the Execution of an Agreement with Pattillo, Brown & Hill, L.L.P. to Perform the Fiscal Year 2020 Audit

E. 3. * RESOLUTION NO. 6631

Abandoning a Portion of a Platted Twenty Foot (20') Utility Easement lying along the northern lot line of Lot 6, Block 31, Hilltop Estates Subdivision, Volume 662, Page 379, Deed Records, Grayson County, Texas, and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes

E. 4. * RESOLUTION NO. 6632

Abandoning One (1) Twenty Foot (20') Utility Easement located in Lots 1, 2, 4 and 5 of Gleckler Plaza Addition, Volume 8, Page 34, Plat Records, Grayson County, Texas, and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes, which Utility Easement is recorded in Volume 8, Page 34 of the Plat Records of Grayson County, Texas

E. 5. * RESOLUTION NO. 6633

Authorizing Execution of an Agreement with Ameritex Homes LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 516 South First Street within City of Sherman Reinvestment Zone, Number Ten (#10)

E. 6. * RESOLUTION NO. 6634

Authorizing Execution of an Agreement with Ameritex Homes LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 514 South Maxey Street within City of Sherman Reinvestment Zone, Number Ten (#10)

E. 7. * RESOLUTION NO. 6635

Authorizing Execution of an Agreement with Luis and Yaressi Moran for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 609 South Maxey Street within City of Sherman Reinvestment Zone, Number Ten (#10)

F. 3. * OTHER BUSINESS

Approve Quarterly Investment Report for Quarter Ended June 30, 2020



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 1.

Meeting Date: 07/20/2020

Prepared By: Tom Pruitt, Utility Engineer

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6629

Awarding a Bid to and Authorizing Execution of a Contract with Lynn Vessels Construction, LLC, based on an Invitation to Bid, for Construction of the WTP Sludge Removal Project

Issue:

To consider awarding a bid to and authorizing execution of a contract with Lynn Vessels Construction, LLC of Sherman, Texas, based on an invitation to bid, for construction of the WTP Sludge Removal Project

Background:

This project is to remove sludge that has been dredged and stockpiled on-site for removal to the landfill. As the Water Treatment Plant operates, it slowly fills with sludge that periodically must be removed. This project is planned maintenance.

One (1) bidder responded to the request for bids. The lowest responsible, responsive bid in the amount of \$39.94 per ton was submitted by Lynn Vessels Construction, LLC of Sherman, Texas. A bid tabulation is attached.

Origination:

Engineering Department

Financial Consideration:

The total cost of the project is \$200,000.00 Funds are available through the WTP Maintenance Fund.

Staff Recommendation:

It is recommended that the bid be awarded for construction of the WTP Sludge Removal Project to Lynn Vessels Construction, LLC, in the amount of \$39.94 per ton, not to exceed \$200,000.00. It is also recommended that the City Manager be authorized to execute the required contract documents.

Alternatives:

As may be directed by City Council

Attachments

Resolution No. 6629

Contract Agreement

Bid Tabulation

Aerial Location Map

RESOLUTION NO. 6629

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC, BASED ON AN INVITATION TO BID, FOR CONSTRUCTION OF THE WTP SLUDGE REMOVAL PROJECT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That Lynn Vessels Construction, LLC of Sherman, Texas, is hereby awarded the bid and the City of Sherman hereby approves the contract with Lynn Vessels Construction, LLC, in the amount of Thirty-Nine Dollars and Ninety-Four Cents (\$39.94) per ton, not to exceed Two Hundred Thousand Dollars and No Cents (\$200,000.00), for construction of the WTP Sludge Removal Project; and that the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with Lynn Vessels Construction, LLC for construction of the aforementioned improvements, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

SECTION 2. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

CONTRACT AGREEMENT

STATE OF TEXAS

COUNTY OF GRAYSON

THIS AGREEMENT is made and entered into this 20th day of July 2020, by and between the City of Sherman, of the County of Grayson and State of Texas, acting through its City Manager, thereunto duly authorized so to do, Party of the First Part, hereinafter termed the OWNER, and Lynn Vessels Construction, LLC, of the City of Sherman, County of Grayson, State of Texas, Party of the Second Part, hereinafter termed CONTRACTOR.

WITNESSETH: That for and in consideration of the payment and agreement hereinafter mentioned, to be made and performed by the OWNER, the said CONTRACTOR hereby agrees with the said OWNER to commence and complete construction of certain improvements as follows:

WTP Sludge Removal Project

and all extra work in connection therewith, under the terms as stated in the General and Specific Conditions of the AGREEMENT; and at his own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance and other accessories and services necessary to complete the said construction, in accordance with the conditions and prices stated in the Proposal attached hereto and in accordance with the Advertisement for Bids, Instructions to Bidders, General Provisions, Special Provisions, Plans, and other drawings and printed or written explanatory matter thereof, and the Technical Specifications and Addenda thereto, as prepared by the OWNER, each of which has been identified by the endorsement of the CONTRACTOR and the OWNER thereon, together with the CONTRACTOR's written Proposal and the General Provisions, all of which are made a part hereof and collectively evidence and constitute the entire AGREEMENT.

Notice to Proceed

The CONTRACTOR hereby agrees to commence work within ten (10) calendar days after the date of written notice to do so shall have been given to him, to complete the work within Thirty (30) calendar days, after he commences work, subject to such extensions of time as are provided by the General Provisions.

The OWNER agrees to pay the CONTRACTOR **Thirty-Nine Dollars and Ninety-Four Cents (\$39.94) per ton, not to exceed \$200,000.00**, in current funds for the performance of the Contract in accordance with the Proposal submitted thereof, subject to additions and deductions, as provided in the General Provisions, and to make payments of account thereof as provided therein.

IN WITNESS WHEREOF, the parties of these presents have executed this AGREEMENT in the year and day first above written.

CITY OF SHERMAN, TEXAS (OWNER)

ATTEST:

By: _____ By: _____
Robby Hefton, City Manager Linda Ashby, City Clerk

By: _____ By: _____
(CONTRACTOR) ATTEST:

The following to be executed if the CONTRACTOR is a corporation:

I, _____ certify that I am the secretary of the corporation named as CONTRACTOR herein; that _____, who signed this Contract on behalf of the CONTRACTOR is the _____ (official title) of said corporation; that said Contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Signed: _____

Corporate Seal

Project: WTP Sludge Removal Project
Owner: City of Sherman
Number: 2020-17
Public Works Project #1449-U
Date: 7/9/2020

[illegible]



Dredged Sludge to be
picked up and hauled
to landfill



Feet
200

400

0



Sherman
CLASSIC TOWN. BROAD HORIZON.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 2.

Meeting Date: 07/20/2020

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6630**

Appointing and Authorizing the Execution of an Agreement with Pattillo, Brown & Hill, L.L.P. to Perform the Fiscal Year 2020 Audit

Issue:

Independent audit services for fiscal year (FY) 2020

Background:

By Charter, we are required to annually appoint an independent auditor to perform a financial audit for the City. Pattillo, Brown & Hill, L.L.P. ("PBH") performed the audit last fiscal year. Three optional renewals remain on the contract with PBH. The staff and Council Audit Committee were pleased with the firm's performance and are recommending the reappointment of PBH to perform the FY 2020 audit.

Origination:

Council Audit Committee

Mary Lawrence, Finance Director

Financial Consideration:

The fee estimate for FY 2020 audit services is \$46,400.00 for the City and \$5,200.00 for the Sherman Economic Development Corporation (SEDCO). Funds have been allocated in the FY 2021 budget for this expenditure.

Staff Recommendation:

The staff recommends the City Council accept the recommendation of the Council Audit Committee to appoint Pattillo, Brown & Hill, L.L.P. to perform the annual audit for the fiscal year ending September 30, 2020.

Alternatives:

The City Council could instruct the staff to solicit proposals from other firms.

Attachments

Resolution No. 6630

2020 Audit Engagement Letter

2020 Audit Committee Memo

RESOLUTION NO. 6630

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH PATTILLO, BROWN & HILL, L.L.P. TO PERFORM THE FISCAL YEAR 2020 AUDIT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the City Council hereby appoints Pattillo, Brown & Hill, L.L.P. to perform the annual audit for the City of Sherman for fiscal year ending September 30, 2020.

SECTION 2. That the City Manager be and is hereby authorized and directed, subject to all agreement documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with Pattillo, Brown & Hill, L.L.P. to perform the annual audit for the City of Sherman for the fiscal year ending September 30, 2020.

SECTION 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY,
CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY



June 29, 2020

City of Sherman, Texas
405 North Rusk Street, 3rd Floor
Sherman, Texas 75091-1106

Dear City Council and Director of Finance:

You have requested that we audit the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Sherman, Texas, as of September 30, 2020, and for the year then ended, and the related notes to the financial statements, which collectively comprise City of Sherman, Texas' basic financial statements as listed in the table of contents. In addition, if required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), we will audit the entity's compliance over major federal award programs for the period ended September 30, 2020. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs.

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

- Management's Discussion and Analysis
- Budgetary Comparison Schedule
- Schedules of Changes in Net Pension and OPEB Liability and Related Ratios.
- Schedules of Contributions – TMRS Pension Plan

OFFICE LOCATIONS

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



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

- Combining and Individual Fund Financial Statements and Schedules

Schedule of Expenditures of Federal Awards

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

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

- Introductory Section
- Statistical Section

Data Collection Form

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

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

Audit of the Financial Statements

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

reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective, and *Government Auditing Standards* does not require auditors to detect abuse.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of City of Sherman, Texas' basic financial statements. Our report will be addressed to the governing body of City of Sherman, Texas. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

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

Audit of Major Program Compliance

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

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the entity has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major federal award programs. Our procedures will consist of determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. However, our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report.

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

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City of Sherman, Texas in conformity with U.S. generally accepted accounting principles and the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. These services are limited to preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City of Sherman, Texas as previously outlined. Our firm, in its sole professional judgement, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise with regard to financial reporting, but the City of Sherman, Texas must make all decisions with regard to those matters.

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

Management's Responsibilities

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

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received, including federal awards and

funding increments received prior to December 26, 2014 (if any), and those received in accordance with the Uniform Guidance (generally received after December 26, 2014);

4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
6. For the design, implementation, and maintenance of internal control over federal awards;
7. For establishing and maintaining effective internal control over federal awards that provides reasonable assurance that the nonfederal entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
8. For identifying and ensuring that the entity complies with federal statutes, regulations, and the terms and conditions of federal award programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
9. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
10. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
11. For taking prompt action when instances of noncompliance are identified;
12. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
13. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
14. For submitting the reporting package and data collection form to the appropriate parties;
15. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
16. To provide us with:
 - a. Access to all information of which the City of Sherman, Texas is aware that is relevant to the preparation and fair presentation of the financial statements, and relevant to federal award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from the City of Sherman, Texas for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

17. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
18. For acceptance of non-attest services, including identifying the proper party to oversee non-attest work;
19. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
20. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
21. For the accuracy and completeness of all information provided;
22. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
23. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With respect to any non-attest services we perform, such as preparation of financial statements and related note disclosures and the schedule of expenditures of federal awards, we will not assume management responsibilities on behalf of the City of Sherman, Texas. However, we will provide advice and recommendations to assist management of the City of Sherman, Texas in performing its responsibilities. The City of Sherman, Texas' management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

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

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

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

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

Engagement Administration, Fees and Timing

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

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

Document internal control and preliminary tests	September 2020
Mail confirmations	October 2020
Perform year-end audit procedures	December 2020
Issue audit reports	March 2021

John K. Manning is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Pattillo, Brown & Hill, L.L.P.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees for these services will be at our standard hourly rates plus out-of-pocket cost (such as reports reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$41,200 for the City and \$5,200 if a Single Audit is necessary. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional cost.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

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

would like additional information regarding the transmission of confidential information to entities outside the firm.

The audit documentation for this engagement is the property of Pattillo, Brown & Hill, L.L.P. and constitutes confidential information. However, we may be requested to make certain audit documentation available to federal agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Pattillo, Brown & Hill, L.L.P.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

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

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

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

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

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

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

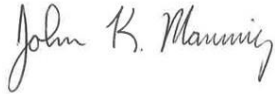
In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

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

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

Respectfully,

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



John K. Manning, CPA
Waco, Texas

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of City of Sherman, Texas by:

Name: _____

Title: _____

Date: _____



CPAs & Advisors

SYSTEM REVIEW REPORT

October 21, 2016

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

We have reviewed the system of quality control for the accounting and auditing practice of Pattillo, Brown & Hill, LLP (the firm) in effect for the year ended May 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans, and audits performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Pattillo, Brown & Hill, LLP in effect for the year ended May 31, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Pattillo, Brown & Hill, LLP has received a peer review rating of *pass*.

Haddox Reid Eubank Betts PLLC

DATE: Monday, July 13, 2020

TO: The Council Audit Committee
The Honorable David Plyler, Mayor
The Honorable Shawn Teamann, Council Member
The Honorable Daron Holland, Council Member

CC: Sherman City Council Members
Robby Hefton, City Manager

FROM: Mary Lawrence, Finance Director 

SUBJECT: **Appointment of Pattillo, Brown & Hill, LLP as Independent Auditor for the Fiscal Year Ended September 30, 2020 Audit**

Pattillo, Brown & Hill, LLP, ("PBH"), a certified public accounting firm in Waco, performed the annual audit for the City and SEDCO last fiscal year and the staff was pleased with their performance. Three optional renewal periods remain available at the consent of both parties. Subject to Audit Committee and City Council approval, the staff proposes to engage PBH for the annual audit for the year ended September 30, 2020.

The engagement letter (contract) has been received from PBH and is attached for your review. PBH has agreed to provide audit services for the upcoming year for \$51,600, including the audit of SEDCO. This fee is in line with fees paid in the prior year for similar services. Audit field work is expected to begin in September and the audit is expected to be completed with the report draft received by January 31, 2021.

The appointment of PBH and engagement letter will be on the July 20, 2020, council agenda for approval. If you have any questions prior to the council meeting, please let me know.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 3.

Meeting Date: 07/20/2020

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6631**

Abandoning a Portion of a Platted Twenty Foot (20') Utility Easement lying along the northern lot line of Lot 6, Block 31, Hilltop Estates Subdivision, Volume 662, Page 379, Deed Records, Grayson County, Texas, and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes

Issue:

To consider the abandonment of a portion of a platted 20' utility easement lying along the northern lot line of Lot 6, Block 31, Hilltop Estates Subdivision to the City of Sherman, Texas

Background:

Said easement, which is filed of record in Volume 662, Page 379 of the Deed Records of Grayson County, Texas, is not being utilized and is no longer deemed necessary.

Origination:

Engineering Department

Financial Consideration:

None

Staff Recommendation:

Staff recommends approval of the partial 20' utility easement abandonment.

Alternatives:

As may be directed by City Council

Attachments

Resolution No. 6631

Release and Abandonment of Easement - Hilltop Estates

Exhibit "A" as noted in both documents

Aerial Location Map

RESOLUTION NO. 6631

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A PORTION OF A PLATTED TWENTY FOOT (20') UTILITY EASEMENT LYING ALONG THE NORTHERN LOT LINE OF LOT 6, BLOCK 31, HILLTOP ESTATES SUBDIVISION, VOLUME 662, PAGE 379, DEED RECORDS, GRAYSON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED ON THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council is of the opinion that the abandoning, vacating and closing of said utility easement as depicted on the attached map is in the public interest and is approved;

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

SECTION 1. That the portion of a platted twenty foot (20') utility easement lying along the northern lot line of Lot 6, Block 31, Hilltop Estates Subdivision, in the City of Sherman, County of Grayson, State of Texas, as depicted in Exhibit "A" attached hereto, be and is hereby extinguished, vacated, closed, and permanently abandoned as an easement for public use.

SECTION 2. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Release and Abandonment of Easement in the same or substantially same form as the contract document attached hereto and incorporated herein for all purposes.

SECTION 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

RELEASE AND ABANDONMENT OF EASEMENT

DATE: _____ day of _____, 2020

PROPERTY:

BEING 0.030 ACRES, BEING A PART OF A PLATTED TWENTY FOOT (20') UTILITY EASEMENT, LYING ALONG THE NORTHERN LOT LINE OF LOT 6, BLOCK 31, HILLTOP ESTATES SUBDIVISION TO THE CITY OF SHERMAN, TEXAS, AS SHOWN BY PLAT OF RECORD IN VOLUME 662, PAGE 379, DEED RECORDS, GRAYSON COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED ON THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.

WHEREAS, the above described property is a part of Lot 6, Block 31, Hilltop Estates Subdivision as filed of record in Volume 662, Page 379 of the Deed Records of Grayson County, Texas;

WHEREAS, said property contains one (1) 20-foot Utility Easement as filed of record in Volume 662, Page 379 of the Deed Records of Grayson County, Texas and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes;

WHEREAS, said Utility Easement is not being utilized and the City of Sherman no longer deems said portion of the 20-Foot Utility Easement as a necessary Easement;

WHEREAS, the City of Sherman, Texas, does hereby abandon, relinquish and vacate its interest in and to the easement described above.

THE CITY OF SHERMAN, TEXAS

By: _____

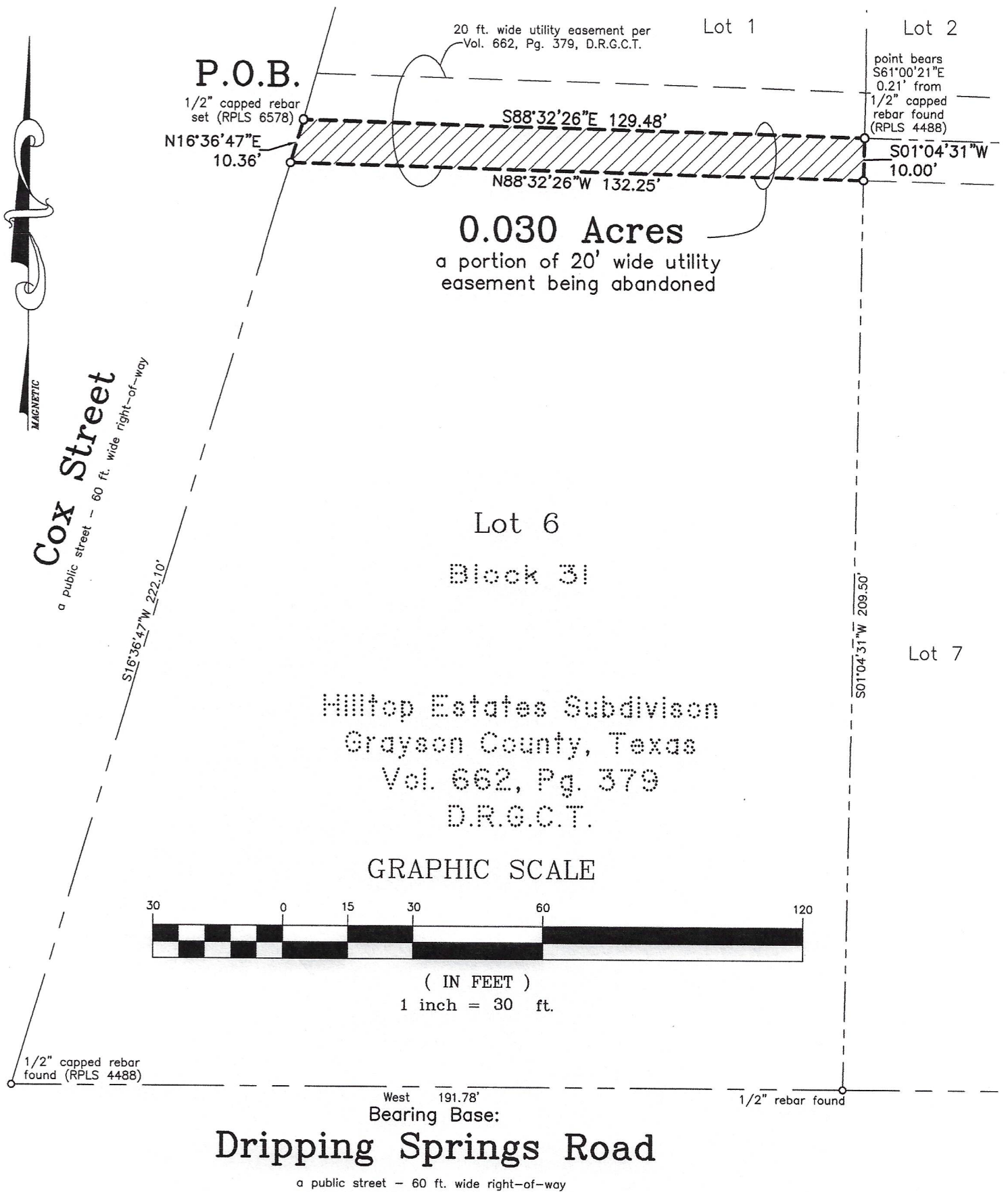
Title: _____

STATE OF TEXAS }
COUNTY OF GRAYSON }

This instrument was acknowledged before me on the _____ day of _____, 2020, by _____, as _____ of THE CITY OF SHERMAN, TEXAS.

Notary Public – State of Texas

EXHIBIT "A"



**Abandonment of 10' wide utility easement
along the North line of Lot 6, Block 31,
Hilltop Estates Subdivision**

Job No. CGS840620

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph: (903) 463-6191 Fax: (903) 463-4088
Email: kate@helveywagnersurvey.net
Texas Board of Professional Land Surveying
Firm Registration No. 10088100



Kate A. Wagner, R. P. L. S. No. 6578
Copyright Date: June 30, 2020

Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020
Ph: (903) 463-6191 · Fax: (903) 463-4088 · Email: kate@helveywagnersurveying.net
TBPLS Firm Registration No. 10088100
Billy F. Helvey, RPLS No. 4488 — Kate A. Wagner, RPLS No. 6578

FIELD NOTES 10 ft. wide utility easement abandonment

SITUATED in the City of Sherman, County of Grayson, State of Texas, being part of the J. Hendrix Survey, Abstract No. 503, being the South 10 ft. strip of land being abandoned from the 20 ft. wide utility easement recorded in Volume 662, Page 379, Deed Records, Grayson County, Texas along the North line of Lot 6, Block 31, Hilltop Estates Subdivision to Grayson County, Texas as per plat of record in said Volume 662, Page 379, and being more particularly described by metes and bounds as follows to-wit:

BEGINNING a 1/2 inch capped rebar set, stamped "RPLS 6578" in the East line of said Cox Street, a public Street, at the Southwest corner of Lot 1, said Block 31, and the Northwest corner of both said Lot 6 and the herein described abandoned easement;

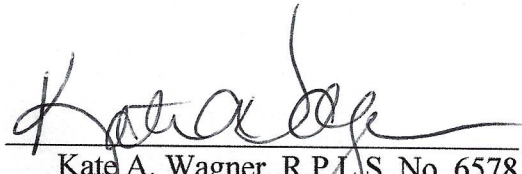
THENCE South 88 deg. 32 min. 26 sec. East, with the South line of said Lot 1 and the North line of said Lot 6, a distance of 129.48 ft. to a point at the Southeast corner of said Lot 1, the Southwest corner of Lot 2, said Block 31, the Northwest corner of Lot 7, said Block 31 and the Northeast corner of both said Lot 6 and the herein described abandoned easement, **SAID** point bears South 61 deg. 00 min. 21 sec. East, 0.21 ft. from a 1/2 inch capped rebar found, stamped "RPLS 4488";

THENCE South 01 deg. 04 min. 31 sec. West, with the West line of said Lot 7 and the East line of said Lot 6, a distance of 10.00 ft. to a point at the Southeast corner of the herein described abandoned easement, **SAID** point bears North 01 deg. 04 min. 31 sec. East, 209.50 ft. from a 1/2 inch rebar found in the North line of Dripping Springs Road, a public street, at the Southwest corner of said Lot 7 and the Southeast corner of said Lot 6;

THENCE North 88 deg. 32 min. 26 sec. West, being 10 ft. South of and parallel with the North line of said Lot 6, a distance of 132.25 ft. to a point in the East line of said Cox Street and the West line of said Lot 6, at the Southwest corner of the herein described abandoned easement, **SAID** point bears North 16 deg. 36 min. 47 sec. East, 222.10 ft. from a 1/2 inch rebar found, stamped "RPLS 4488" at the intersection of the North line of said Dripping Springs Road, and the East line of Cox Street, at the Southwest corner of said Lot 6;

THENCE North 16 deg. 36 min. 47 sec. East, with the East line of said Cox Street and the West line of said Lot 6, a distance of 10.36 ft. to the **PLACE OF BEGINNING** and containing **0.030 ACRES** of land.




Kate A. Wagner, R.P.L.S. No. 6578
June 30, 2020

Utility Easement Abandonment - Hilltop Estates



0 100 200 400 600 800 1 inch = 200 feet Feet





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 4.

Meeting Date: 07/20/2020

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6632**

Abandoning One (1) Twenty Foot (20') Utility Easement located in Lots 1, 2, 4 and 5 of Gleckler Plaza Addition, Volume 8, Page 34, Plat Records, Grayson County, Texas, and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes, which Utility Easement is recorded in Volume 8, Page 34 of the Plat Records of Grayson County, Texas

Issue:

To consider the abandonment of a portion of one (1) 20' utility easement lying within the property lines of Lots 1, 2, 4 and 5 of Gleckler Plaza Addition to the City of Sherman, Texas

Background:

Said easement, which is filed of record in Volume 8, Page 34 of the Plat Records of Grayson County, Texas, is not being utilized and is no longer deemed necessary.

Origination:

Engineering Department

Financial Consideration:

None

Staff Recommendation:

Staff recommends approval of the one (1) 20' utility easement abandonment

Alternatives:

As may be directed by City Council

Attachments

Resolution No. 6632

Release and Abandonment of Easement - Gleckler Plaza Addition

Exhibit "A" as noted in both documents

Aerial Location Map

RESOLUTION NO. 6632

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING ONE (1) TWENTY FOOT (20') UTILITY EASEMENT LOCATED IN LOTS 1, 2, 4, AND 5 OF GLECKLER PLAZA ADDITION, VOLUME 8, PAGE 34, PLAT RECORDS, GRAYSON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED ON THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, WHICH UTILITY EASEMENT IS RECORDED IN VOLUME 8, PAGE 34 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council is of the opinion that the abandoning, vacating and closing of said utility easement as depicted on the attached map is in the public interest and is approved;

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

SECTION 1. That the one (1) twenty foot (20') utility easement located in Lots 1, 2, 4, and 5 of Gleckler Plaza Addition in the City of Sherman, County of Grayson, State of Texas, said easement being recorded in Volume 8, Page 34 of the Plat Records of Grayson County, Texas, as depicted in Exhibit "A" attached hereto, be and is hereby extinguished, vacated, closed, and permanently abandoned as an easement for public use.

SECTION 2. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Release and Abandonment of Easement in the same or substantially same form as the contract document attached hereto and incorporated herein for all purposes.

SECTION 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

RELEASE AND ABANDONMENT OF EASEMENT

DATE: _____ day of _____, 2020

PROPERTY:

BEING 0.204 ACRES, BEING A PART OF A 20-FOOT UTILITY EASEMENT, IN LOTS 1, 2, 4 and 5 of GLECKLER PLAZA ADDITION TO THE CITY OF SHERMAN, TEXAS, AS SHOWN BY PLAT OF RECORD IN VOLUME 8, PAGE 34, PLAT RECORDS, GRAYSON COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED ON THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.

WHEREAS, the above described property is a part of Lots 1, 2, 4 and 5 of Gleckler Plaza Addition, as filed of record in Volume 8, Page 34 of the Plat Records of Grayson County, Texas.

WHEREAS, said property contains one (1) 20-foot Utility Easement as filed of record in Volume 8, Page 34 of the Plat Records of Grayson County, Texas and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes.

WHEREAS, said Utility Easement is not being utilized and the City of Sherman no longer deems said 20-Foot Utility Easement as a necessary Easement.

WHEREAS, the City of Sherman, Texas, does hereby abandon, relinquish and vacate its interest in and to the easement described above.

THE CITY OF SHERMAN, TEXAS

By: _____

Title: _____

STATE OF TEXAS }
COUNTY OF GRAYSON }

This instrument was acknowledged before me on the _____ day of February, 2020, by _____, as _____ of THE CITY OF SHERMAN, TEXAS.

Notary Public – State of Texas

PECAN GROVE ROAD
60' R.O.W

SCALE
1" = 50'



LOT 5

LOT 6

20' BUILDING LINE

PROPHETCY PROPERTIES LLC
VOL. 4574 PG. 440
O.P.R.G.C.T.

0.204 ACRES

N 74°29'48" E 286.80'
20' UTILITY EASEMENT
VOL 8, PG. 34 P.R.G.C.T.
S 74°29'48" W 272.02'

N 40°48'40" W 39.90'
S 77°12'27" W 11.33'
S 77°12'27" W 11.33'

P.O.B.

P.O.C.

N 40°48'40" W 22.66'

EASEMENT ABANDONMENT LEGAL
DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of Lot's 1, 2, 4 & 5 of Gleckler Plaza Addition by plat recorded in Volume 8, Page 34, Plat Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows:

Commencing at the southwest corner of Lot 5;
Thence North 40°48'40" West a distance of 22.66 feet to the true Point-of-Beginning;

Thence South 77°12'27" West a distance of 11.33 feet to a point;
Thence North 40°48'40" West a distance of 39.90 feet to a point;
Thence South 74°29'48" West a distance of 272.02 feet to a point;
Thence South 62°26'23" West a distance of 111.55 feet to a point;
Thence North 27°33'37" West a distance of 20.00 feet to a point;
Thence North 62°26'23" East a distance of 113.66 feet to a point;
Thence North 74°29'48" East a distance of 286.80 feet to a point;
Thence South 40°48'40" East a distance of 63.21 feet to a point;
Thence South 77°12'27" West a distance of 11.33 feet to the Point of Beginning and containing 0.204 acres of land

I, Douglas W. Underwood, Registered Professional Land Surveyor, hereby certify that a survey was made on the ground on the property legally described herein, and that the plat herewith is a true, correct and accurate representation of the property legally described hereinabove.

LEGEND

- PROPERTY LINE
- - - ABANDOND EASEMENT LINE
- ... BUILDING LINE

LOT 1

LOT 2

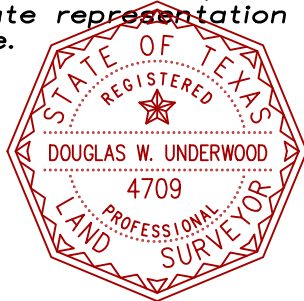
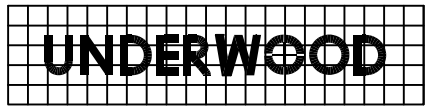
EXHIBIT "A"

This survey contains information that is proprietary to Underwood Drafting & Surveying, Inc. Its use or disclosure in whole or part without the express written permission of Underwood Drafting & Surveying, Inc. is prohibited.

This survey is also unpublished work protected under the copyright laws of the United States of America. If this work becomes published, the following notice shall apply:

Copyright © 2020
Underwood Drafting & Surveying, Inc.
All rights reserved.

~ BASIS OF BEARINGS ~
GRID NORTH, NAD 83
TEXAS STATE PLANE COORDINATE SYSTEM
NORTH CENTRAL ZONE



Douglas W. Underwood
Douglas W. Underwood
Registered Professional
Land Surveyor No. 4709
Firm No. 10006300

DATE OF SURVEY: 7/6/2020

Utility Easement Abandonment - Gleckler Plaza Addition



0 100 200 400 600 800 1 inch = 200 feet Feet



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 5.

Meeting Date: 07/20/2020

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6633**

Authorizing Execution of an Agreement with Ameritex Homes LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 516 South First Street within City of Sherman Reinvestment Zone, Number Ten (#10)

Issue:

This item is to consider property tax abatement for the construction of a new single-family residence at 516 South First Street situated within City of Sherman Reinvestment Zone, Number Ten (#10).

Background:

Several years ago, the City Council began a residential tax abatement program to encourage the redevelopment of older sections of town. This application is for the construction of a new single-family residence at this location. This lot is in the current designated zone for residential tax abatement.

Origination:

Ameritex Homes LLC, Owners

Financial Consideration:

A \$75.00 application fee has been received for this residential lot. If granted, the initial abatement for this property will be approximately \$299.11 annually.

Staff Recommendation:

The staff recommends approval of this abatement since it meets the requirements of the process.

Alternatives:

The City Council could decide against granting this abatement.

Attachments

Resolution No. 6633

Residential Tax Abatement Agreement

Application

Warranty Deed

Building Permit

Site Plan

Aerial Location Map

Photo

Reinvestment Zone Map

RESOLUTION NO. 6633

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH AMERITEX HOMES LLC FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 516 SOUTH FIRST STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10); FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Ameritex Homes LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an agreement with Ameritex Homes LLC for the abatement of ad valorem property taxes for a period of ten (10) years, for the construction of one (1) new single-family residence at 516 South First Street, lying within City of Sherman Reinvestment Zone, Number Ten (#10), in accordance with the City's policies and procedures established for this purpose.

SECTION 2. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

THE STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

AGREEMENT

THIS AGREEMENT, entered into by and between the **CITY OF SHERMAN, TEXAS**, a home rule city and municipal corporation of the State of Texas, duly acting herein by and through its City Manager, hereinafter referred to as CITY, and **AMERITEX HOMES LLC** hereinafter referred to as OWNER,

WITNESSETH:

WHEREAS, on the 18th day of April, 2016, the City Council of Sherman, Texas, passed Ordinance No. 5948 establishing a reinvestment zone for residential tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended, hereinafter referred to as CODE; and

WHEREAS, on the 19th day of August, 2019, the City Council of Sherman, Texas adopted Ordinance No. 6241 and redesignated the Reinvestment Zone to be City of Sherman Reinvestment Zone, Number Ten (#10); and

WHEREAS, the CITY has adopted a resolution (Resolution No. 6210) stating that it elects to be eligible to participate in a residential tax abatement program; and

WHEREAS, the CITY desires to create the proper economic and social environment to induce the investment of private resources in real estate construction located in incorporated areas of the CITY; and

WHEREAS, the CITY hereby finds that it may effectively encourage and assist the creation of such an environment by participating in tax abatement pursuant to the CITY; and

WHEREAS, the CITY has created a reinvestment zone within its jurisdiction to induce the investment of private resources in real estate construction located in incorporated areas of the CITY, and OWNER has agreed to construct certain real property improvements; and

WHEREAS, OWNER is prepared to comply with the provisions of the CITY'S guidelines and criteria enacted the 18th day of April, 2016;

NOW, THEREFORE, WITNESS THIS TAX ABATEMENT AGREEMENT which provides as follows:

I.

1.01 To the extent authorized by the Texas Constitution and by the Tax Code, CITY hereby agrees to exempt from City of Sherman taxation a portion of the increase in value of taxable

real property of OWNER in the CITY over the same real property and its value as calculated by the Grayson Appraisal District for ad valorem property tax purposes in accordance with the following schedule. Such tax exemption shall be in effect for tax years beginning January 1, 2020, and continuing for tax years 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028 and 2029, with same constituting ten (10) tax years. However, nothing contained herein shall be construed to grant an abatement of taxes to be assessed based on the change of use of the property from an agricultural use to another use, sometimes referred to as rollback taxes, penalties or interest. In the event rollback taxes are applicable for the real property utilized by OWNER, then such increase in value of taxable property resulting from such rollback shall be used as the tax value for such property for the tax year 2020, sometimes referred to herein as the Base Tax Year.

SCHEDULE OF TAXES ASSESSED

<u>TAX YEAR</u>	<u>ABATEMENT</u>
2020	100%
2021	100%
2022	100%
2023	100%
2024	100%
2025	100%
2026	80%
2027	60%
2028	40%
2029	20%

II.

2.01 OWNER warrants and represents that the real property upon which OWNER has constructed or will construct improvements is qualified property within the meaning of that Act, and that such has been and will remain eligible for tax abatement under the provisions of the Property Redevelopment and Tax Abatement Act, Sections 312.001, et seq., Texas Tax Code.

2.02 To continue to qualify for tax abatement under the terms of this Agreement, OWNER hereby warrants and represents that the improvements made by OWNER on the real property described herein are for residential use.

2.03 The tax abatement granted under the terms of the Agreement shall only be implemented if appraised value of all real property and improvements located thereon owned by OWNER and lying within designated zone exceeds the base year value. The OWNER agrees that Grayson Appraisal District shall, at reasonable times upon reasonable notice, have access to the property made the subject of this Agreement, and that the above set forth inspectors shall be able to inspect the property to insure that the improvements are being made in accordance with the terms and conditions hereof and utilized in accordance with this Agreement.

III.

3.01 The term of this Agreement shall be for tax years 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028 and 2029, as indicated above in paragraph 1.01.

IV.

4.01 The kind, number and location of all proposed property improvements are set forth as follows:

Construction of one (1) new single-family residence at 516 South First Street, Sherman, Texas, and as more particularly described by the following:

BEING LOT 12, BLOCK 1, G.Y. GRAY'S FIRST ADDITION

5.01 OWNER agrees that, should he fail to make improvements substantially as described or fail to perform any other term or covenant hereof, CITY shall have the right, after giving notice and opportunity to cure as hereinafter set out, to recapture all tax revenue on said property in the zone lost as a result of this Agreement for the entire term of the Agreement. Such recapture shall mean that all of such property shall be taxed at the full improved value as assessed by the Grayson Appraisal District for all years this Agreement has been in effect. The payment of such recaptured taxes minus any taxes paid by OWNER during the years this Agreement has been in force shall be due January 1 of the next following year and shall be delinquent if not paid on or prior to January 31st. Penalties and interest shall be calculated thereafter as if all taxes had become due in the same year. The CITY agrees prior to enforcement of the terms of this paragraph to give 120 days written notice to the address shown below of OWNER'S default in completing the improvements called for in this Agreement, and OWNER shall have the right to cure such default within the 120-day period.

VI.

6.01 This Agreement shall inure to the benefit of CITY and OWNER, and shall be binding upon them, their heirs, successors and assigns. It is specifically provided and agreed that the right to tax abatement shall inure to the benefit of subsequent owners so long as the term and conditions of this Agreement are in effect.

VII.

7.01 CITY agrees that this Agreement may be assigned and the improvements leased or sub-leased, without any further necessity for consent, by the OWNER to any person, firm or corporation.

VIII.

8.01 At any time before the expiration of the term hereof, this Agreement may be modified by the mutual action of the parties hereto to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. Such modification must be in writing and signed by all the parties hereto and made by

the same procedure by which the original Agreement was approved and executed. In no event may the original Agreement be modified so as to extend the term beyond the original term of this Agreement.

IX.

9.01 This Agreement shall be construed subject to the laws of the State of Texas, and particularly to the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code.

9.02 All appraisal values for real property shall be made by the Grayson Appraisal District or such other entity as may succeed or replace such District.

9.03 OWNER is hereby notified that the Grayson Appraisal District may impose additional requirements which must be met in order for OWNER to realize the benefit of tax abatement and this Agreement. Contact should be made by OWNER with the District in person at 512 North Travis Street, Sherman, Texas, or by telephone at (903) 893-9673.

X.

10.01 This Agreement is subject to all provisions of all outstanding bond issues of CITY. To the extent that this Tax Abatement Agreement conflicts with any of the provisions of such bond issues, such bond issues and attendant documents thereto shall control.

XI.

11.01 This Tax Abatement Agreement is specifically subject to present laws of the State of Texas and any future laws enacted subsequent to the execution of this Agreement which may provide retroactively for a modification of Agreements of this type as a matter of law. Upon the effective date of any such law, then this Agreement shall automatically be so modified.

XII.

12.01 Notices required by this Agreement shall be mailed to the following addresses as same may be in the future changed by either party upon written notice to the other:

City of Sherman
P.O. Box 1106
Sherman, Texas 75091-1106
(903) 892-7200

Ameritex Homes LLC
14643 Dallas Pkwy #1050
Dallas, TX 75254
(972) 528-8113

Copy to: Grayson Appraisal District
512 North Travis Street
Sherman, Texas 75090
(903) 893-9673

This Agreement is performable in Grayson County, Texas. Witness our hands on this the _____ day of _____, 2020.

CITY:
CITY OF SHERMAN, TEXAS

OWNERS:
AMERITEX HOMES LLC

BY: _____
ROBBY HEFTON
CITY MANAGER

BY: _____

ATTEST:

BY: _____
LINDA ASHBY
CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY
CITY ATTORNEY

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein express.

GIVEN UNDER MY HAND and seal of office this ____ day of _____, 2020 A.D.

**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

**CITY OF SHERMAN
APPLICATION FOR RESIDENTIAL TAX ABATEMENT**

Property Owner:

Name: Ameritex Homes

Mailing Address: 14643 Dallas Pkwy #1050, Dallas, TX 75254

Telephone Number: 972-528-8113

Contact (if different than owner):

Name: _____

Mailing Address: _____

Telephone Number: _____

Property:

Physical Address: 5116 S First Street

Summary Legal Description: Lot: 12 Block: 1 Addition: Grays

Full Legal Description: Include as an attachment a full legal description with metes and bounds.

Improvements:

Type of Improvements (please check one). New Construction: X Remodeling: _____

Estimated Value of Improvements: \$70,000.00

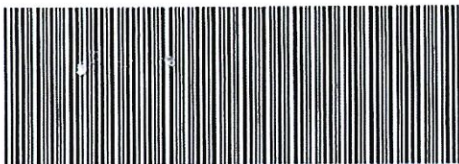
Estimated Date of Start of Construction: 05/30/2020

Estimated Date of Completion of Project: 08/30/2020

Description of Project: Residential Construction - New Build

Applicant(s): Ameritex Homes Date: 5/5/2020

_____ Date: _____



VG-286-2020-7023

Grayson County
Wilma Bush
County Clerk
Sherman, TX 75090

Instrument Number: 2020 - 7023

Real Property Recordings

Recorded On: March 19, 2020 11:30 AM

Number of Pages: 3

Parties: EARNHARTBUILT LLC

" Examined and Charged as Follows: "

Total Recording: \$20.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described Document
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 7023
Receipt Number: 20200319000051
Recorded Date/Time: March 19, 2020 11:30 AM
User: Cort M
Station: CLERK07

Record and Return To:

GRAYSON COUNTY TITLE
1001 WEST MAIN
DENISON TX 75020



STATE OF TEXAS
COUNTY OF GRAYSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Grayson County, Texas.

Wilma Bush
County Clerk
Grayson County, TX

44661

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

WARRANTY DEED

THE STATE OF TEXAS
COUNTY OF GRAYSON

KNOW ALL MEN BY THESE PRESENTS:

DATE: MARCH 18, 2020

THAT EARNHARTBUILT, LLC, a Texas Limited Liability Company

(Hereinafter called "GRANTORS" whether one or more), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable considerations cash in hand paid by

AMERITEX HOMES, LLC, a Texas Limited Liability Company

whose address is 14643 DALLAS PARKWAY, STE 1050, DALLAS, TX 75254

(hereinafter called "GRANTEES" whether one or more), the receipt and sufficiency of which are hereby acknowledged and confessed.

Have GRANTED, SOLD and CONVEYED, and by these presents do GRANT, SELL and CONVEY unto the said Grantees herein, the following described property, together with all improvements thereon, to-wit:

TRACT ONE: Lot 12, Block 1, G.Y. GRAY'S FIRST ADDITION, an addition to the City of Sherman, Grayson County, Texas, according to the map or plat thereof, recorded in Volume 309, Page 493, Deed Records of Grayson County, Texas.

TRACT TWO: Being the North 40 feet of Lot 19, Block 3, G.Y. GRAY'S FIRST ADDITION, an addition to the City of Sherman, Grayson County, Texas, according to the map or plat thereof, recorded in Volume 309, Page 493, Deed Records of Grayson County, Texas.

TO HAVE AND TO HOLD the above described premises, together with, all and singular, the rights and appurtenances thereto in any wise belonging, unto the said Grantees, their heirs and assigns forever. And Grantors do hereby bind themselves, their heirs, executors and administrators, to warrant and forever defend all and singular, the said premises unto the said Grantees, their heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof. Taxes for the current year have been prorated and are assumed by Grantee.

This conveyance is made and accepted subject to (i) any and all outstanding minerals, mineral leases, restrictions, covenants, conditions and easements, to the extent that they are in force and effect; (ii) all zoning laws, regulations and ordinances of municipal and/or other governmental authorities, to the extent that they are applicable and enforceable; (iii) any and all easements, rights of way and encroachments that are apparent, including any utilities buried beneath the surface of the ground; and (iv) all rights of parties in possession of any part of the Property.

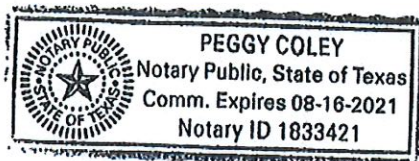
When this deed is executed by one person, or when the Grantee is one person, the instrument shall read as though pertinent verbs and pronouns were changed to correspond, and when executed by or to a corporation the words "heirs, executors or administrators" or "heirs and assigns" shall be construed to mean "Successors and assigns".

EARNHARTBUILT, LLC, a Texas Limited Liability Company

By: 
JONATHAN EARNHART, Member

THE STATE OF TEXAS
COUNTY OF GRAYSON

This instrument was acknowledged before me this 18 day of MARCH, 2020, by JONATHAN EARNHART, Member of EARNHARTBUILT, LLC, a Texas Limited Liability Company.




NOTARY PUBLIC - STATE OF TEXAS

PREPARED IN THE OFFICE OF:
BROWN RIDDELS PLLC
124 S. CROCKETT
SHERMAN, TX 75090



CITY OF SHERMAN
New Residential Building Permit
#20-000994 | Issued on: 05/01/2020 at 11:02 AM

ADDRESS 516 S FIRST, Sherman, TX	LEGAL Grays G Y 1st Addn (suppl), Block 1, Lot 12	PERMIT HOLDER AMERITEX HOMES AMERITEX HOMES (469) 859-6399	OWNERS • Llc Earnhartbuilt
---	--	--	--------------------------------------

INFORMATION FIELDS

Subcontractor	AMERITEX HOMES	Square Feet	909
Bedrooms	3	Bathrooms	2
Number of Stories	1	Number of Acres	0.5
Type of Construction List	Wood Frame	Off Street Parking	3
Tax Abatement	Yes	Sewer Disposal	Public Sewer
Water Supply	Public	Heating	Electric
Permit Certification	Yes	Proposed Use	SINGLE FAMILY RESIDENTIAL
Former Use	NONE	Firm Name	AMERITEX HOMES

FEE	TOTAL	PAID	DUE
Building Permit Fee (R)	\$ 272.70	\$ 272.70	\$ 272.70
Storm Water Fee	\$ 25.00	\$ 25.00	\$ 25.00
TOTALS	\$ 297.70	\$ 0.00	\$ 297.70

NOTICE

This permit becomes null and void if work or constructions authorized is not commenced within 6 months, or if construction or work is suspended or abandoned for a period of 6 months at any time after work is started.

I hereby certify that I have read and examined this document and know the same to be true and correct. All provisions of laws and ordinances governing this type of work will be complied with whether specified herein or not. Granting of a permit does not presume to give authority to violate or cancel the provision of any other state or local law regulating construction or the performance of construction.

(Signature of Contractor or Authorized Agent)

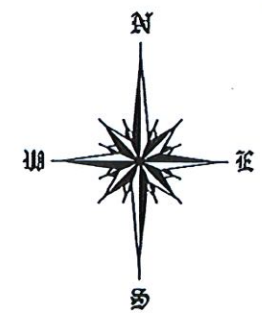
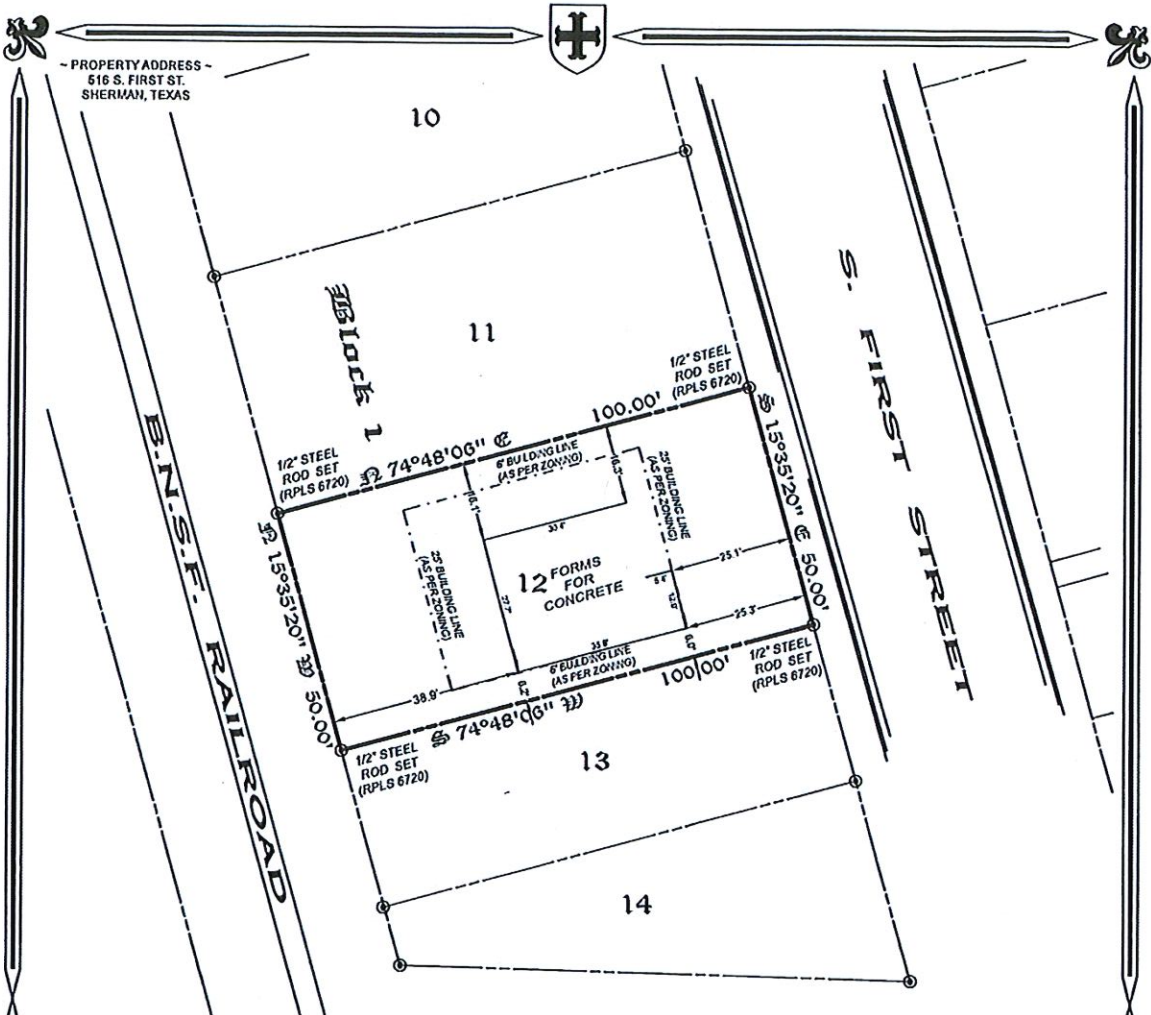
Date

(Approved By) Flood Plain Administrator

Date

(Approved By) Building & Zoning

Date



SCALE ~ 1" = 30'
Copyright © 2020
 Copley Land Surveying, Inc.
 All rights reserved.

~ BASIS OF BEARINGS ~
 GRID NORTH, NAD 83
 TEXAS STATE PLANE COORDINATE SYSTEM
 NORTH CENTRAL ZONE (4202)

Legend

- WATER METER
- BOUNDARY LINE
- PROPERTY LINE

Form Survey
Lot 12, Block 1
G.D. Grays First Addition
Sherman, Texas

Copley Land Surveying
 1702 Verdi Ln., Sherman, Texas 75090
 TX 903-415-0643, OR 580-980-0181
 john@copleylandsurveying.com



DATE OF LAST SITE VIST. 8/29/20

CL&S Job# 20020091-J



City of Sherman, Texas
Developmental Services Department

516 South First Street

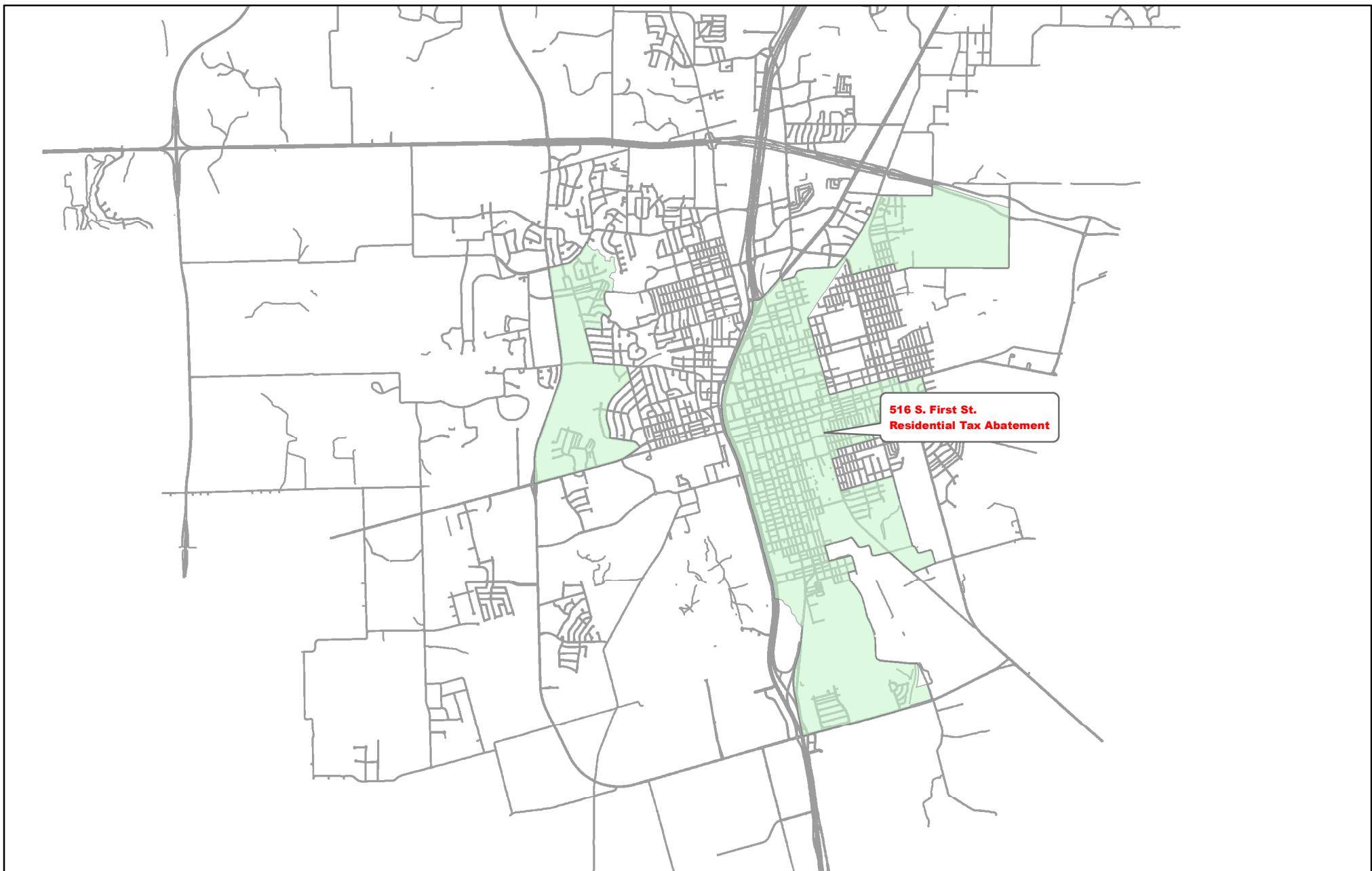


NOT TO SCALE

1 in = 200 ft

516 South First Street





516 South First Street Residential Tax Abatement



City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

1 inch = 6,000 feet



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 6.

Meeting Date: 07/20/2020

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6634**

Authorizing Execution of an Agreement with Ameritex Homes LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 514 South Maxey Street within City of Sherman Reinvestment Zone, Number Ten (#10)

Issue:

This item is to consider property tax abatement for the construction of a new single-family residence at 514 South Maxey Street situated within City of Sherman Reinvestment Zone, Number Ten (#10).

Background:

Several years ago, the City Council began a residential tax abatement program to encourage the redevelopment of older sections of town. This application is for the construction of a new single-family residence at this location. This lot is in the current designated zone for residential tax abatement.

Origination:

Ameritex Homes LLC, Owners

Financial Consideration:

A \$75.00 application fee has been received for this residential lot. If granted, the initial abatement for this property will be approximately \$299.11 annually.

Staff Recommendation:

The staff recommends approval of this abatement since it meets the requirements of the process.

Alternatives:

The City Council could decide against granting this abatement.

Attachments

Resolution No. 6634

Residential Tax Abatement Agreement

Application

Warranty Deed

Building Permit

Site Plan

Aerial Location Map

Photo

Reinvestment Zone Map

RESOLUTION NO. 6634

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH AMERITEX HOMES LLC FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 514 SOUTH MAXEY STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10); FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Ameritex Homes LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an agreement with Ameritex Homes LLC for the abatement of ad valorem property taxes for a period of ten (10) years, for the construction of one (1) new single-family residence at 514 South Maxey Street, lying within City of Sherman Reinvestment Zone, Number Ten (#10), in accordance with the City's policies and procedures established for this purpose.

SECTION 2. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

THE STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

AGREEMENT

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WHEREAS, the CITY has adopted a resolution (Resolution No. 6210) stating that it elects to be eligible to participate in a residential tax abatement program; and

WHEREAS, the CITY desires to create the proper economic and social environment to induce the investment of private resources in real estate construction located in incorporated areas of the CITY; and

WHEREAS, the CITY hereby finds that it may effectively encourage and assist the creation of such an environment by participating in tax abatement pursuant to the CITY; and

WHEREAS, the CITY has created a reinvestment zone within its jurisdiction to induce the investment of private resources in real estate construction located in incorporated areas of the CITY, and OWNER has agreed to construct certain real property improvements; and

WHEREAS, OWNER is prepared to comply with the provisions of the CITY'S guidelines and criteria enacted the 18th day of April, 2016;

NOW, THEREFORE, WITNESS THIS TAX ABATEMENT AGREEMENT which provides as follows:

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Sherman, Texas 75091-1106	Dallas, TX 75254
(903) 892-7200	(972) 528-8113

Copy to: Grayson Appraisal District
512 North Travis Street
Sherman, Texas 75090
(903) 893-9673

This Agreement is performable in Grayson County, Texas. Witness our hands on this the _____ day of _____, 2020.

CITY:
CITY OF SHERMAN, TEXAS

OWNERS:
AMERITEX HOMES LLC

BY: _____
ROBBY HEFTON
CITY MANAGER

BY: _____

ATTEST:

BY: _____
LINDA ASHBY
CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY
CITY ATTORNEY

THE STATE OF TEXAS §

COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein express.

GIVEN UNDER MY HAND and seal of office this ____ day of _____, 2020 A.D.

**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

**CITY OF SHERMAN
APPLICATION FOR RESIDENTIAL TAX ABATEMENT**

Property Owner:

Name: Ameritex Homes

Mailing Address: 14643 Dallas Pkwy #1050, Dallas, TX 75254

Telephone Number: 972-528-8113

Contact (if different than owner):

Name: _____

Mailing Address: _____

Telephone Number: _____

Property:

Physical Address: 514 S Maxey Street

Summary Legal Description: Lot: 19 Block: 3 Addition: Grays

Full Legal Description: Include as an attachment a full legal description with metes and bounds.

Improvements:

Type of Improvements (please check one). New Construction: X Remodeling: _____

Estimated Value of Improvements: \$70,000.00

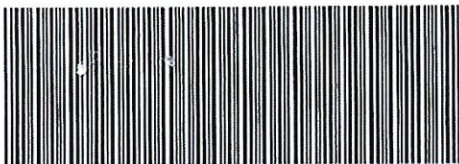
Estimated Date of Start of Construction: 5/30/2020

Estimated Date of Completion of Project: 8/30/2020

Description of Project: Residential Construction - New Build

Applicant(s): Ameritex Homes Date: 5/5/2020

_____ Date: _____



VG-286-2020-7023

Grayson County
Wilma Bush
County Clerk
Sherman, TX 75090

Instrument Number: 2020 - 7023

Real Property Recordings

Recorded On: March 19, 2020 11:30 AM

Number of Pages: 3

Parties: EARNHARTBUILT LLC

" Examined and Charged as Follows: "

Total Recording: \$20.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described Document
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 7023
Receipt Number: 20200319000051
Recorded Date/Time: March 19, 2020 11:30 AM
User: Cort M
Station: CLERK07

Record and Return To:

GRAYSON COUNTY TITLE
1001 WEST MAIN
DENISON TX 75020



STATE OF TEXAS
COUNTY OF GRAYSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Grayson County, Texas.

Wilma Bush
County Clerk
Grayson County, TX

44661

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

WARRANTY DEED

THE STATE OF TEXAS
COUNTY OF GRAYSON

KNOW ALL MEN BY THESE PRESENTS:

DATE: MARCH 18, 2020

THAT EARNHARTBUILT, LLC, a Texas Limited Liability Company

(Hereinafter called "GRANTORS" whether one or more), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable considerations cash in hand paid by

AMERITEX HOMES, LLC, a Texas Limited Liability Company

whose address is 14643 DALLAS PARKWAY, STE 1050, DALLAS, TX 75254

(hereinafter called "GRANTEES" whether one or more), the receipt and sufficiency of which are hereby acknowledged and confessed.

Have GRANTED, SOLD and CONVEYED, and by these presents do GRANT, SELL and CONVEY unto the said Grantees herein, the following described property, together with all improvements thereon, to-wit:

TRACT ONE: Lot 12, Block 1, G.Y. GRAY'S FIRST ADDITION, an addition to the City of Sherman, Grayson County, Texas, according to the map or plat thereof, recorded in Volume 309, Page 493, Deed Records of Grayson County, Texas.

TRACT TWO: Being the North 40 feet of Lot 19, Block 3, G.Y. GRAY'S FIRST ADDITION, an addition to the City of Sherman, Grayson County, Texas, according to the map or plat thereof, recorded in Volume 309, Page 493, Deed Records of Grayson County, Texas.

TO HAVE AND TO HOLD the above described premises, together with, all and singular, the rights and appurtenances thereto in any wise belonging, unto the said Grantees, their heirs and assigns forever. And Grantors do hereby bind themselves, their heirs, executors and administrators, to warrant and forever defend all and singular, the said premises unto the said Grantees, their heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof. Taxes for the current year have been prorated and are assumed by Grantee.

This conveyance is made and accepted subject to (i) any and all outstanding minerals, mineral leases, restrictions, covenants, conditions and easements, to the extent that they are in force and effect; (ii) all zoning laws, regulations and ordinances of municipal and/or other governmental authorities, to the extent that they are applicable and enforceable; (iii) any and all easements, rights of way and encroachments that are apparent, including any utilities buried beneath the surface of the ground; and (iv) all rights of parties in possession of any part of the Property.

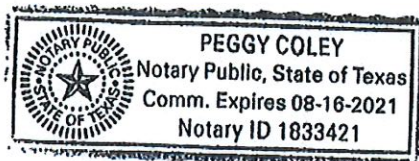
When this deed is executed by one person, or when the Grantee is one person, the instrument shall read as though pertinent verbs and pronouns were changed to correspond, and when executed by or to a corporation the words "heirs, executors or administrators" or "heirs and assigns" shall be construed to mean "Successors and assigns".

EARNHARTBUILT, LLC, a Texas Limited Liability Company

By: 
JONATHAN EARNHART, Member

THE STATE OF TEXAS
COUNTY OF GRAYSON

This instrument was acknowledged before me this 18 day of MARCH, 2020, by JONATHAN EARNHART, Member of EARNHARTBUILT, LLC, a Texas Limited Liability Company.




NOTARY PUBLIC - STATE OF TEXAS

PREPARED IN THE OFFICE OF:
BROWN RIDDELS PLLC
124 S. CROCKETT
SHERMAN, TX 75090



CITY OF SHERMAN
New Residential Building Permit
#20-000995 | Issued on: 05/01/2020 at 11:13 AM

ADDRESS 514 S MAXEY St Sherman, TX	LEGAL Grays G Y 1st Addn (suppl), Block 3, Lot 19	PERMIT HOLDER AMERITEX HOMES AMERITEX HOMES (469) 859-6399	OWNERS • Llc Earnhartbuilt
---	--	--	--------------------------------------

INFORMATION FIELDS

Subcontractor	AMERITEX HOMES	Square Feet	909
Bedrooms	3	Bathrooms	2
Number of Stories	1	Number of Acres	0.5
Type of Construction List	Wood Frame	Off Street Parking	3
Tax Abatement	Yes	Sewer Disposal	Public Sewer
Water Supply	Public	Heating	Electric
Permit Certification	Yes	Proposed Use	SINGLE FAMILY RESIDENTIAL
Former Use	NONE	Firm Name	AMERITEX HOMES

FEE	TOTAL	PAID	DUE
Building Permit Fee (R)	\$ 272.70	\$ 272.70	\$ 272.70
Storm Water Fee	\$ 25.00	\$ 25.00	\$ 25.00
TOTALS	\$ 297.70	\$ 0.00	\$ 297.70

NOTICE

This permit becomes null and void if work or constructions authorized is not commenced within 6 months, or if construction or work is suspended or abandoned for a period of 6 months at any time after work is started.

I hereby certify that I have read and examined this document and know the same to be true and correct. All provisions of laws and ordinances governing this type of work will be complied with whether specified herein or not. Granting of a permit does not presume to give authority to violate or cancel the provision of any other state or local law regulating construction or the performance of construction.

(Signature of Contractor or Authorized Agent)

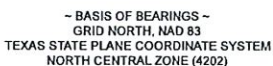
Date

(Approved By) Flood Plain Administrator

Date

(Approved By) Building & Zoning

Date

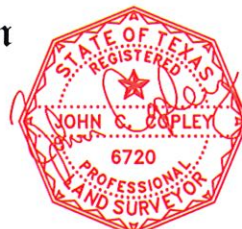


Plot Plan
Lot 19, Block 3
G.P. Grays First Addition
Sherman, Texas



Copley Land Surveying

1702 Verdi Ln., Sherman, Texas 75090
TX 903-415-0643, OK 580-980-0181
john@copleylandsurveying.com



DATE OF LAST SITE VIST: 02/27/20

CLS Job# 20020092



Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

514 South Maxey Street

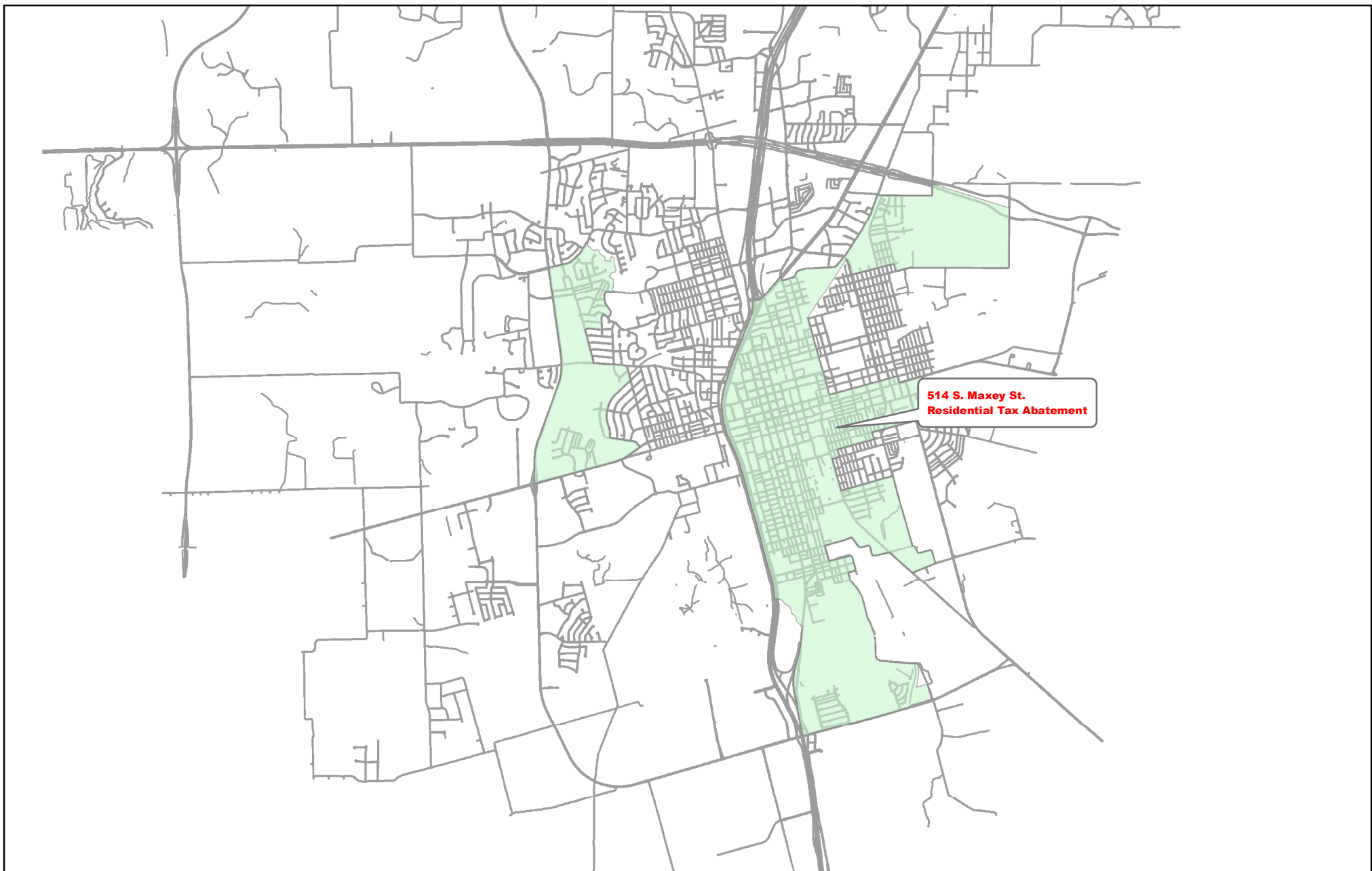


NOT TO SCALE

1 in = 200 ft

514 South Maxey Street





514 South Maxey Street Residential Tax Abatement



City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

1 inch = 6,000 feet



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 7.

Meeting Date: 07/20/2020

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6635**

Authorizing Execution of an Agreement with Luis and Yaressi Moran for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 609 South Maxey Street within City of Sherman Reinvestment Zone, Number Ten (#10)

Issue:

This item is to consider property tax abatement for the construction of a new single-family residence at 609 South Maxey Street situated within City of Sherman Reinvestment Zone, Number Ten (#10).

Background:

Several years ago, the City Council began a residential tax abatement program to encourage the redevelopment of older sections of town. This application is for the construction of a new single-family residence at this location. This lot is in the current designated zone for residential tax abatement.

Origination:

Luis and Yaressi Moran, Owners

Financial Consideration:

A \$75.00 application fee has been received for this residential lot. If granted, the initial abatement for this property will be approximately \$384.57 annually.

Staff Recommendation:

The staff recommends approval of this abatement since it meets the requirements of the process.

Alternatives:

The City Council could decide against granting this abatement.

Attachments

Resolution No. 6635

Residential Tax Abatement Agreement

Application

Warranty Deed

Building Permit

Site Plan

Photo

Aerial Location Map

Reinvestment Zone Map

RESOLUTION NO. 6635

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH LUIS AND YARESSI MORAN FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 609 SOUTH MAXEY STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10); FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Luis and Yaressi Moran and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an agreement with Luis and Yaressi Moran for the abatement of ad valorem property taxes for a period of ten (10) years, for the construction of one (1) new single-family residence at 609 South Maxey Street, lying within City of Sherman Reinvestment Zone, Number Ten (#10), in accordance with the City's policies and procedures established for this purpose.

SECTION 2. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

THE STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

AGREEMENT

THIS AGREEMENT, entered into by and between the **CITY OF SHERMAN, TEXAS**, a home rule city and municipal corporation of the State of Texas, duly acting herein by and through its City Manager, hereinafter referred to as CITY, and **LUIS AND YARESSI MORAN** hereinafter referred to as OWNER,

WITNESSETH:

WHEREAS, on the 18th day of April, 2016, the City Council of Sherman, Texas, passed Ordinance No. 5948 establishing a reinvestment zone for residential tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended, hereinafter referred to as CODE; and

WHEREAS, on the 19th day of August, 2019, the City Council of Sherman, Texas adopted Ordinance No. 6241 and redesignated the Reinvestment Zone to be City of Sherman Reinvestment Zone, Number Ten (#10); and

WHEREAS, the CITY has adopted a resolution (Resolution No. 6210) stating that it elects to be eligible to participate in a residential tax abatement program; and

WHEREAS, the CITY desires to create the proper economic and social environment to induce the investment of private resources in real estate construction located in incorporated areas of the CITY; and

WHEREAS, the CITY hereby finds that it may effectively encourage and assist the creation of such an environment by participating in tax abatement pursuant to the CITY; and

WHEREAS, the CITY has created a reinvestment zone within its jurisdiction to induce the investment of private resources in real estate construction located in incorporated areas of the CITY, and OWNER has agreed to construct certain real property improvements; and

WHEREAS, OWNER is prepared to comply with the provisions of the CITY'S guidelines and criteria enacted the 18th day of April, 2016;

NOW, THEREFORE, WITNESS THIS TAX ABATEMENT AGREEMENT which provides as follows:

I.

1.01 To the extent authorized by the Texas Constitution and by the Tax Code, CITY hereby agrees to exempt from City of Sherman taxation a portion of the increase in value of taxable

real property of OWNER in the CITY over the same real property and its value as calculated by the Grayson Appraisal District for ad valorem property tax purposes in accordance with the following schedule. Such tax exemption shall be in effect for tax years beginning January 1, 2020, and continuing for tax years 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028 and 2029, with same constituting ten (10) tax years. However, nothing contained herein shall be construed to grant an abatement of taxes to be assessed based on the change of use of the property from an agricultural use to another use, sometimes referred to as rollback taxes, penalties or interest. In the event rollback taxes are applicable for the real property utilized by OWNER, then such increase in value of taxable property resulting from such rollback shall be used as the tax value for such property for the tax year 2020, sometimes referred to herein as the Base Tax Year.

SCHEDULE OF TAXES ASSESSED

<u>TAX YEAR</u>	<u>ABATEMENT</u>
2020	100%
2021	100%
2022	100%
2023	100%
2024	100%
2025	100%
2026	80%
2027	60%
2028	40%
2029	20%

II.

2.01 OWNER warrants and represents that the real property upon which OWNER has constructed or will construct improvements is qualified property within the meaning of that Act, and that such has been and will remain eligible for tax abatement under the provisions of the Property Redevelopment and Tax Abatement Act, Sections 312.001, et seq., Texas Tax Code.

2.02 To continue to qualify for tax abatement under the terms of this Agreement, OWNER hereby warrants and represents that the improvements made by OWNER on the real property described herein are for residential use.

2.03 The tax abatement granted under the terms of the Agreement shall only be implemented if appraised value of all real property and improvements located thereon owned by OWNER and lying within designated zone exceeds the base year value. The OWNER agrees that Grayson Appraisal District shall, at reasonable times upon reasonable notice, have access to the property made the subject of this Agreement, and that the above set forth inspectors shall be able to inspect the property to insure that the improvements are being made in accordance with the terms and conditions hereof and utilized in accordance with this Agreement.

III.

3.01 The term of this Agreement shall be for tax years 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028 and 2029, as indicated above in paragraph 1.01.

IV.

4.01 The kind, number and location of all proposed property improvements are set forth as follows:

Construction of one (1) new single-family residence at 609 South Maxey Street, Sherman, Texas, and as more particularly described by the following:

BEING LOTS 4, 5 & 6, BLOCK 7, W. ELLIOTT'S ADDITION

5.01 OWNER agrees that, should he fail to make improvements substantially as described or fail to perform any other term or covenant hereof, CITY shall have the right, after giving notice and opportunity to cure as hereinafter set out, to recapture all tax revenue on said property in the zone lost as a result of this Agreement for the entire term of the Agreement. Such recapture shall mean that all of such property shall be taxed at the full improved value as assessed by the Grayson Appraisal District for all years this Agreement has been in effect. The payment of such recaptured taxes minus any taxes paid by OWNER during the years this Agreement has been in force shall be due January 1 of the next following year and shall be delinquent if not paid on or prior to January 31st. Penalties and interest shall be calculated thereafter as if all taxes had become due in the same year. The CITY agrees prior to enforcement of the terms of this paragraph to give 120 days written notice to the address shown below of OWNER'S default in completing the improvements called for in this Agreement, and OWNER shall have the right to cure such default within the 120-day period.

VI.

6.01 This Agreement shall inure to the benefit of CITY and OWNER, and shall be binding upon them, their heirs, successors and assigns. It is specifically provided and agreed that the right to tax abatement shall inure to the benefit of subsequent owners so long as the term and conditions of this Agreement are in effect.

VII.

7.01 CITY agrees that this Agreement may be assigned and the improvements leased or sub-leased, without any further necessity for consent, by the OWNER to any person, firm or corporation.

VIII.

8.01 At any time before the expiration of the term hereof, this Agreement may be modified by the mutual action of the parties hereto to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. Such modification must be in writing and signed by all the parties hereto and made by

the same procedure by which the original Agreement was approved and executed. In no event may the original Agreement be modified so as to extend the term beyond the original term of this Agreement.

IX.

9.01 This Agreement shall be construed subject to the laws of the State of Texas, and particularly to the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code.

9.02 All appraisal values for real property shall be made by the Grayson Appraisal District or such other entity as may succeed or replace such District.

9.03 OWNER is hereby notified that the Grayson Appraisal District may impose additional requirements which must be met in order for OWNER to realize the benefit of tax abatement and this Agreement. Contact should be made by OWNER with the District in person at 512 North Travis Street, Sherman, Texas, or by telephone at (903) 893-9673.

X.

10.01 This Agreement is subject to all provisions of all outstanding bond issues of CITY. To the extent that this Tax Abatement Agreement conflicts with any of the provisions of such bond issues, such bond issues and attendant documents thereto shall control.

XI.

11.01 This Tax Abatement Agreement is specifically subject to present laws of the State of Texas and any future laws enacted subsequent to the execution of this Agreement which may provide retroactively for a modification of Agreements of this type as a matter of law. Upon the effective date of any such law, then this Agreement shall automatically be so modified.

XII.

12.01 Notices required by this Agreement shall be mailed to the following addresses as same may be in the future changed by either party upon written notice to the other:

City of Sherman
P.O. Box 1106
Sherman, Texas 75091-1106
(903) 892-7200

Luis & Yaressi Moran
701 S. Throckmorton St.
Sherman, TX 75090
(903) 821-5803

Copy to: Grayson Appraisal District
512 North Travis Street
Sherman, Texas 75090
(903) 893-9673

This Agreement is performable in Grayson County, Texas. Witness our hands on this the _____ day of _____, 2020.

CITY:
CITY OF SHERMAN, TEXAS

OWNERS:
LUIS AND YARESSI MORAN

BY: _____
ROBBY HEFTON
CITY MANAGER

BY: _____
LUIS MORAN

BY: _____
YARESSI MORAN

ATTEST:

BY: _____
LINDA ASHBY
CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY
CITY ATTORNEY

**THE STATE OF TEXAS §
COUNTY OF GRAYSON §**

BEFORE ME, the undersigned authority, on this day personally appeared **LUIS MORAN** known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein express.

GIVEN UNDER MY HAND and seal of office this ____day of _____, 2020 A.D.

**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

**THE STATE OF TEXAS §
COUNTY OF GRAYSON §**

BEFORE ME, the undersigned authority, on this day personally appeared **YARESSI MORAN** known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein express.

GIVEN UNDER MY HAND and seal of office this ____day of _____, 2020 A.D.

**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

CITY OF SHERMAN
APPLICATION FOR RESIDENTIAL TAX ABATEMENT

Property Owner:

Name: Luis Moran

Mailing Address: 701 S. Throckmorton St. Sherman, TX 75090

Telephone Number: (903) 821-5803

Contact (if different than owner):

Name: _____

Mailing Address: _____

Telephone Number: _____

Property:

Physical Address: 609 S. Maxey St.

Summary Legal Description: Lot: 4, 5, 6 Block: 7 Addition: Elliot St W

Full Legal Description: Include as an attachment a full legal description with metes and bounds.

Improvements:

Type of Improvements (please check one). New Construction: ☒ Remodeling: ☐

Estimated Value of Improvements: 90,000

Estimated Date of Start of Construction: 06-16-20

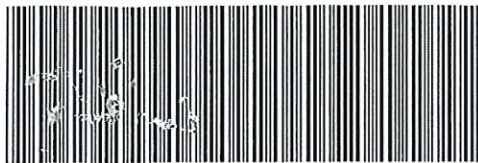
Estimated Date of Completion of Project: 09-01-20

Description of Project: New single family home, 1,200 sqft.

Applicant(s): Luis Moran

Date: 06/08/20

Date: _____



VG-286-2020-3607

Grayson County
Wilma Bush
County Clerk
Sherman, TX 75090

Spec. WD
0131997

Instrument Number: 2020 - 3607

Real Property Recordings

Recorded On: February 11, 2020 02:31 PM

Number of Pages: 3

Parties: JOHNSON DAVID MARK ETAL

" Examined and Charged as Follows: "

Total Recording: \$20.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described Document
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 3607
Receipt Number: 20200211000119
Recorded Date/Time: February 11, 2020 02:31 PM
User: Shannon B
Station: CLERK06

Record and Return To:

RED RIVER TITLE CO
421 N CROCKETT ST
SHERMAN TX 75090



STATE OF TEXAS
COUNTY OF GRAYSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Grayson County, Texas.

Wilma Bush
County Clerk
Grayson County, TX

621997

SPECIAL WARRANTY DEED

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Date: February 11, 2020

Grantor: David Mark Johnson, Independent Executor of the Estate of Donald Truman Lasater, Deceased (Cause No. 2019-426P in the County Court of Grayson County, Texas)

Grantor's Mailing Address (including county): P. O. Box 577
Hobart, Oklahoma 73651
Kiowa County

Grantees: Luis Moran and his sister Yaressi Moran

Grantees' Mailing Addresses (including county): Luis Moran
701 S. Throckmorton St.
Sherman, Texas 75090
Grayson County

Yaressi Moran
701 S. Throckmorton St.
Sherman, Texas 75090
Grayson County

Consideration: Ten Dollars and other valuable consideration to the undersigned paid by the Grantee herein named, the receipt of which is hereby acknowledged.

Property (including any improvements): All of Decedent's interest in the following:

Being Lot Nos. Four (4), Five (5) and Six (6), in Block No. Seven (7) of W. Elliott's Addition to Sherman, Texas, as per Plat of Record in Volume 101, Page 4 and 5 of the Deed Records of Grayson County, Texas

Reservations from and Exceptions to Conveyance and Warranty:

This conveyance is made and accepted subject to (i) any and all outstanding minerals, mineral leases, restrictions, covenants, conditions and easements, to the extent that they are in force and effect; (ii) all zoning laws, regulations and ordinances of municipal and/or other governmental authorities, to the extent that they are applicable and enforceable; (iii) any and all easements, rights of way and encroachments that are apparent, including any utilities buried beneath the surface of the ground; and (iv) all rights of parties in possession of any part of the Property.

Grantor, for the consideration and subject to the reservations from, and exceptions to conveyance and warranty, grants, sells, and conveys to Grantees the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantees, Grantees' heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantees and Grantees' heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to warranty, when the claim is made by, through, or under Grantor, but not otherwise.

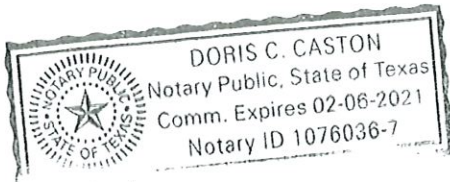
When the context requires, singular nouns and pronouns include the plural.

David Mark Johnson
David Mark Johnson, Independent Executor
of the Estate of Donald Truman Lasater,
Deceased

(Acknowledgment)

State of Texas
County of Grayson

This instrument was acknowledged before me on the 11th day of February, 2020, by David Mark Johnson in the capacity herein stated.



[Signature]
Notary Public, State of Texas

AFTER RECORDING RETURN TO:

Luis Moran
701 S. Throckmorton St.
Sherman, Texas 75090

KEYBOARD()
KEYBOARD()



CITY OF SHERMAN
New Residential Building Permit
#20-001374 | Issued on: 06/08/2020 at 3:11 PM

ADDRESS
609 S MAXEY St
Sherman, TX 75090

PERMIT HOLDER
LUIS ALBERTO MORAN
MORAN CONSTRUCTION
(903) 821-5803

INFORMATION FIELDS

Subcontractor	MORAN CONSTRUCTION	Square Feet	1245
Bedrooms	3	Bathrooms	2
Number of Stories	1	Number of Acres	0.5
Type of Construction List	Wood Frame	Off Street Parking	4
Tax Abatement	Yes	Sewer Disposal	Public Sewer
Water Supply	Public	Heating	Electric
Permit Certification	Yes	Proposed Use	ONE FAMILY RESIDENTIAL
Former Use	NONE	Firm Name	MORAN CONSTRUCTION

FEE	TOTAL	PAID	DUE
Storm Water Fee	\$ 25.00	\$ 25.00	\$ 25.00
TOTALS	\$ 25.00	\$ 25.00	\$ 0.00

NOTICE

This permit becomes null and void if work or constructions authorized is not commenced within 6 months, or if construction or work is suspended or abandoned for a period of 6 months at any time after work is started.

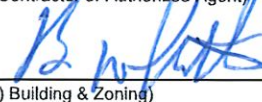
I hereby certify that I have read and examined this document and know the same to be true and correct. All provisions of laws and ordinances governing this type of work will be complied with whether specified herein or not. Granting of a permit does not presume to give authority to violate or cancel the provision of any other state or local law regulating construction or the performance of construction.


(Signature of Contractor or Authorized Agent)

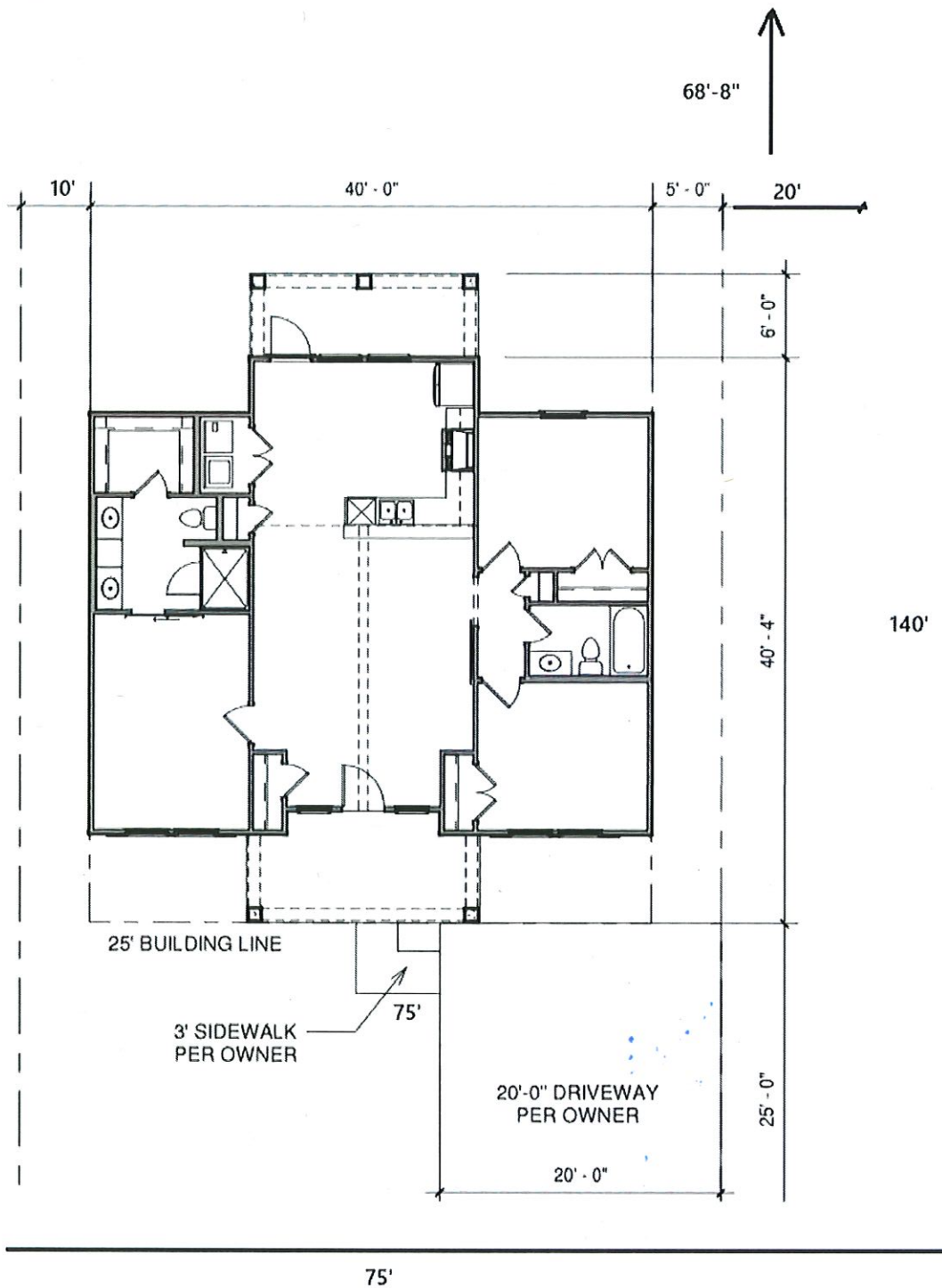
06-08-20
Date


(Approved By) Flood Plain Administrator


Date


(Approved By) Building & Zoning

7/10/20
Date



609 S. Maxey st

609 S Maxey Street





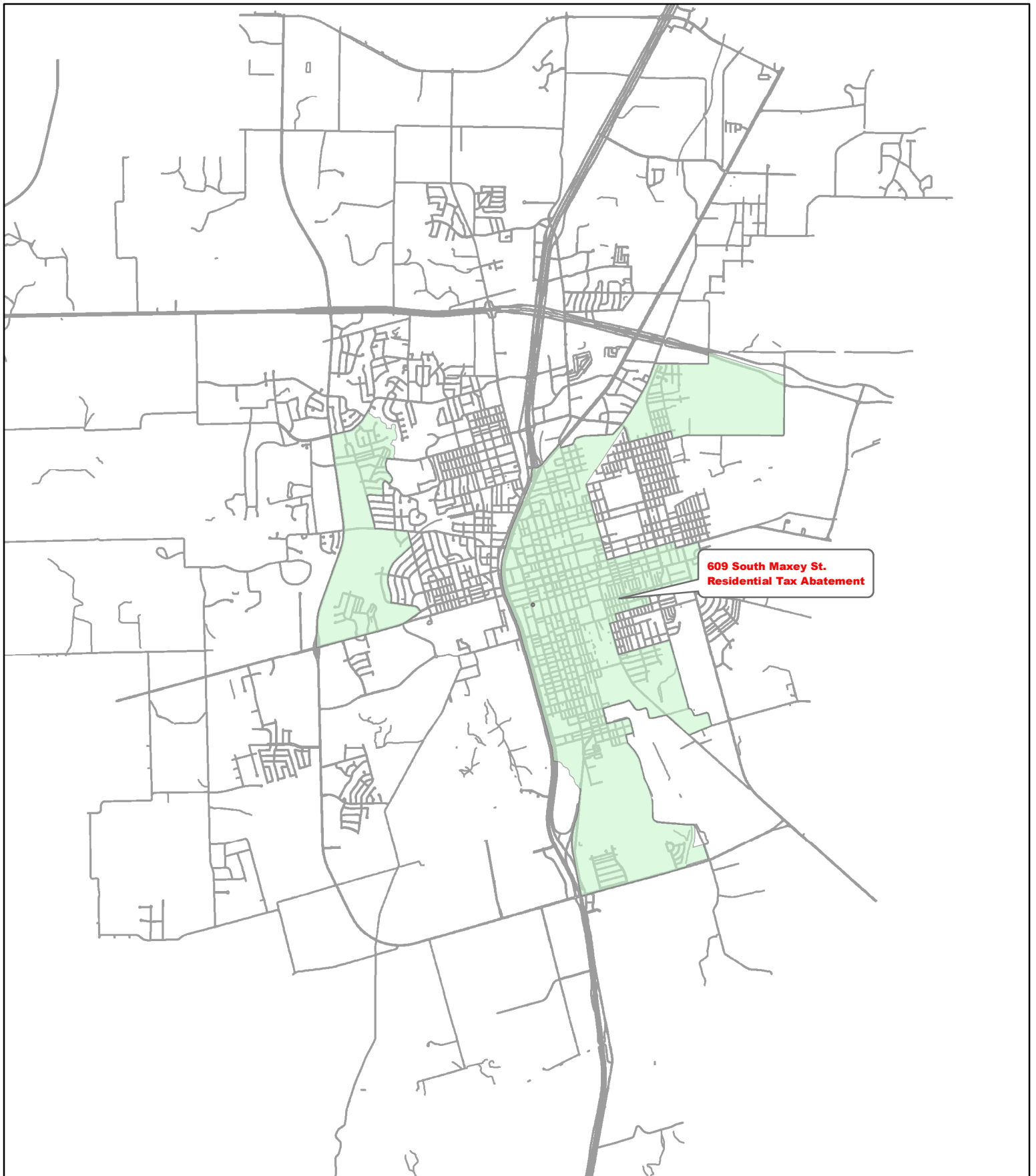
City of Sherman, Texas
Developmental Services Department

609 South Maxey Street Residential Tax Abatement



NOT TO SCALE

1 in = 200 ft



609 South Maxey Street Residential Tax Abatement



City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

1 inch = 6,000 feet



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

F. 1.

Meeting Date: 07/20/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Receive Quarterly Progress Report from Sherman Economic Development Corporation President Kent Sharp

Issue:

To receive the Sherman Economic Development Corporation (SEDCO) quarterly progress report from President Kent Sharp

Background:

The brief presentation by the SEDCO President will provide the City Council with an overview of SEDCO's activities and accomplishments during the last three (3) months. SEDCO's last update for the quarterly period of January, February and March 2020 was presented at the May 18th City Council meeting.

Origination:

City Council

Financial Consideration:

This presentation is for informational purposes only and has no impact on the City's revenues or expenses.

Staff Recommendation:

No action is required of the City Council.

Alternatives:

None recommended

Attachments

SEDCO's Quarterly Progress Report

REPORTING FORM FOR BOARDS AND COMMISSIONS

Name of Board: Sherman Economic Development Corporation

Name of Chair: Janie Bates

Name of Vice-Chair: Gail Utter

Date of Report to City Council: July 20, 2020

1. In simple terms and as briefly as possible, please describe the mission of your board.

- *The mission of the Sherman Economic Development Corporation (SEDCO) is to grow and diversify the economy of Sherman and the surrounding area through the addition of new jobs and investment of primary employers.*

**2. Please list the top accomplishments of your board within the past quarter.
(Please limit the list to five or fewer items).**

- *In Q2, SEDCO submitted proposals for 5 projects, hosted one virtual prospect meeting and one site visit, and Kent visited the headquarters of a California-based company.*
- *In partnership with the Sherman Chamber of Commerce, Denison Development Alliance, Denison Chamber of Commerce, and other regional partners, SEDCO placed a full-page ad in the Herald Democrat to promote the Small Business Administration's COVID-19 loan programs to the Grayson County businesses.*
- *May 27: The Board of Directors approved Resolution No. SEDCO-2020.04 authorizing an incentive payment not to exceed \$50,000 to Presco Polymers, Inc. for the extension of the 10" water line from E. Pecan St. to their facility at 1201 E. Pecan St.*
- *May 27: The Board of Directors approved the first draft of the FY 2020-2021 SEDCO Budget.*
- *May 29: SEDCO submitted the final incentive payment of \$258,290.77 to Modular Power Solutions towards their \$11.2 million capital investment in a new building and equipment and the retention of 105 jobs (currently 135 employees). The final incentive payment reflects the \$255,000.00 incentive plus a Buy Local Grant of \$3,290.77.*

3. What are your plans for this board in the next quarter?

- *SEDCO will work to compete aggressively for the attraction of new jobs and investments to the city from existing Sherman employers and new companies, both nationally and internationally.*
- *SEDCO will work closely with companies that have announced new investments in Sherman to ensure they have the support to meet their goals and receive the incentives as identified in the Economic Development Performance Agreements.*
- *The staff will develop and share a resource database for the Sherman industries that includes a comprehensive list of their COVID-19 policies, procedures, and supply needs.*
- *Kent will continue business retention and expansion visits to the Sherman industries and attend meetings for the Texas Economic Development Council, CWL Advisory Board, Advanced Manufacturing Program, NTRA Master Plan Steering Committee, and the Sherman Education Foundation Board.*
- *Staff will continue to develop the Entrepreneurial Challenge Grant Program.*
- *ShermanTXJobs.com will be boosted on social media, and individual job listings will be highlighted in daily posts.*

- The new marketing videos will wrap production and will be boosted on social media.
- July 13: The new Intern, Anna Long, will start at SEDCO.
- July 22: SEDCO will co-host a webinar with Undaunted about "Marketing in Manufacturing."
- In September, meetings will be held for the Human Resource Network, Plant Managers Forum, and the Safety Leaders Forum.
- Sept. 9: SEDCO will host a booth with the City of Sherman at the North Texas Commercial Association of Realtors and Real Estate Professionals (NTCAR) Expo in Dallas.
- Sept. 11: SEDCO and the Sherman City Council will host the annual joint meeting to review and consider approval of the FY 2020-2021 Program of Work and Budget.
- Sept. 25: SEDCO will host its annual event at the Sherman Municipal Ballroom from 11:30am-1:30pm. The event will feature an update from SEDCO and the City of Sherman, a keynote speaker, and a panel of local economic developers.

4. How often did this board meet in the last quarter?

- The SEDCO Board meets on the second Tuesday of each month and holds special called meetings when needed. Since our last report, the SEDCO Board held three regularly scheduled meetings (April 14th, May 12th, June 16th) and one special called meeting (May 27th).

5. In what percentage of those meetings was a quorum of board members present?

- 100%

6. Did any member attend less than 75% of those meetings? If so, which member and how often did they attend.

- No

7. What other information would your board like to communicate to the City Council? (please be concise in your response).

- SEDCO is presently working 8 active projects with an estimated \$531 million in investments and approximately 1,135 new jobs.
- Kent completed 7 Business Retention and Expansion visits with the following companies:
 - Royal Case
 - Altium Packaging (formerly Consolidated Container Company)
 - Sunny Delight
 - Critical Access Billing
 - Nature's Source
 - Finisar/II-VI
 - Mueller Construction Company
- April 15: Kent served as a panelist during a TEDC webinar - Local Economic Developer's Response to the Covid-19 Crisis.
- May 7: Kent participated in the DFW Marketing Team's virtual meeting with Adriana Cruz from the Governor's Office.
- May 13: Kent participated in the Freight Advisory Committee virtual meeting.
- June 4: SEDCO co-sponsored an end of year event to celebrate the Advanced Manufacturing Program students completing the program.
- June 5: Staff interviewed an Austin College student for the SEDCO Intern position.

- *June 8: SEDCO co-hosted a roundtable discussion with local leaders of the Black Lives Matter movement along with Sherman and Grayson County officials.*
- *June 15: Staff met with Nate Essin of Undaunted to discuss a joint webinar where SEDCO can share more about our mission and announce the new Entrepreneurial Challenge Grant Program.*
- *June 18: Hosted a Zoom Safety Leaders Forum. Representatives from various Sherman industries provided updates about their facilities including new policies and procedures regarding COVID-19.*
- *June 23: Hosted the Summer Leadership Breakfast which drew 13 industry representatives and local leaders.*
- *June 25: Hosted a Zoom Human Resources Network Meeting to talk with HR Managers at the Sherman industries about their current job openings.*
- *Developed a COVID-19 Resource page on sedco.org for businesses and job seekers.*
- *Using our social media platforms, we shared about the efforts of the Sherman industries during the COVID-19 crisis including those industries that shifted production lines to produce PPE.*
- *Completed two more interviews with Felicia Herron of Glitzy Girlz Boutique and Paul and Lindsey Manley for the new marketing videos.*
- *Donated doors, cabinets, ceiling fans, and other misc. items from the property at 224 E. FM 1417 to Habitat for Humanity and the Grayson County Shelter.*



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

F. 2.

Meeting Date: 07/20/2020

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Preview of the 2020-2021 Draft Budget

Issue:

Previewing the draft budget for the 2020-2021 fiscal year

Background:

A review of the draft budget was requested by the City Council after incorporating changes made as a result of the Budget Workshop held on June 23rd and other information obtained since then. Significant changes include:

1. Budgeted revenue of \$1.2 million from Marilee SUD will be used in lieu of the proposed rate increase in the Utility Fund. Marilee's project will be funded with debt.
2. Fire inspection fees were increased.
3. Adoption trailer purchase for the Animal Shelter was moved from FY2021 to the current year.
4. Increased the budget for TIRZ #2 for infrastructure that may be needed in that zone.
5. Updated Utility revenue for June billing, which added about \$300k to FY2020 projection, and a decrease in projected expenses of about \$100k added a little over \$400k to the projected ending reserves, which equates to about five days of reserves.

With the incorporated changes, ending reserves for FY2021 are 75 days in the General Fund, 75 days in the Utility Fund, and 88 days in the Solid Waste Fund. There are no proposed rate increases for property taxes, utility rates, or solid waste fees.

After the Certified Totals from the Grayson County Appraisal District are received, property taxes in the draft budget will be updated. The budget will be presented for public hearing on August 3rd with final adoption at the August 20th City Council meeting.

Origination:

Mayor and City Council Members

Financial Consideration:

The proposed draft budget contains appropriations of \$96.9 million for the 2020-2021 fiscal year.

Staff Recommendation:

If the draft meets with the Council's approval, the staff will present the draft budget for public hearing on August 3, 2020.

Alternatives:

The Council could make changes to the proposed budget, subject to existing available financial resources, and subject to statutory requirements relating to the timing of budget adoption.

Attachments

2020-2021 Draft Budget

PROPOSED BUDGET FOR THE CITY OF SHERMAN FOR FISCAL YEAR 2021

July 20, 2020

SUMMARY

The attached proposed budget for Fiscal Year (FY) 2021 is based on the direction provided by the City Council at the June 25, 2020 budget workshop.

The proposed budget of \$96.9 million includes funding for one-time, across-the-board compensation, a 4.5% increase for police officers, planning for a new police and fire facilities, finishing projects funded with debt in prior years, a Utilities Master Plan, three new utility positions, \$3.1 million in fleet and equipment, \$18.9 million in utility projects, and \$9.2 million in street projects. This budget is about \$2.5 million more than the original FY 2020 budget due to an increase in capital expenses. Fund balance in the General, Solid Waste, and Utility Funds are at targeted levels.

GENERAL FUND

The **General Fund** is not balanced ongoing but is balanced for the year. Property values and property tax revenue are projected to increase about 11%. The property tax rate is unchanged at .489/\$100. A transfer from the Solid Waste Fund as a result of a distribution from the City's joint venture in a landfill is critical to help support this fund's operations. Sales tax revenue is budgeted at FY2020 levels due to the uncertainty surrounding the current public health emergency. Tax notes will be used to finance equipment purchases of about \$1.7 million. Fund balance is projected to be \$8.7 million or 75 days of operating expenses at the end of FY2021.

UTILITY FUND

The **Utility Fund** is unbalanced for FY2021 and ongoing. Mild temperatures and above-average rainfall in the past couple years has contributed to anemic revenues. Furthermore, the addition of the debt service to fund the Water Treatment Plant expansion and other projects has increased expenses. The City will use a reimbursement from a special utility district for the construction of a pipeline to help fund operations. Three new positions are budgeted to address operation of the expanded Water Treatment Plant and succession planning in a critical position. Various fleet and equipment critical to operations are budgeted. Fund balance at the end of FY2021 is projected to be about \$5.2 million, or about 75 days of operating expenses.

SOLID WASTE FUND

The **Solid Waste Fund** is balanced on an on-going basis but unbalanced in FY2021. A distribution of \$1.0 million from the City's joint venture in the landfill is expected in FY2020 and in FY2021. This distribution is critical to the operations of this fund in FY2020 and in FY2021 when it will be transferred to support the General Fund. Fund balance of \$1.0 million, or 88 days of operating expenditures.

CAPITAL IMPROVEMENT FUNDS

The proposed budget of about \$9.8 million in the **General Improvement Fund** primarily consists of funding for street projects funded by debt issued in previous years. Three new projects which are not funded include participation with the Texas Department of Transportation (TxDOT) in FM 1417 improvements south of Highway 56, Munson Avenue, and site selection and design for the new police headquarters. The sale of city-owned land near the site of the new Sherman High School will fund projects that are not bonded. Reserves of about \$1.6 million are expected at the end of FY 2021 consisting of unspent debt proceeds.

The **Utility Improvement Fund** proposed budget includes projects that will be funded by debt issued by the Greater Texoma Utility Authority on behalf of the City, existing reserves and a transfer from the Utility Fund. Projects totaling \$18.9 million include the continuation of the construction of the northwest sewer lift station near the intersection of Highway 82 and Highway 289, a waterline to service Legacy Village/Bel Air developments, a waterline that will enable the City to sell to Marilee Special Utility District, a wastewater line for concentrate disposal from the water treatment plant, replacement of the deteriorated southside industrial sewer, various improvements at the water and wastewater treatment plants, water and sewer line replacements and other system improvements. Utility Improvement Fund reserves will be about \$34,000 at the end of FY 2021.

MAJOR IMPACTS

Tax Revenues

Property tax revenue is expected to increase about \$1.7 million over last year due to growth in the value of existing property and new property added to the tax roll. Sales tax revenue is expected to be about the same as FY2020 after considering the effects of the public health emergency and recovery that is expected in FY2021.

Wage Increase

The proposed budget contains a 4.5% across-the-board increase in salaries for police officers and two one-time payments for all other employees at 1% each. The cost is projected to be about \$270,000 for the police officers and \$490,000 for all others.

Fleet, Equipment and Buildings

Major fleet expenditures for this year include a fire truck (\$610,000), a solid waste collection truck (\$350,000), a fire department brush truck (\$117,000), four Police Tahoes

(\$193,000), a video evidence platform (police body and dash cameras, \$101,000), and street department fleet including a bucket truck (\$140,000), chipper truck (\$132,000), and dump truck (\$155,000).

Major Projects

New and continuing projects funded this year include Park Avenue extension and repair of bridges at Traivs Street, McGee Street and Center Street.

SUMMARY SCHEDULES, DETAILED FUND STATEMENTS, AND OTHER INFORMATION

The following pages include a schedule that summarizes the draft FY2021 budget, eliminating double counting for internal service funds and inter-fund transfers. Also included are statements of revenues and expenditures/expenses for each fund and a schedule of transfers.

City of Sherman
ALL FUNDS
2020-2021 Annual Budget

	General Fund	Enterprise Funds	Capital Improvement Funds	Special Revenue Funds	Internal Service Funds	Debt Service Funds	Trust Fund	Elim. Interfund Transfers	Totals
Beginning Fund Balance	\$ 7,913,139	\$ 6,376,549	\$ 10,439,139	\$ 1,674,367	\$ 472,915	\$ 501,112	\$ 1,625,039	\$ -	\$ 29,002,260
Revenues:									
Taxes	33,525,080	-	565,554	528,000	-	5,115,091	-	-	39,733,725
Water Sales	-	14,713,000	-	-	-	-	-	-	14,713,000
Sewer Sales	-	7,801,000	-	-	-	-	-	-	7,801,000
Solid Waste Sales	-	6,994,000	-	-	-	-	-	-	6,994,000
Sales & Service	3,786,091	949,500	770,000	1,392,320	11,713,014	-	10,000	(11,713,014)	6,907,911
Intergovernmental	320,263	1,601,350	657,656	-	-	-	-	-	2,579,269
Interest Income	60,000	30,800	308,000	43,825	13,600	5,500	100	-	461,825
Miscellaneous Revenue	757,742	1,088,500	4,000,000	79,400	20,700	-	-	-	5,946,342
Debt Proceeds	-	-	6,000,000	-	1,725,612	-	-	-	7,725,612
Transfers In	4,481,000	158,000	600,000	210,000	-	1,070,490	-	(6,519,490)	-
Total Revenues	42,930,176	33,336,150	12,901,210	2,253,545	13,472,926	6,191,081	10,100	(18,232,504)	92,862,684
Total Funds Available	50,843,315	39,712,699	23,340,349	3,927,912	13,945,841	6,692,193	1,635,139	(18,232,504)	121,864,944
Expenditures:									
Personnel	30,443,395	8,798,553	-	399,130	1,619,761	-	-	-	41,260,840
Supplies	1,987,534	1,739,001	-	637,859	798,530	-	-	-	5,162,924
Repair & Maintenance	1,738,345	2,006,783	-	141,625	1,064,043	-	-	-	4,950,796
Utilities	1,056,090	1,706,810	-	41,510	52,100	-	-	-	2,856,510
Information Technology	700,010	254,930	-	5,220	32,250	-	-	(992,410)	-
Debt Service	-	7,320,862	-	-	758,988	6,157,483	-	-	14,237,333
Services & Charges	2,906,946	3,956,822	-	706,241	6,336,529	7,750	-	(5,997,048)	7,917,241
Vehicle Usage	1,641,430	1,470,090	-	-	-	-	-	(3,111,520)	-
Fleet Services & Charges	1,025,966	586,070	-	-	-	-	-	(1,612,036)	-
Capital Expenses	421,815	409,007	15,784,790	1,230,809	2,692,296	-	-	-	20,538,717
Transfers Out	210,000	5,239,000	693,000	377,490	-	-	-	(6,519,490)	-
Total Expenditures	42,131,532	33,487,928	16,477,790	3,539,883	13,354,497	6,165,233	-	(18,232,504)	96,924,360
Excess Revenues Over Expenditures	798,644	(151,778)	(3,576,580)	(1,286,338)	118,429	25,848	10,100	-	(4,061,676)
Ending Fund Balance	\$ 8,711,783	\$ 6,224,771	\$ 6,862,559	\$ 388,029	\$ 591,344	\$ 526,960	\$ 1,635,139	\$ -	\$ 24,940,585

City of Sherman
GENERAL FUND
2020-2021 Annual Budget

	Actual 2018-2019	Adjusted Budget 2019-2020	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 8,701,746	\$ 8,344,554	\$ 8,439,877	\$ 7,913,139
Revenues				
Property Tax	9,484,956	11,591,600	11,058,200	12,160,100
Sales Tax	17,679,235	18,265,000	18,094,000	18,369,000
Franchise Tax	2,883,662	2,975,000	2,834,000	2,834,000
Other Taxes	150,197	161,200	160,940	161,980
Fines & Penalties	588,648	608,150	463,150	567,150
Recreation	278,420	334,000	37,900	256,750
Licenses & Permits	691,323	667,400	665,200	665,200
Rentals	32,922	41,450	31,295	31,500
Cemetery	244,188	216,100	216,000	165,600
Sales & Service	593,033	593,020	718,252	649,891
Ambulance Service	1,555,158	1,602,800	1,450,700	1,450,000
Interest Income	232,302	170,000	120,000	60,000
Grant Revenue	293,901	316,170	287,950	406,522
Intergovernmental	404,055	265,369	301,769	320,263
Miscellaneous Revenue	388,277	304,050	225,418	351,220
Total Revenues	35,500,279	38,111,309	36,664,774	38,449,176
Transfers In	2,877,999	3,019,000	4,157,555	4,481,000
Total Revenues and Transfers In	38,378,278	41,130,309	40,822,329	42,930,176
Total Funds Available	47,080,024	49,474,863	49,262,206	50,843,315
Expenditures				
Personnel	27,100,212	29,130,775	29,494,175	30,443,395
Supplies	1,652,775	1,622,711	1,615,707	1,987,534
Repair & Maintenance	1,497,264	1,814,215	1,676,505	1,738,345
Utilities	1,029,443	1,060,790	1,019,880	1,056,090
Information Technology	595,901	714,170	779,655	700,010
Services & Charges	2,606,290	2,960,614	2,848,573	2,906,946
Vehicle Usage	1,857,708	1,749,710	1,692,307	1,641,430
Capital Expenses	325,816	1,035,984	1,069,083	421,815
Fleet Services & Charges	1,266,258	795,950	921,183	1,025,966
Transfers Out	708,480	132,000	232,000	210,000
Total Expenditures	38,640,147	41,016,919	41,349,067	42,131,532
Excess Revenues over Expenditures	(261,868)	113,390	(526,738)	798,644
Ending Fund Balance	\$ 8,439,877	\$ 8,457,944	\$ 7,913,139	\$ 8,711,783

City of Sherman
ENTERPRISE FUNDS
2020-2021 Annual Budget

	Actual 2018-2019	Adjusted Budget 2019-2020	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 6,347,545	\$ 6,592,762	\$6,318,518	\$6,376,549
Revenues:				
Water Sales	13,663,016	14,185,000	14,326,000	14,713,000
Sewer Sales	7,538,820	7,747,000	7,663,000	7,801,000
Solid Waste Service	6,862,544	7,277,000	6,992,000	6,994,000
Service Charges & Penalties	676,469	620,000	616,000	665,000
Laboratory	144,989	141,500	145,000	140,000
Charges for Services	168,209	159,500	154,600	144,500
Intergovernmental	729,804	427,783	409,783	1,601,350
Interest Income	143,088	75,000	40,800	30,800
Miscellaneous Revenue	116,959	514,000	1,217,100	1,088,500
Transfers In	161,000	214,000	634,000	158,000
Total Revenues	30,204,899	31,360,783	32,198,283	33,336,150
Total Funds Available	36,552,443	37,953,545	38,516,801	39,712,699
Expenditures:				
Personnel	8,045,498	8,593,899	8,572,843	8,798,553
Supplies	1,774,088	2,037,560	1,789,476	1,739,001
Repair & Maintenance	1,943,487	1,909,694	2,533,862	2,006,783
Utilities	1,597,012	1,695,390	1,739,000	1,706,810
Information Technology	241,110	263,840	288,060	254,930
Services & Charges	3,504,939	3,907,164	4,007,841	3,956,822
Vehicle Usage	1,569,589	1,550,210	1,540,512	1,470,090
Debt Service	6,811,811	7,758,867	7,163,239	7,320,862
Fleet Services & Charges	1,333,741	982,553	982,553	586,070
Capital Expenses	373,650	301,975	289,867	409,007
Transfers Out	3,039,000	3,233,000	3,233,000	5,239,000
Total Expenditures	30,233,925	32,234,152	32,140,252	33,487,928
Excess Revenues over Expenditures	(29,026)	(873,369)	58,031	(151,778)
Ending Fund Balance	\$6,318,518	\$5,719,393	\$6,376,549	\$6,224,771

City of Sherman
CAPITAL IMPROVEMENT FUNDS
2020-2021 Annual Budget

	222 General CIP	250 Roadway Impact Fee	770 Utility CIP	750 Utility Impact Fee	224 Street Revolving	235 Regional Detention	230 TIRZ #3 Construction	330 TIRZ #2 Construction	241 TIRZ #5 Construction	242 TIRZ #6 Construction	243 TIRZ #7 Construction	Total
Beginning Fund Balance	\$ 6,632,905	\$ -	\$ 729,610	\$ -	\$ 462,004	\$ 319,236	\$ 35,884	\$ 320,769	\$ 611,815	\$ 1,203,381	\$ 123,535	\$ 10,439,139
Revenues:												
Interest Income	250,000	-	-	-	8,000	4,000	500	4,000	20,000	20,000	1,500	308,000
Taxes	-	-	-	-	-	-	218,593	199,189	68,366	28,242	51,164	565,554
Intergovernmental	500,000	-	-	-	-	-	-	-	72,938	30,131	54,587	657,656
Sales & Service	-	375,000	-	375,000	-	20,000	-	-	-	-	-	770,000
Miscellaneous Revenue	4,000,000	-	-	-	-	-	-	-	-	-	-	4,000,000
Debt Proceeds	-	-	-	-	-	-	-	-	-	-	6,000,000	6,000,000
Transfers In	-	-	600,000	-	-	-	-	-	-	-	-	600,000
Total Revenues	4,750,000	375,000	600,000	375,000	8,000	24,000	219,093	203,189	161,304	78,373	6,107,251	12,901,210
Total Funds Available	11,382,905	375,000	1,329,610	375,000	470,004	343,236	254,977	523,958	773,119	1,281,754	6,230,786	23,340,349
Expenditures												
Capital Expenses	9,779,790	-	1,295,000	-	50,000	200,000	250,000	510,000	300,000	900,000	2,500,000	15,784,790
Transfers Out	-	-	-	-	-	-	-	-	289,000	226,000	178,000	693,000
Total Expenditures	9,779,790	-	1,295,000	-	50,000	200,000	250,000	510,000	589,000	1,126,000	2,678,000	16,477,790
Excess Revenues over Expenditures	(5,029,790)	375,000	(695,000)	375,000	(42,000)	(176,000)	(30,907)	(306,811)	(427,696)	(1,047,627)	3,429,251	(3,576,580)
Ending Fund Balance	\$ 1,603,115	\$ 375,000	\$ 34,610	\$ 375,000	\$ 420,004	\$ 143,236	\$ 4,977	\$ 13,958	\$ 184,119	\$ 155,754	\$ 3,552,786	\$ 6,862,559

City of Sherman
SPECIAL REVENUE FUNDS
2020-2021 Annual Budget

	420	440	450	460	470	480	455	456	457	
	Stormwater	E 911	Security & Technology	Hotel/ Motel	Drug Enforcement	Airport	Parks Pride	Police Pride	Donations	Total
Beginning Fund Balance	\$ 1,119,617	\$ 227,702	\$ 60,611	\$ 5,825	\$ 74,787	\$ 145,322	\$ 19,195	\$ 15,363	\$ 5,944	\$ 1,674,367
Revenues										
Taxes	-	-	-	528,000	-	-	-	-	-	528,000
Sales & Service	444,000	300,000	27,120	53,000	200,000	368,200	-	-	-	1,392,320
Interest Income	30,000	6,000	750	-	4,000	2,500	-	500	75	43,825
Miscellaneous Revenue	-	-	-	-	-	50,000	10,000	10,000	9,400	79,400
Debt Proceeds	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	210,000	-	-	-	-	-	210,000
Total Revenues	474,000	306,000	27,870	791,000	204,000	420,700	10,000	10,500	9,475	2,253,545
Total Funds Available	1,593,617	533,702	88,481	796,825	278,787	566,022	29,195	25,863	15,419	3,927,912
Expenditures										
Personnel	97,386	108,461	-	193,283	-	-	-	-	-	399,130
Supplies	7,809	-	5,000	53,600	236,200	325,250	-	-	10,000	637,859
Repair & Maintenance	53,000	-	27,630	25,000	27,000	8,995	-	-	-	141,625
Utilities	-	-	-	30,240	-	11,270	-	-	-	41,510
Information Technology	2,090	-	-	3,130	-	-	-	-	-	5,220
Services & Charges	3,540	180,673	10,600	381,700	5,000	94,728	25,000	5,000	-	706,241
Capital Expenses	1,000,000	107,809	5,000	-	-	100,000	-	18,000	-	1,230,809
Transfers Out	269,000	-	-	108,490	-	-	-	-	-	377,490
Total Expenditures	1,432,825	396,943	48,230	795,443	268,200	540,243	25,000	23,000	10,000	3,539,883
Excess Revenues over Expenditures	(958,825)	(90,943)	(20,360)	(4,443)	(64,200)	(119,543)	(15,000)	(12,500)	(525)	(1,286,338)
Ending Fund Balance	\$ 160,792	\$ 136,760	\$ 40,252	\$ 1,382	\$ 10,587	\$ 25,780	\$ 4,195	\$ 2,863	\$ 5,419	\$ 388,029

City of Sherman
INTERNAL SERVICE FUNDS
2020-2021 Annual Budget

	600 Insurance	630 IT	650 Equipment	660 Fleet Replacement	Total
Beginning Fund Balance	\$ 214,282	\$ 137,653	\$ 66,982	\$ 53,999	\$ 472,915
Revenue					
Sales & Service	5,997,048	992,410	3,111,520	1,612,036	11,713,014
Interest Income	5,000	2,000	1,600	5,000	13,600
Debt Proceeds	-	-	-	1,725,612	1,725,612
Miscellaneous Revenue	-	700	-	20,000	20,700
Total Revenue	6,002,048	995,110	3,113,120	3,362,648	13,472,926
Total Funds Available	6,216,330	1,132,763	3,180,102	3,416,647	13,945,841
Expenditures					
Personnel	-	593,753	1,026,008	-	1,619,761
Supplies	-	30,663	767,867	-	798,530
Repair & Maintenance	-	162,677	901,366	-	1,064,043
Utilities	-	35,890	16,210	-	52,100
Information Technology	-	-	32,250	-	32,250
Services & Charges	5,887,568	92,367	356,594	-	6,336,529
Debt Service	-	-	-	758,988	758,988
Capital Expenses	-	86,637	27,000	2,578,659	2,692,296
Total Expenditures	5,887,568	1,001,986	3,127,295	3,337,647	13,354,497
Excess Revenues over Expenditures	114,480	(6,876)	(14,175)	25,001	118,429
Ending Fund Balance	\$ 328,761	\$ 130,777	\$ 52,806	\$ 79,000	\$ 591,344

City of Sherman
DEBT SERVICE FUND
2020-2021 Annual Budget

	300 Debt Service	320 TIRZ #1 Debt Service	Total
Beginning Fund Balance	\$ 85,902	\$ 415,210	\$ 501,112
Revenues			
Taxes	4,779,000	336,091	5,115,091
Interest Income	500	5,000	5,500
Intergovernmental	-	-	-
Transfers In	1,070,490	-	1,070,490
Total Revenues	5,849,990	341,091	6,191,081
Total Funds Available	5,935,892	756,301	6,692,193
Expenditures:			
Debt Service	5,843,930	313,553	6,157,483
Services & Charges	7,000	750	7,750
Transfers Out	-	-	-
Total Expenditures	5,850,930	314,303	6,165,233
Excess Revenues over Expenditures	(940)	26,788	25,848
Ending Fund Balance	\$ 84,962	\$ 441,998	\$ 526,960

City of Sherman
PERPETUAL CARE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 1,583,320	\$ 1,604,939	\$ 1,625,039
Revenues			
Sales & Service	9,800	20,000	10,000
Interest Income	11,819	100	100
Total Revenues	21,619	20,100	10,100
Total Funds Available	1,604,939	1,625,039	1,635,139
Expenditures			
Miscellaneous	-	-	-
Ending Fund Balance	\$ 1,604,939	\$ 1,625,039	\$ 1,635,139

City of Sherman
UTILITY FUND
2020-2021 Annual Budget

	Actual 2018-2019	Adjusted Budget 2019-2020	Projected 2019-2020	Requested 2020-2021
Beginning Reserve	\$ 5,216,729	\$ 4,984,976	\$ 5,509,055	\$ 5,019,681
Revenues				
Water Sales	13,663,016	14,185,000	14,326,000	14,713,000
Sewer Sales	7,538,820	7,747,000	7,663,000	7,801,000
Laboratory	144,989	141,500	145,000	140,000
Service Charges & Penalties	614,929	550,000	532,000	575,000
Charges for Services	168,209	159,500	154,600	144,500
Interest Income	135,837	65,000	40,000	30,000
Intergovernmental	729,804	427,783	409,783	1,601,350
Miscellaneous Revenue	88,168	92,000	192,600	65,500
Total Revenues	23,083,772	23,367,783	23,462,983	25,070,350
Transfers In	161,000	214,000	494,000	158,000
Total Revenues and Transfers In	23,244,772	23,581,783	23,956,983	25,228,350
 Total Funds Available	 28,461,501	 28,566,759	 29,466,038	 30,248,031
Expenditures				
Personnel	6,248,689	6,568,963	6,547,042	6,846,685
Supplies	1,526,260	1,763,558	1,483,687	1,456,769
Repair & Maintenance	1,881,013	1,834,282	2,452,958	1,918,709
Utilities	1,569,964	1,667,890	1,709,160	1,675,560
Information Technology	191,407	212,000	231,460	198,750
Debt Service	6,811,811	7,758,867	7,163,239	7,320,862
Services & Charges	1,344,473	1,739,754	1,808,180	1,737,165
Vehicle Usage	424,339	426,620	471,772	403,930
Fleet Services & Charges	483,741	132,553	132,553	236,070
Capital Expenses	348,750	279,415	267,307	383,500
Total Expenditures	20,830,446	22,383,902	22,267,357	22,178,000
Transfers Out	2,122,000	2,179,000	2,179,000	2,900,000
Total Expenditures and Transfers Out	22,952,446	24,562,902	24,446,357	25,078,000
 Excess Revenues over Expenditures	 292,326	 (981,119)	 (489,374)	 150,350
 Ending Reserve	 \$ 5,509,055	 \$ 4,003,857	 \$ 5,019,681	 \$ 5,170,031

City of Sherman
SOLID WASTE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Adjusted Budget 2019-2020	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 1,130,816	\$ 829,730	\$ 809,463	\$ 1,356,868
Revenues				
Solid Waste Service	6,862,544	7,277,000	6,992,000	6,994,000
Service Charges & Penalties	61,540	70,000	84,000	90,000
Interest Income	7,252	10,000	800	800
Miscellaneous Revenue	28,791	422,000	1,024,500	1,023,000
Transfers In	-	-	140,000	-
Total Revenues	6,960,126	7,779,000	8,241,300	8,107,800
Total Funds Available	8,090,942	8,608,730	9,050,763	9,464,668
Expenditures				
Personnel	1,796,810	2,024,936	2,025,801	1,951,869
Supplies	247,829	274,002	305,789	282,232
Repair & Maintenance	62,475	75,412	80,904	88,074
Utilities	27,048	27,500	29,840	31,250
Information Technology	49,703	51,840	56,600	56,180
Services & Charges	2,160,466	2,167,410	2,199,661	2,219,657
Vehicle Usage	1,145,250	1,123,590	1,068,740	1,066,160
Capital Expenses	24,900	22,560	22,560	25,507
Fleet Services & Charges	850,000	850,000	850,000	350,000
Transfers Out	917,000	1,054,000	1,054,000	2,339,000
Total Expenditures	7,281,479	7,671,250	7,693,895	8,409,929
Excess Revenues over Expenditures	(321,353)	107,750	547,405	(302,129)
Ending Fund Balance	\$ 809,463	\$ 937,480	\$ 1,356,868	\$ 1,054,740

City of Sherman
EMPLOYEE INSURANCE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Budget 2019-2020	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 604,376	\$ 256,261	\$ 691,865	\$ 214,282
Revenues				
Employer Contributions	4,032,766	4,783,471	5,278,983	4,812,048
Employee Contributions	944,407	930,000	980,000	972,000
Retiree Contributions	195,994	180,000	215,000	213,000
COBRA Contributions	9,201	10,000	-	-
Interest Income	21,146	20,000	12,000	5,000
Total Revenues	5,203,515	5,923,471	6,485,983	6,002,048
Total Funds Available	5,807,891	6,179,732	7,177,848	6,216,330
Expenditures				
Health Insurance Claims	4,167,272	5,200,000	4,330,000	4,800,000
Administration & Premiums	909,616	908,000	1,040,000	1,040,000
Life Insurance Premiums	39,137	37,989	43,566	47,568
Transfers Out	-	-	1,550,000	-
Total Expenditures	5,116,026	6,145,989	6,963,566	5,887,568
Excess Revenues over Expenditures	87,489	(222,518)	(477,583)	114,480
Ending Fund Balance	\$ 691,865	\$ 33,743	\$ 214,282	\$ 328,762

City of Sherman
HOTEL/MOTEL TAX FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ (19,603)	\$ (28,642)	\$ 5,825
Revenues			
Hotel-Motel Taxes	532,216	471,000	528,000
Fines & Penalties	90	-	-
Miscellaneous Revenue	7,586	-	-
Interest Income	777	50	-
Sales & Service	120,317	102,000	35,000
Rentals	27,240	23,000	18,000
Transfers In	-	100,000	210,000
Total Revenues	688,226	696,050	791,000
Total Funds Available	668,623	667,408	796,825
Expenditures			
Personnel	186,398	191,838	193,283
Supplies	19,904	12,575	53,600
Repair & Maintenance	13,930	63,400	25,000
Utilities	27,379	28,590	30,240
Information Technology	5,288	3,780	3,130
Services & Charges	444,366	315,478	381,700
Capital Expenses	-	9,000	-
Transfers Out	-	36,922	108,490
Total Expenditures	697,265	661,583	795,443
Excess Revenues over Expenditures	(9,039)	34,467	(4,443)
Ending Fund Balance	\$ (28,642)	\$ 5,825	\$ 1,382

City of Sherman
GENERAL IMPROVEMENT FUND
2020-2021 Annual Budget

	Actual 2018-2019	Adjusted Budget 2019-2020	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 20,359,413	\$ 15,867,436	\$ 19,280,728	\$ 6,632,905
Revenues				
Transfers In	700,000	-	-	-
Grant Revenue	73,237	-	-	-
Interest Income	535,661	750,000	300,000	250,000
Miscellaneous Revenue	100,000	3,000,000	-	4,000,000
Debt Proceeds	20,000,000	-	-	-
Intergovernmental	-	-	870,500	500,000
Total Revenues	21,408,899	3,750,000	1,170,500	4,750,000
Total Funds Available	41,768,312	19,617,436	20,451,228	11,382,905
Expenditures				
(1) Library Remodel	18,725	-	-	-
(1) Taylor St Extension Eng & ROW/McGee St Ext	347,469	700,000	6,000	1,500,000
(1) FM 1417 (82 to 56) Eng, ROW & Match	2,547,922	-	1,963,785	-
(1) Travis St West	3,473,149	7,000,000	4,842,000	-
(1) Lamberth Rd Thoroughfare	1,000	-	2,500	-
(1) Friendship ROW 56 to Lamberth	49,936	-	11,588	-
Lake Street Repair	6,647	-	-	-
(2) Downtown Streetscape	176,182	-	-	-
(1) Swan Ridge	-	1,200,000	-	-
(1) Park Ave Realignment	-	1,200,000	10,000	1,200,000
Remodel at Station 5	149,923	-	12,150	-
(1) Bridge-S. Travis	-	400,000	41,140	300,000
(3) Bridges-Center/McGee	-	-	-	700,000
(1) Fire Station 4 Relocation	399,310	-	-	-
ESC Expand tool room	1,167	-	-	-
ESC Loft & shelving for storage building	4,695	-	-	-
Lamar Green Space	12,683	-	-	-
Senior Center Patio West Side	7,010	-	-	-
Storage & Backup	34,525	-	-	-
Finance Remodel	58,439	-	2,226	-
Library Parking Lot	42,030	-	-	-
ESC Roof Replacement	6,000	-	-	-
Police Dept Repeaters	178,308	-	-	-
Master Plan Parks	38,679	-	-	-
Police Dept Exterior Renovation	112,222	-	229,604	-
(1) TxDOT Ramp at 1417 & 75 (TIRZ #7 N bound exit)	328,633	-	-	-
(1) Pecan Grove Ball Fields	3,347,136	500,000	1,366,263	-
(1) Legacy Blvd	1,592,209	-	-	-
UB Remodel	5,184	-	40,000	-
Police Firing Range	70,374	-	103,522	-
(1) Fire Station #4 Phase II EMS Bldg	13,050	-	-	-
Renovate Cemetery & Maint Bldg	9,047	60,000	150,953	-
Taylor St Gym/Roof	50,210	-	-	-
Pecan Grove Maint Bldg	-	-	50,000	-
Pecan Grove Ph II	10,950	-	-	-
Quail Run Extension Park	-	250,000	-	-
ESC Spray Insulation windows	-	-	50,000	-
(1) TxDOT 1417 & W. Travis Intersection	148,914	700,000	1,804,990	-

City of Sherman
GENERAL IMPROVEMENT FUND
2020-2021 Annual Budget

	Actual 2018-2019	Adjusted Budget 2019-2020	Projected 2019-2020	Requested 2020-2021
Pecan Grove Basketball Courts	40,501	-	99,499	-
Library Park	82,664	-	17,691	-
(1) Flanary Rd and Progress Dr Ext/Imp	95,408	2,000,000	100,000	-
Station #3 Remodel	28,993	-	-	-
(1) TxDOT - Hwy 75 Gap Project	8,190,138	-	-	-
(1) Moore St - Travis to Park	285,266	1,000,000	1,000,000	-
(1) Fallon Drive	105,330	-	727,674	-
Fire Station #1 Repairs	4,790	-	-	-
(1) Steeplechase Dr Extension	17,651	-	400,000	-
EMS Building - Frisco Rd	377,538	-	377,538	-
Munson Planned Development	17,578	-	-	-
(1) Hilre Drive Extension	-	-	300,000	-
Fire Station #4 Shower Repair	-	-	9,200	-
Self check-out stations RFID	-	-	-	40,000
Watchguard video evidence platform	-	-	-	100,790
(Necessity) Station No. 1 roof replacement	-	-	-	85,000
(3) FM 1417 design/ROW - SH 56 to W. Travis	-	-	100,000	2,000,000
(3) Munson Ave - phase II	-	-	-	2,500,000
(3) New police station - site and design	-	-	-	1,354,000
Total Expenditures	22,487,585	15,010,000	13,818,323	9,779,790
Excess Revenues over Expenditures	(1,078,686)	(11,260,000)	(12,647,823)	(5,029,790)
Ending Fund Balance	\$ 19,280,728	\$ 4,607,436	\$ 6,632,905	\$ 1,603,115

(1) Debt Funded

(2) Partial Grant Funding

City of Sherman
UTILITY IMPROVEMENT FUND
2020-2021 Annual Budget

	Actual 2018-2019	Budget 2019-2020	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 1,756,911	\$ 256,497	\$ 1,272,631	\$ 729,610
Revenues				
Intergovernmental	800,612	400,000	400,000	-
Interest Income	30,085	25,000	25,000	-
Miscellaneous Revenue	-	-	-	-
Transfers In	-	-	-	600,000
Total Revenues	830,697	425,000	425,000	600,000
Total Funds Available	2,587,608	681,497	1,697,631	1,329,610
(1) North west Sewer	15,000	-	200,000	3,600,000
(2) Preston Club Water Line	33,105	-	5,000	-
(1) Aeration Basin Upgrade & Biological Clarifier Rehab	229,473	-	500,000	-
Rehab two sludge thickeners	388,823	-	-	-
(1) Water Treatment Plant Expansion	37,829	-	-	-
Hwy 75 S Water	-	-	4,295	-
(2) Travis St West Water	91,838	-	-	-
Blalock Industrial Sewer-City portion	40,055	-	-	-
(2) Lamberth Water	20,906	-	-	-
(2) High Country Estates Water	122,009	-	-	-
(1) WWTP Control Building Expansion Engineering	4,495	88,750	-	-
Dos Lagos	-	-	75,000	-
(1) Equalization Basin Prop Mixer Replacement	-	400,000	-	-
Fencing/Gate Repairs	-	-	75,000	-
(1) Storm Water lift station/Force main upgrade	50,916	625,000	933,334	-
Water Distribution system improvements	8,274	-	91,726	-
(1) Fairview Tank-Repair & Painting	32,782	-	-	-
(1) Flanary Rd Wastewater Extension	70,875	-	432,874	-
Planning w/NTMWD Upgrade/Exp Texoma Pump	59,074	-	-	-
Utility relocates-2 bores under 75	1,039	-	-	-
(1) Moore St Sewer (through Munson Dev) (SISD \$400m)	10,650	1,100,000	645,217	-
(1) Utility relocates-FM 1417	97,834	400,000	2,518,878	-
Primary Clarifier #1 Rehab Engineering	-	-	83,000	-
Center St. Utility Relocation on Hwy 75	-	-	450,000	-
BNSF move utilities	-	-	134,000	-
(1) Legacy Waterline - Engineering	-	-	94,000	213,000
(1) Legacy Waterline - Construction	-	-	-	2,400,000
(1) Aeration Basin Upgrade	-	4,210,000	-	-
(1) Biological Clarifier Rehab	-	2,340,000	-	-
(1) Brine Line Engineering, Bores, ROW & Construction	-	3,250,000	-	-
Fine Screen Rehab	-	50,000	50,000	-
(1) Marilee SUD (Marilee \$1.2mm)	-	-	-	1,200,000
(1) Marilee SUD Oversizing	-	-	-	800,000
(1) NTMWD Cathodic Improvements	-	760,000	-	-
(1) Primary Clarifier #1 Rehab	-	840,000	-	-
(1) Primary Digester #1 & Digester Complex Piping Rehab	-	-	-	-
(1) Sewer between Rosedale & First	-	1,000,000	1,000,000	-
(1) Water crossing under 75 at Choctaw	-	425,000	-	425,000
(1) N. Travis waterline replacement	-	-	-	575,000
(1) WWTP Control Building Expansion-Construction	-	798,714	-	-
Utility oversizing/annual replacements	-	-	-	150,000
Improve system lines to address water quality	-	-	-	50,000
Upgrade High Country Estates water system	-	-	-	60,000
Abandon old wells/pumps at High Country and Preston Club	-	-	-	70,000
Re-route Center Street sewer line	-	-	-	80,000
Loop Lamberth Road water line	-	-	-	135,000
WTP Flow Meter Improvement	-	-	-	100,000
Fairview 6" water line	-	-	-	150,000
Implement SSO initiatives	-	-	-	150,000

WTP Facilities Improvement	-	-	-	150,000
⁽¹⁾ Texoma Pkwy sewer overflow relief	-	-	-	200,000
⁽¹⁾ Wastewater system study	-	-	-	200,000
⁽¹⁾ Water hydraulic study	-	-	-	200,000
AWIA Security Upgrades @ WTP	-	-	-	200,000
⁽¹⁾ Laboratory facility expansion - design and engineering	-	-	-	250,000
⁽¹⁾ Gate actuator upgrades WWTP	-	-	-	300,000
⁽¹⁾ Replace Texoma Pkwy 12" water line	-	-	-	1,050,000
⁽¹⁾ Concentrate Disposal Phase II Yr 1	-	-	-	1,700,000
⁽¹⁾ Ida Road ground storage tank repair	-	-	-	2,050,000
⁽¹⁾ Replace deteriorated southside industrial sewer	-	-	-	2,400,000
GTUA Funding	-	(15,837,464)	(6,324,303)	(17,563,000)
Total Expenditures	1,314,977	450,000	968,021	1,295,000
Excess Revenues over Expenditures	(484,280)	(25,000)	(543,021)	(695,000)
Ending Fund Balance	\$ 1,272,631	\$ 231,497	\$ 729,610	\$ 34,610

⁽¹⁾ GTUA Funding

⁽²⁾ GTUA Funding of in-house project

Total not funded

10,225,000

City of Sherman
STREET REVOLVING FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 437,105	\$ 450,004	\$ 462,004
Revenues			
Sales & Service	-	-	-
Interest Income	12,899	12,000	8,000
Total Revenues	12,899	12,000	8,000
Total Funds Available	450,004	462,004	470,004
Expenditures			
Capital Expenses	-	-	50,000
	-	-	50,000
Ending Fund Balance	\$ 450,004	\$ 462,004	\$ 420,004

City of Sherman
TIRZ #2 CONSTRUCTION FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 148,055	\$ 217,260	\$ 320,769
Revenues			
Property Tax	119,076	149,509	199,189
Interest Income	4,942	4,000	4,000
Total Revenues	<u>124,018</u>	<u>153,509</u>	<u>203,189</u>
Total Funds Available	272,073	370,769	523,958
Expenditures:			
Capital Expenses	54,813	50,000	510,000
Transfers Out	-	-	-
Total Expenditures	<u>54,813</u>	<u>50,000</u>	<u>510,000</u>
Excess Revenues over Expenditures	<u>69,205</u>	<u>103,509</u>	<u>(306,811)</u>
Ending Fund Balance	<u>\$ 217,260</u>	<u>\$ 320,769</u>	<u>\$ 13,958</u>

City of Sherman
TIRZ #3 CONSTRUCTION FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 56,223	\$ 57,327	\$ 35,884
Revenues			
Property Tax	189,234	178,207	218,593
Interest Income	1,870	350	500
Total Revenues	<u>191,104</u>	<u>178,557</u>	<u>219,093</u>
Total Funds Available	247,327	235,884	254,977
Expenditures			
Capital Expenses	-	-	250,000
Transfers Out	190,000	200,000	-
Total Expenditures	<u>190,000</u>	<u>200,000</u>	<u>250,000</u>
Excess Revenues over Expenditures	<u>1,104</u>	<u>(21,443)</u>	<u>(30,907)</u>
Ending Fund Balance	<u>\$ 57,327</u>	<u>\$ 35,884</u>	<u>\$ 4,977</u>

City of Sherman
REGIONAL DETENTION FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 194,456	\$ 319,236	\$ 319,236
Revenues			
Sales & Service	119,000	-	20,000
Interest Income	5,780	-	4,000
Total Revenues	124,780	-	24,000
Total Funds Available	319,236	319,236	343,236
Expenditures			
Capital Expenses	-	-	200,000
Total Expenditures	-	-	200,000
Excess Revenues over Expenditures	124,780	-	(176,000)
Ending Fund Balance	\$ 319,236	\$ 319,236	\$ 143,236

City of Sherman
TIRZ #5 CONSTRUCTION FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 1,076,855	\$ 778,602	\$ 611,815
Revenues			
Property Tax	15,134	52,666	68,366
Intergovernmental	17,441	53,481	72,938
Interest Income	26,818	13,000	20,000
Debt Proceeds	-	-	-
Total Revenues	<u>59,393</u>	<u>119,147</u>	<u>161,304</u>
Total Funds Available	1,136,248	897,749	773,119
Expenditures			
Capital Expenses	67,646	-	300,000
Services & Charges	-	-	-
Transfers Out	290,000	285,934	289,000
Total Expenditures	<u>357,646</u>	<u>285,934</u>	<u>589,000</u>
Excess Revenues over Expenditures	<u>(298,253)</u>	<u>(166,787)</u>	<u>(427,696)</u>
Ending Fund Balance	<u>\$ 778,602</u>	<u>\$ 611,815</u>	<u>\$ 184,119</u>

City of Sherman
TIRZ #6 CONSTRUCTION FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 2,675,286	\$ 1,363,453	\$ 1,203,381
Revenues			
Property Tax	8,896	21,987	28,242
Intergovernmental	10,253	23,458	30,131
Interest Income	46,897	18,000	20,000
Total Revenues	<u>66,046</u>	<u>63,445</u>	<u>78,373</u>
Total Funds Available	2,741,332	1,426,898	1,281,754
Expenditures			
Capital Expenses	1,150,879	-	900,000
Services & Charges	-	-	-
Transfers Out	227,000	223,517	226,000
Total Expenditures	<u>1,377,879</u>	<u>223,517</u>	<u>1,126,000</u>
Excess Revenues over Expenditures	<u>(1,311,833)</u>	<u>(160,072)</u>	<u>(1,047,627)</u>
Ending Fund Balance	<u>\$ 1,363,453</u>	<u>\$ 1,203,381</u>	<u>\$ 155,754</u>

City of Sherman
TIRZ #7 CONSTRUCTION FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 491,365	\$ 104,613	\$ 123,535
Revenues			
Property Tax	-	21,589	51,164
Intergovernmental	-	23,033	54,587
Interest Income	7,124	1,500	1,500
Debt Proceeds	-	-	6,000,000
Transfers In	-	132,000	-
Total Revenues	<u>7,124</u>	<u>178,122</u>	<u>6,107,251</u>
Total Funds Available	498,489	282,735	6,230,786
Expenditures			
Capital Expenses	214,025	-	2,500,000
Services & Charges	-	-	-
Transfers Out	179,851	159,200	178,000
Total Expenditures	<u>393,876</u>	<u>159,200</u>	<u>2,678,000</u>
Excess Revenues over Expenditures	<u>(386,752)</u>	<u>18,922</u>	<u>3,429,251</u>
Ending Fund Balance	<u>\$ 104,613</u>	<u>\$ 123,535</u>	<u>\$ 3,552,786</u>

City of Sherman
ROADWAY IMPACT FEES
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	-	-	-
Revenues			
Interest Income	-	-	-
Sales & Service	-	-	375,000
Total Revenues	-	-	375,000
Total Funds Available	-	-	375,000
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	-	-	375,000
Ending Fund Balance	-	-	375,000

City of Sherman
UTILITY IMPACT FEES
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	-	-	-
Revenues			
Interest Income	-	-	-
Sales & Service	-	-	375,000
Total Revenues	-	-	375,000
Total Funds Available	-	-	375,000
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	-	-	375,000
Ending Fund Balance	-	-	375,000

City of Sherman
DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ -	\$ -	\$ 85,902
Revenues			
Property Tax	-	4,371,000	4,779,000
Sales Tax	-	269,440	-
Transfers In	-	1,254,520	1,070,490
Interest Income	-	500	500
Miscellaneous Revenue	-	422	-
Total Revenues	-	5,895,882	5,849,990
Total Funds Available	-	5,895,882	5,935,892
Expenditures			
Debt Service	-	5,804,480	5,843,930
Services & Charges	-	5,500	7,000
Total Expenditures	-	5,809,980	5,850,930
Excess Revenues over Expenditures	-	85,902	(940)
Ending Fund Balance	\$ -	\$ 85,902	\$ 84,962

City of Sherman
AUDITORIUM DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 166,841	\$ 68,599	\$ -
Revenues			
Transfers In	-	36,922	-
Interest Income	4,217	-	-
Total Revenues	<u>4,217</u>	<u>36,922</u>	<u>-</u>
Total Funds Available	171,058	105,521	-
Expenditures			
Debt Service	102,459	105,521	-
Services & Charges	-	-	-
Transfers Out	-	-	-
Total Expenditures	<u>102,459</u>	<u>105,521</u>	<u>-</u>
Excess Revenues over Expenditures	<u>(98,242)</u>	<u>(68,599)</u>	<u>-</u>
Ending Fund Balance	<u>\$ 68,599</u>	<u>\$ -</u>	<u>\$ -</u>

City of Sherman
TIRZ #1 DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 376,214	\$ 354,944	\$ 415,210
Revenues			
Property Tax	276,324	314,347	336,091
Interest Income	12,267	6,000	5,000
Total Revenues	<u>288,591</u>	<u>320,347</u>	<u>341,091</u>
Total Funds Available	664,805	675,291	756,301
Expenditures			
Debt Service	309,661	259,881	313,553
Services & Charges	200	200	750
Total Expenditures	<u>309,861</u>	<u>260,081</u>	<u>314,303</u>
Excess Revenues over Expenditures	<u>(21,270)</u>	<u>60,266</u>	<u>26,788</u>
Ending Fund Balance	<u>\$ 354,944</u>	<u>\$ 415,210</u>	<u>\$ 441,998</u>

City of Sherman
TIRZ #5 DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 865	\$ 4,210	\$ -
Revenues			
Transfers In	290,000	-	-
Interest Income	1,541	-	-
Total Revenues	291,541	-	-
Total Funds Available	292,406	4,210	-
Expenditures			
Debt Service	288,196	-	-
Transfers Out	-	4,210	-
Total Expenditures	288,196	4,210	-
Excess Revenues over Expenditures	3,346	(4,210)	-
Ending Fund Balance	\$ 4,211	\$ -	\$ -

City of Sherman
TIRZ #6 DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 882	\$ 3,711	\$ -
Revenues			
Debt Proceeds	-	-	-
Transfers In	227,000	-	-
Interest Income	1,212	-	-
Total Revenues	<u>228,212</u>	<u>-</u>	<u>-</u>
Total Funds Available	229,094	3,711	-
Expenditures			
Debt Service	225,384	-	-
Transfers Out	-	3,711	-
Total Expenditures	<u>225,384</u>	<u>3,711</u>	<u>-</u>
Excess Revenues over Expenditures	<u>2,829</u>	<u>(3,711)</u>	<u>-</u>
Ending Fund Balance	<u>\$ 3,711</u>	<u>\$ -</u>	<u>\$ -</u>

City of Sherman
TIRZ #7 DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ -	\$ 2,895	\$ -
Revenues			
Transfers In	179,851	-	-
Interest Income	395	-	-
Total Revenues	180,246	-	-
Total Funds Available	180,246	2,895	-
Expenditures			
Debt Service	177,351	-	-
Services & Charges	-	-	-
Transfers Out	-	2,895	-
Total Expenditures	177,351	2,895	-
Excess Revenues over Expenditures	2,895	(2,895)	-
Ending Fund Balance	\$ 2,895	\$ -	\$ -

City of Sherman
2008 CO DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 20,032	\$ -	\$ -
Revenues			
Property Tax	-	-	-
Interest Income	-	-	-
Total Revenues	-	-	-
Total Funds Available	20,032	-	-
Expenditures			
Debt Service	-	-	-
Services & Charges	-	-	-
Transfers Out	20,033	-	-
Total Expenditures	20,033	-	-
Excess Revenues over Expenditures	(20,033)	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

City of Sherman
2009 CO DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 18,610	\$ -	\$ -
Revenues			
Property Tax	-	-	-
Interest Income	-	-	-
Total Revenues	-	-	-
Total Funds Available	18,610	-	-
Expenditures			
Debt Service	-	-	-
Services & Charges	-	-	-
Transfers Out	18,610	-	-
Total Expenditures	18,610	-	-
Excess Revenues over Expenditures	(18,610)	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

City of Sherman
2009A CO DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 6,686	\$ -	\$ -
Revenues			
Property Tax	-	-	-
Interest Income	-	-	-
Total Revenues	-	-	-
Total Funds Available	6,686	-	-
Expenditures			
Debt Service	-	-	-
Services & Charges	-	-	-
Transfers Out	6,686	-	-
Total Expenditures	6,686	-	-
Excess Revenues over Expenditures	(6,686)	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

City of Sherman
2016 CO DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 4,940	\$ 10,709	\$ -
Revenues			
Property Tax	470,000	-	-
Interest Income	3,981	-	-
Total Revenues	473,981	-	-
Total Funds Available	478,921	10,709	-
Expenditures			
Debt Service	468,213	-	-
Services & Charges	-	-	-
Transfers Out	-	10,709	-
Total Expenditures	468,213	10,709	-
Excess Revenues over Expenditures	5,769	(10,709)	-
Ending Fund Balance	\$ 10,709	\$ -	\$ -

City of Sherman
2016 TAX NOTES DEBT SERVICE
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 5,850	\$ 12,884	\$ -
Revenues			
Sales Tax	290,000	-	-
Transfers In	190,000	-	-
Interest Income	7,468	-	-
Total Revenues	487,468	-	-
Total Funds Available	493,318	12,884	-
Expenditures			
Debt Service	479,684	-	-
Services & Charges	750	-	-
Transfers Out	-	12,884	-
Total Expenditures	480,434	12,884	-
Excess Revenues over Expenditures	7,034	(12,884)	-
Ending Fund Balance	\$ 12,884	\$ -	\$ -

City of Sherman
2017 CO DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 2,650	\$ 9,735	\$ -
Revenues			
Property Tax	648,649	-	-
Interest Income	6,567	-	-
Total Revenues	655,216	-	-
Total Funds Available	657,866	9,735	-
Expenditures			
Debt Service	647,332	-	-
Services & Charges	800	-	-
Transfers Out	-	9,735	-
Total Expenditures	648,132	9,735	-
Excess Revenues over Expenditures	7,085	(9,735)	-
Ending Fund Balance	\$ 9,735	\$ -	\$ -

City of Sherman
2017 Refunding Bonds
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 4,465	\$ 59,265	\$ -
Revenues			
Property Tax	890,000	-	-
Miscellaneous Revenue	-	-	-
Interest Income	8,925	-	-
Transfers In	45,329	-	-
Total Revenues	944,254	-	-
Total Funds Available	948,719	59,265	-
Expenditures			
Debt Service	888,654	-	-
Services & Charges	800	-	-
Transfers Out	-	59,265	-
Total Expenditures	889,454	59,265	-
Excess Revenues over Expenditures	54,800	(59,265)	-
Ending Fund Balance	\$ 59,265	\$ -	\$ -

City of Sherman
2017A CO DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 4,968	\$ 7,749	\$ -
Revenues			
Miscellaneous Revenue	-	-	-
Interest Income	1,656	-	-
Transfers In	274,000	-	-
Total Revenues	<u>275,656</u>	<u>-</u>	<u>-</u>
Total Funds Available	280,624	7,749	-
Expenditures			
Debt Service	272,075	-	-
Services & Charges	800	-	-
Transfers Out	-	7,749	-
Total Expenditures	<u>272,875</u>	<u>7,749</u>	<u>-</u>
Excess Revenues over Expenditures	<u>2,781</u>	<u>(7,749)</u>	<u>-</u>
Ending Fund Balance	<u>\$ 7,749</u>	<u>\$ -</u>	<u>\$ -</u>

City of Sherman
2018 CO DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 4,941	\$ 9,377	\$ -
Revenues			
Property Tax	684,008	-	-
Miscellaneous Revenue	852	-	-
Interest Income	2,384	-	-
Transfers In	-	-	-
Total Revenues	<u>687,244</u>	<u>-</u>	<u>-</u>
Total Funds Available	692,185	9,377	-
Expenditures			
Debt Service	682,008	-	-
Services & Charges	800	-	-
Transfers Out	-	9,377	-
Total Expenditures	<u>682,808</u>	<u>9,377</u>	<u>-</u>
Excess Revenues over Expenditures	<u>4,436</u>	<u>(9,377)</u>	<u>-</u>
Ending Fund Balance	<u>\$ 9,377</u>	<u>\$ -</u>	<u>\$ -</u>

City of Sherman
2019 CO DEBT SERVICE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ -	\$ 3,751	\$ -
Revenues			
Property Tax	184,000	-	-
Miscellaneous Revenue	3,739	-	-
Transfers In	-	-	-
Total Revenues	187,739	-	-
Total Funds Available	187,739	3,751	-
Expenditures			
Debt Service	183,987	-	-
Services & Charges	-	-	-
Transfers Out	-	3,751	-
Total Expenditures	183,987	3,751	-
Excess Revenues over Expenditures	3,751	(3,751)	-
Ending Fund Balance	\$ 3,751	\$ -	\$ -

City of Sherman
STORMWATER FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 2,520,019	\$ 1,912,476	\$ 1,119,617
Revenues			
Sales & Service	436,105	443,000	444,000
Interest Income	58,418	30,000	30,000
Total Revenues	<u>494,523</u>	<u>473,000</u>	<u>474,000</u>
Total Funds Available	3,014,542	2,385,476	1,593,617
Expenditures			
Personnel	46,833	91,108	97,386
Supplies	-	4,109	7,809
Repair & Maintenance	-	53,000	53,000
Information Technology	-	1,260	2,090
Services & Charges	300	1,500	3,540
Capital Expenses	648,433	700,000	1,000,000
Transfers Out	274,000	261,582	269,000
Fleet Services & Charges	132,500	153,300	-
Total Expenditures	<u>1,102,066</u>	<u>1,265,859</u>	<u>1,432,825</u>
Excess Revenues over Expenditures	<u>(607,543)</u>	<u>(792,859)</u>	<u>(958,825)</u>
Ending Fund Balance	<u><u>1,912,476</u></u>	<u><u>1,119,617</u></u>	<u><u>160,792</u></u>

City of Sherman
EMERGENCY 9-1-1 FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 222,091	\$ 272,459	\$ 227,702
Revenues			
Sales & Service	297,438	300,000	300,000
Interest Income	7,021	7,000	6,000
Total Revenues	304,459	307,000	306,000
Total Funds Available	526,550	579,459	533,702
Expenditures			
Personnel	108,040	108,430	108,461
Supplies	6,597	2,250	-
Repair & Maintenance	61,800	1,850	-
Services & Charges	77,654	114,181	180,673
Capital Expenses	-	125,045	107,809
Total Expenditures	254,091	351,756	396,943
Excess Revenues over Expenditures	50,368	(44,756)	(90,943)
Ending Fund Balance	\$ 272,459	\$ 227,702	\$ 136,760

City of Sherman
RED RIVER LAW ENFORCEMENT ACADEMY
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ -	\$ 8,555	\$ -
Revenues			
Sales & Service	75	-	-
Transfers In	8,480	-	-
Total Revenues	8,555	-	-
Total Funds Available	8,555	8,555	-
Expenditures			
Transfers Out	-	8,555	-
Total Expenditures	-	8,555	-
Excess Revenues over Expenditures	8,555	(8,555)	-
Ending Fund Balance	\$ 8,555	\$ -	\$ -

City of Sherman
COURT SECURITY & TECHNOLOGY FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 38,582	\$ 50,963	\$ 60,611
Revenues			
Fines & Penalties	30,273	34,100	27,120
Interest Income	1,266	1,000	750
Total Revenues	<u>31,539</u>	<u>35,100</u>	<u>27,870</u>
Total Funds Available	70,121	86,063	88,481
Expenditures			
Supplies	465	500	5,000
Repair & Maintenance	-	21,952	27,630
Services & Charges	3,000	3,000	10,600
Capital Expenses	15,692	-	5,000
Total Expenditures	<u>19,157</u>	<u>25,452</u>	<u>48,230</u>
Excess Revenues over Expenditures	<u>12,381</u>	<u>9,648</u>	<u>(20,360)</u>
Ending Fund Balance	<u>\$ 50,963</u>	<u>\$ 60,611</u>	<u>\$ 40,252</u>

City of Sherman
PARKS PRIDE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 34,072	\$ 17,532	\$ 19,195
Revenues			
Miscellaneous Revenue	21,931	21,263	10,000
Interest Income	800	400	-
Total Revenues	<u>22,731</u>	<u>21,663</u>	<u>10,000</u>
Total Funds Available	56,803	39,195	29,195
Expenditures			
Services & Charges	<u>39,271</u>	<u>20,000</u>	<u>25,000</u>
Excess Revenues over Expenditures	<u>(16,540)</u>	<u>1,663</u>	<u>(15,000)</u>
Ending Fund Balance	<u>\$ 17,532</u>	<u>\$ 19,195</u>	<u>\$ 4,195</u>

City of Sherman
POLICE PRIDE FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 17,547	\$ 15,113	\$ 15,363
Revenues			
Miscellaneous Revenue	18,456	10,000	10,000
Interest Income	253	250	500
Total Revenues	<u>18,709</u>	<u>10,250</u>	<u>10,500</u>
Total Funds Available	36,256	25,363	25,863
Expenditures			
Supplies	2,001	-	-
Services & Charges	4,142	10,000	5,000
Capital Expenses	15,000	-	18,000
Total Expenditures	<u>21,143</u>	<u>10,000</u>	<u>23,000</u>
Excess Revenues over Expenditures	<u>(2,434)</u>	<u>250</u>	<u>(12,500)</u>
Ending Fund Balance	<u>\$ 15,113</u>	<u>\$ 15,363</u>	<u>\$ 2,863</u>

City of Sherman
DONATIONS FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 6,372	\$ 6,424	\$ 5,944
Revenues			
Miscellaneous Revenue	9,260	9,400	9,400
Interest Income	72	120	75
Total Revenues	<u>9,333</u>	<u>9,520</u>	<u>9,475</u>
Total Funds Available	15,705	15,944	15,419
Expenditures			
Supplies	<u>9,281</u>	<u>10,000</u>	<u>10,000</u>
Excess Revenues over Expenditures	<u>52</u>	<u>(480)</u>	<u>(525)</u>
Ending Fund Balance	<u>\$ 6,424</u>	<u>\$ 5,944</u>	<u>\$ 5,419</u>

City of Sherman
DRUG ENFORCEMENT FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 150,805	\$ 206,136	\$ 74,787
Revenues			
Fines & Penalties	83,857	50,000	200,000
Interest Income	3,758	4,000	4,000
Total Revenues	<u>87,615</u>	<u>54,000</u>	<u>204,000</u>
Total Funds Available	238,420	260,136	278,787
Expenditures			
Supplies	12,853	175,000	236,200
Repair & Maintenance	-	-	27,000
Services & Charges	7,036	10,349	5,000
Capital Expenses	12,395	-	-
Total Expenditures	<u>32,284</u>	<u>185,349</u>	<u>268,200</u>
Excess Revenues over Expenditures	<u>55,331</u>	<u>(131,349)</u>	<u>(64,200)</u>
Ending Fund Balance	<u>\$ 206,136</u>	<u>\$ 74,787</u>	<u>\$ 10,587</u>

City of Sherman
MUNICIPAL AIRPORT FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 134,551	\$ 227,152	\$ 145,322
Revenues			
Interest Income	3,642	3,500	2,500
Rentals	50,002	50,700	68,200
Sales & Service	339,254	340,000	300,000
Grant Revenue	-	50,000	50,000
Miscellaneous Revenue	106,920	59,600	-
Total Revenues	<u>499,818</u>	<u>503,800</u>	<u>420,700</u>
Total Funds Available	634,369	730,952 -	566,022
Expenditures			
Supplies	289,208	306,200	325,250
Repair & Maintenance	8,811	9,787	8,995
Services & Charges	64,439	150,412	94,728
Utilities	11,232	9,630	11,270
Vehicle Usage	(2,267)	-	-
Capital Expenses	35,795	109,600	100,000
Total Expenditures	<u>407,217</u>	<u>585,629</u>	<u>540,243</u>
Excess Revenues over Expenditures	<u>92,601</u>	<u>(81,829)</u>	<u>(119,543)</u>
Ending Fund Balance	<u><u>\$ 227,152</u></u>	<u><u>\$ 145,322</u></u>	<u><u>\$ 25,780</u></u>

City of Sherman
INFORMATION TECHNOLOGY FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 114,317	\$ 109,948	\$ 137,653
Revenues			
Technology Services:			
General Fund	595,901	779,655	700,010
Stormwater	-	1,260	2,090
Tourism	5,288	3,780	3,130
Equipment Services Fund	22,208	27,670	32,250
Utility Fund	191,407	231,460	198,750
Solid Waste Fund	49,703	56,600	56,180
Interest Income	2,286	2,200	2,000
Miscellaneous Revenue	668	700	700
Total Revenues	867,460	1,103,325	995,110
Total Funds Available	981,777	1,213,273	1,132,763
Expenditures			
Personnel	543,651	587,210	593,753
Supplies	54,898	43,618	30,663
Repair & Maintenance	154,868	153,682	162,677
Utilities	34,977	35,090	35,890
Services & Charges	36,878	98,666	92,367
Capital Expenses	46,556	157,354	86,637
Total Expenditures	871,829	1,075,620	1,001,986
Excess Revenues over Expenditures	(4,369)	27,705	(6,876)
Ending Fund Balance	\$ 109,948	\$ 137,653	\$ 130,777

City of Sherman
EQUIPMENT SERVICES FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 107,533	\$ 53,049	\$ 66,982
Revenues			
Internal Service Revenue	3,403,227	3,232,819	3,111,520
Interest Income	2,378	1,600	1,600
Miscellaneous Revenue	2,761	-	-
Total Revenues	3,408,367	3,234,419	3,113,120
Total Funds Available	3,515,900	3,287,468	3,180,102
Expenditures			
Personnel	807,580	954,441	1,026,008
Supplies	834,514	686,275	767,867
Repair & Maintenance	1,349,049	1,109,094	901,366
Utilities	14,624	14,610	16,210
Information Technology	22,208	27,670	32,250
Services & Charges	291,340	340,896	356,594
Capital Expenses	143,508	87,500	27,000
Vehicle Usage	30	-	-
Total Expenditures	3,462,851	3,220,486	3,127,295
Excess Revenues over Expenditures	(54,485)	13,933	(14,175)
Ending Fund Balance	\$ 53,049	\$ 66,982	\$ 52,806

City of Sherman
FLEET REPLACEMENT FUND
2020-2021 Annual Budget

	Actual 2018-2019	Projected 2019-2020	Requested 2020-2021
Beginning Fund Balance	\$ 533,223	\$ 307,828	\$ 53,999
Revenues			
Fleet Replacement Revenue	2,732,499	2,057,036	1,612,036
Interest Income	15,728	5,500	5,000
Debt Proceeds	1,009,988	931,453	1,725,612
Miscellaneous Revenue	20,753	153,000	20,000
Total Revenues	<u>3,778,969</u>	<u>3,146,989</u>	<u>3,362,648</u>
Total Funds Available	4,312,192	3,454,817	3,416,647
Expenditures			
Debt Service	501,717	675,751	758,988
Capital Expenses	3,502,646	2,725,067	2,578,659
Total Expenditures	<u>4,004,364</u>	<u>3,400,818</u>	<u>3,337,647</u>
Excess Revenues over Expenditures	<u>(225,395)</u>	<u>(253,829)</u>	<u>25,001</u>
Ending Fund Balance	<u><u>\$ 307,828</u></u>	<u><u>\$ 53,999</u></u>	<u><u>\$ 79,000</u></u>

TRANSFERS SCHEDULE

FUND DETAILS

100 From fund 700 5% franchise, admin cost
 From fund 790, dept 243, 244
 From 790, fund balance
 To fund 460, concerts

222 From fund 100, capital projects

241 To fund 300, debt service

242 To fund 300, debt service

243 To fund 300, debt service

300 From fund 420, debt service
 From fund 241, debt service
 From fund 242, debt service
 From fund 243, debt service
 From fund 460, debt service

420 To fund 300, debt service

460 From fund 100, concerts
 To fund 300, debt service

700 To fund 100 5% franchise, admin cost
 From fund 790, admin cost
 To fund 770, capital projects

770 From fund 700, capital projects

790 To fund 100 8% franchise, admin cost RSW
790 To fund 100 8% franchise, admin cost CSW
790 To fund 700 admin cost
790 To fund 100, fund balance

TOTALS

BUDGETED FY20/21

<i>Expense</i> <i>TRANSFER FROM</i> <i>Debit</i>	<i>Revenue</i> <i>TRANSFER TO</i> <i>Credit</i>
	\$ 2,300,000.00
	\$ 869,000.00
	\$ 1,312,000.00
\$ 210,000.00	
\$ 289,000.00	
\$ 226,000.00	
\$ 178,000.00	
	\$ 269,000.00
	\$ 289,000.00
	\$ 226,000.00
	\$ 178,000.00
	\$ 108,490.00
\$ 269,000.00	
\$ 108,490.00	\$ 210,000.00
\$ 2,300,000.00	
\$ 600,000.00	\$ 158,000.00
	\$ 600,000.00
\$ 869,000.00	
\$ 158,000.00	
\$ 1,312,000.00	
\$ 6,519,490.00	\$ 6,519,490.00



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

F. 3.

Meeting Date: 07/20/2020

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Approve Quarterly Investment Report for Quarter Ended June 30, 2020

Issue:

To approve the Investment Report for the quarterly period ended June 30, 2020

Background:

These reports are being presented in accordance with the state law that requires at least quarterly presentation to the Council. A separate report is included for the debt proceeds as required by the Investment Policy. The reports were given to the Investment Committee prior to submittal to the Council.

As of June 30, 2020, the portfolios were in compliance with applicable state laws and the Investment Policy. The operating investment portfolio had a book value of about \$15.7 million, a decrease of about \$75,000 from prior quarter. The underlying investments were adequately diversified among four different types of securities. This portfolio is appropriately liquid; and its weighted-average maturity was about 443 days, down from 353 days from last quarter. The portfolio yield of 1.19% is one-hundred and three (103) basis points above the benchmark yield of 0.16%. Market value approximates the book value.

The debt proceeds portfolio balance of \$17.6 million was invested in Local Government Investment Pools and an FDIC insured investment account. Transactions in this portfolio include payments for capital projects and the receipt of interest income. The yield of 0.34% was above the benchmark yield of 0.13% for this portfolio. Book value and market value were the same.

Origination:

Finance Department

Financial Consideration:

None

Staff Recommendation:

It is recommended that the Council accept the Investment Report as presented.

Alternatives:

The Council could offer suggestions for improvement or could request more frequent reporting.

Attachments

Investment Committee Memo with Investment Report for Period Ended June 30, 2020



memorandum

DATE: Monday, July 13, 2020

TO: The City of Sherman Investment Committee
Councilwoman Sandra Melton
Councilwoman Pam Howeth
Robby Hefton, City Manager

FROM: Mary Lawrence, Director of Finance 

SUBJECT: Investment Reports for the Quarter Ended June 30, 2020

Enclosed is a copy of the quarterly investment reports for June 30, 2020. As of that date, the City was in compliance with all applicable state laws and internal policies for the portfolio.

The total operating portfolio market value of about \$15.8 million decreased by about \$78,000 from the previous quarter due to the purchase of State of Texas political subdivision obligations, calls and purchases of U.S. Agency Securities, the maturity and redeposit of a Certificate of Deposit and withdrawals from the Local Government Investment Pools. The underlying investments were adequately diversified among four different types of securities. The portfolio's weighted-average maturity of about 443 days increased from 353 days last quarter. The portfolio yield of 1.19% was 103 basis points above our benchmark 1-year Constant Maturity Treasury Index of 0.16%. Book value of \$15.7 million was about \$0.1 million below market value.

The debt proceeds portfolio balance of \$17.6 million had decreased by about \$2.7 million due to payments for capital projects. The portfolio includes a Local Government Investment Pool and an FDIC insured investment account. The portfolio's weighted-average maturity of 1 day is the same as last quarter. The portfolio yield of 0.34% was 21 basis points above the benchmark yield for this portfolio, the 4-week Constant Maturity Index, of 0.13%. Book value was the same as market value.

The investment reports will be on the July 20, 2020 City Council agenda for their review and approval. Please call me if you have any questions about this item.

attachment (as stated above)

CITY OF SHERMAN, TEXAS
DEBT PROCEEDS PORTFOLIO SUMMARY
For the Quarter Ending June 30, 2020

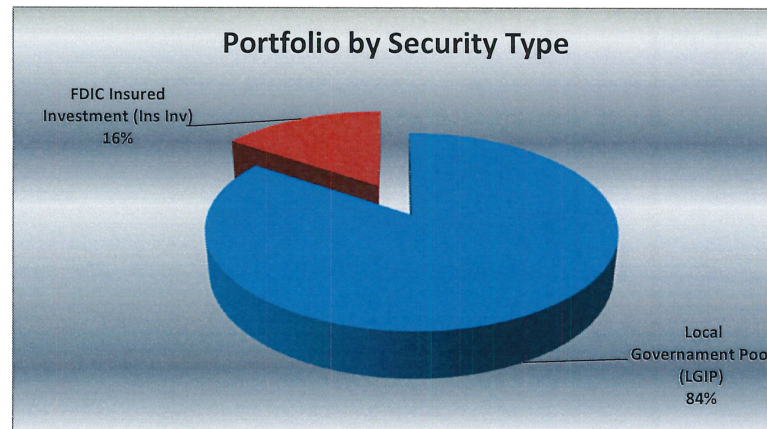
Total Portfolio Summary			
	Current Quarter 6/30/2020	Prior Quarter 3/31/2020	Change From Prior Quarter
Book Value	\$ 17,569,451	\$ 20,238,391	\$ (2,668,940)
Market Value	\$ 17,569,451	\$ 20,238,391	\$ (2,668,940)
Weighted Average Maturity - Days	1	1	-
Weighted Average Yield	0.34%	1.42%	-1.08%
Earned Income	\$ 16,498	\$ 74,756	\$ (58,258)
Earned Income - Year-to-Date	\$ 198,108	\$ 181,610	\$ 16,498

This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

As of June 30, 2020, the City of Sherman's debt proceeds portfolio had a book value of about \$17.6 million, which approximates the market value. Of this amount, approximately \$14.9 million was held in Local Government Investment Pools (LGIP) and \$2.7 million was held in FDIC Insured Investment Accounts (Ins Inv).

The portfolio value decreased by \$2.7 million from the previous quarter due to draws for project payments, offset by interest earned.

The weighted average yield on the portfolio was 0.34%, 21 basis points above the 4-week Constant Maturity Treasury Index of 0.13%, and 108 basis points below the previous quarter.



Mary Lawrence

Mary Lawrence, Finance Director and City of Sherman Investment Officer

Tammy Davis

Tammy Davis, Controller and City of Sherman Investment Officer



CITY OF SHERMAN, TX
Investments Outstanding
AS of 6/30/2020

Name/CUSIP	Debt Issuance	Settlement Date	Security Type	Security Description	Maturity Date	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
TexPool	2017A Stormwater Certificates of Obligation		LGIP	TexPool	7/1/2020	\$ 1,973,511	100.00	\$ 1,973,511	\$ 1,973,511	100.00	\$ 1,973,511	1	0.31%
TexPool	2019 Certificates of Obligation		LGIP	TexPool	7/1/2020	10,560,470	100.00	10,560,470	10,560,470	100.00	10,560,470	1	0.31%
TexStar	2018 Certificates of Obligation		LGIP	TexStar	7/1/2020	2,308,605	100.00	2,308,605	2,308,605	100.00	2,308,605	1	0.30%
Landing Rock	2017 Certificates of Obligation		Ins Inv	Landing Rock	7/1/2020	2,726,865	100.00	2,726,865	2,726,865	100.00	2,726,865	1	0.52%
Total						\$ 17,569,451		\$ 17,569,451	\$ 17,569,451		\$ 17,569,451		



CITY OF SHERMAN, TX
Market Value Summary
AS of 6/30/2020

CUSIP	Security Type / Description	Maturity Date	Market Value 3/31/2020	Change in Market Value	Market Value 6/30/2020
	TexStar 2018 Certificates of Obligation	LGIP	6/30/2020	\$ 4,990,896	\$ (2,682,291) \$ 2,308,605
	TexPool 2017A Stormwater Certificates of Obligation	LGIP	6/30/2020	1,971,972	1,539 1,973,511
	TexPool 2019 Certificates of Obligation	LGIP	6/30/2020	10,552,237	8,233 10,560,470
	Landing Rock 2017 Certificates of Obligation	Ins Inv	6/30/2020	2,723,286	3,579 2,726,865
Total			\$ 20,238,391	\$ (2,668,940) \$ 17,569,451	

Settle Date	Name	Security Description	Coupon	Maturity Date	Par Value	Price	Principal Amount	Interest Purchased/Received	Total Amount	YTM
<u>Project Payments</u>										
4/8/2020	2018 CO-TexStar	LGIP			\$ 529,300		\$ 529,300		\$ 529,300	
5/31/2020	2018 CO-TexStar	LGIP			560,518		560,518		560,518	
6/9/2020	2018 CO-TexStar	LGIP			140,303		140,303		140,303	
6/29/2020	2018 CO-TexStar	LGIP			1,455,317		1,455,317		1,455,317	
<u>Deposits/Purchases</u>										
<u>Income Payments</u>										
4/30/2020	2018 CO-TexStar	LGIP	0.44%					\$ 1,683	\$ 1,683	0.44%
4/30/2020	2017 CO-Landing Rock	Ins Inv	0.55%					1,231	1,231	0.55%
4/30/2020	2017A Stormwater CO-TexPool	LGIP	0.22%					738	738	0.22%
4/30/2020	2019 CO-TexPool	LGIP	0.22%					3,948	3,948	0.22%
5/31/2020	2018 CO-TexStar	LGIP	0.24%					863	863	0.24%
5/31/2020	2017 CO-Landing Rock	Ins Inv	0.55%					1,273	1,273	0.55%
5/31/2020	2017A Stormwater CO-TexPool	LGIP	0.27%					450	450	0.27%
5/31/2020	2019 CO-TexPool	LGIP	0.27%					2,407	2,407	0.27%
6/30/2020	2017 CO-Landing Rock	Ins Inv	0.45%					1,075	1,075	0.45%
6/30/2020	2018 CO-TexStar	LGIP	0.20%					601	601	0.20%
6/30/2020	2017A Stormwater CO-TexPool	LGIP	0.46%					351	351	0.46%
6/30/2020	2019 CO-TexPool	LGIP	0.46%					1,878	1,878	0.46%
Total								\$ 16,498		



CITY OF SHERMAN, TX
Comparison by Type
AS of 6/30/2020

Cash / Investment Type	Balance 9/30/2019	Balance 12/31/2019	Balance 3/31/2020	Balance 6/30/2020	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	\$23,620,147	\$19,860,646	\$17,515,105	\$ 14,842,586	84.48%	100.00%
FDIC Insured Investment (Ins Inv)	2,825,210	2,839,006	2,723,286	2,726,865	15.52%	100.00%
US Agency Bullet	-	-	-	-	0.00%	100.00%
Total	\$ 26,445,357	\$ 22,699,652	\$ 20,238,391	\$ 17,569,451	100.00%	



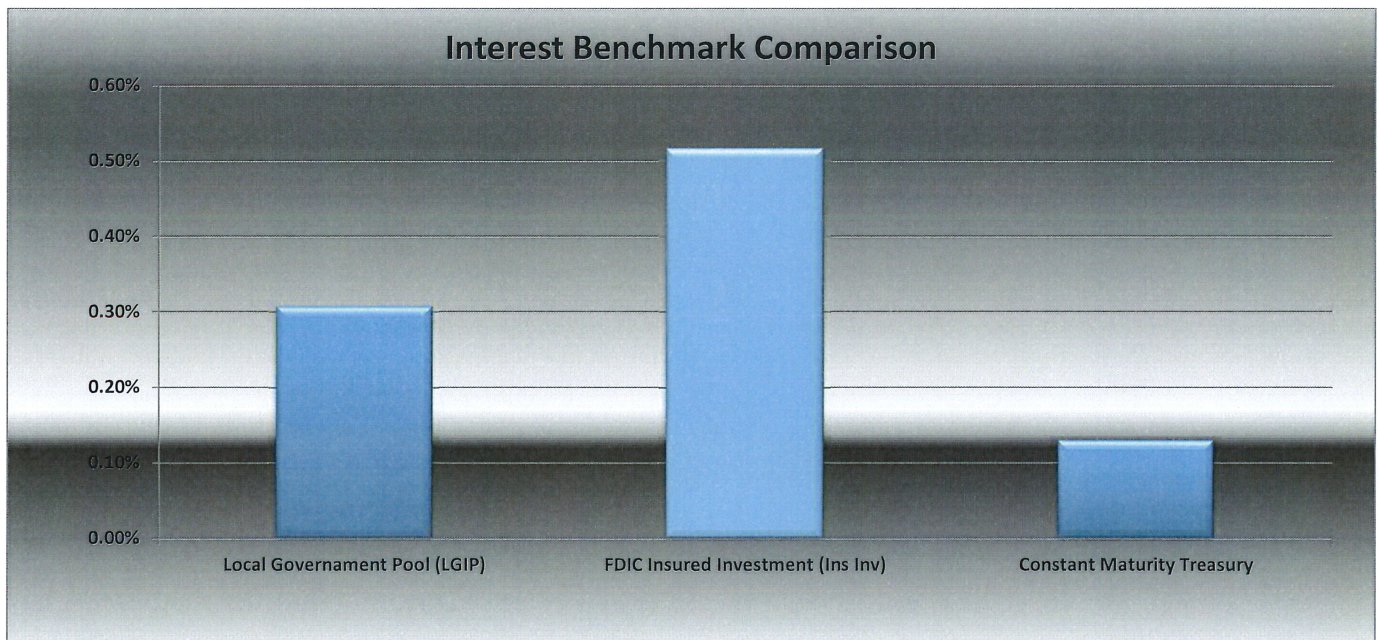
CITY OF SHERMAN, TX
Portfolio by Maturity
AS of 6/30/2020

Maturity Time Frame	Balance 9/30/2020		Balance 12/31/2019		Balance 3/31/2020		Balance 6/30/2020		Percent of Portfolio	Minimum Allowable
Within 1 month	\$	26,445,357	\$	22,699,652	\$	20,238,391	\$	17,569,451	100.00%	100.00%
	\$	26,445,357	\$	22,699,652	\$	20,238,391	\$	17,569,451		

Liquidity Indicator

Weighted Average Maturity	1.00	1.00	1.00	1.00
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Date Received/ Purchased	Name	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
4/30/2020	2018 CO-Texstar	LGIP		0.44%	\$ 1,683	\$ -	\$ 1,683
4/30/2020	2017 CO-Landing Rock	Insured Investment		0.55%	1,231	-	1,231
4/30/2020	2017A Stormwater CO-TexPool	LGIP		0.22%	738	-	738
4/30/2020	2019 CO-TexPool	LGIP		0.22%	3,948	-	3,948
5/31/2020	2018 CO-TexStar	LGIP		0.24%	863	-	863
5/31/2020	2017 CO-Landing Rock	Insured Investment		0.55%	1,273	-	1,273
5/31/2020	2017A Stormwater CO-TexPool	LGIP		0.27%	450	-	450
5/31/2020	2019 CO-TexPool	LGIP		0.27%	2,407	-	2,407
6/30/2020	2017 CO-Landing Rock	Insured Investment		0.45%	1,075	-	1,075
6/30/2020	2018 CO-TexStar	LGIP		0.20%	601	-	601
6/30/2020	2017A Stormwater CO-TexPool	LGIP		0.46%	351	-	351
6/30/2020	2019 CO-TexPool	LGIP		0.46%	1,878	-	1,878
					\$ 16,498	\$ -	\$ 16,498



CITY OF SHERMAN, TEXAS
INVESTMENT PORTFOLIO SUMMARY
For the Quarter Ending June 30, 2020

Total Portfolio Summary			
	Current Quarter 6/30/2020	Prior Quarter 3/31/2020	Change From Prior Quarter
Book Value	\$ 15,721,467	\$ 15,796,448	\$ (74,981)
Market Value	\$ 15,791,776	\$ 15,870,051	\$ (78,275)
Weighted Average Maturity - Days	443	353	90
Weighted Average Yield	1.19%	1.79%	-0.60%
Earned Income	\$ 56,068	\$ 55,051	\$ 1,017
Earned Income - Year-to-Date	\$ 164,948	\$ 108,880	\$ 56,068

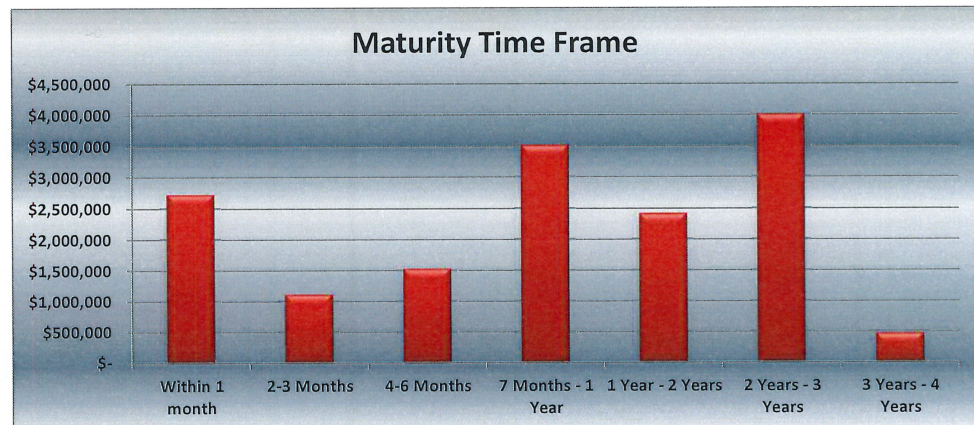
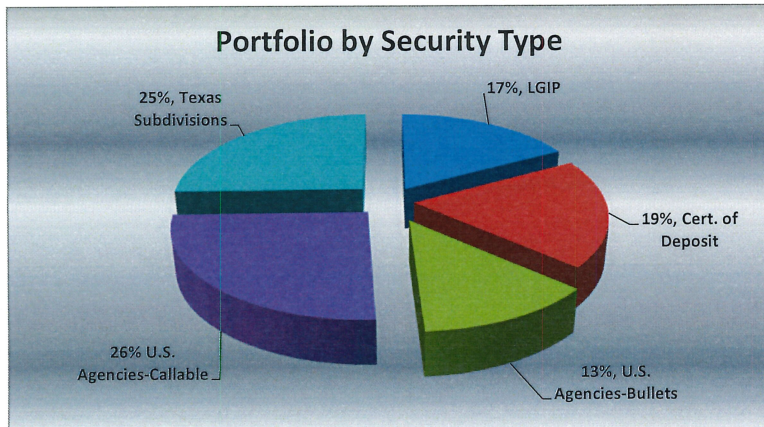
This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

As of June 30, 2020, the City's portfolio had a book value of \$15.7 million, with a market value of approximately \$15.8 million. Of this amount, approximately \$2.7 million was held in Local Government Investment Pools (LGIP), \$3.0 million was held in Certificates of Deposit (CD), \$6.0 million was held in U.S. Agency Securities and \$4.0 million was held in State of Texas political subdivision obligations.

The portfolio value decreased by \$0.1 million from the previous quarter due to purchases of \$0.45 million in State of Texas political subdivision obligations; \$0.5 million withdrawn from Local Government Investment Pools (LGIP); \$3.0 million in U.S. Agency Security purchases, offset by \$3.0 million in called U.S. Agency Securities; and \$1.55 million in matured CD's, with \$1.5 million redeposited in new CD's.

The weighted average yield of the portfolio was 1.19%, which is 103 basis points above the 1-year Constant Maturity Treasury Index of 0.16% and 60 basis points below the previous quarter.

The weighted average maturity of the portfolio increased from 353 days at March 31, 2020, to 443 days at June 30, 2020.



Mary Lawrence

Mary Lawrence, Finance Director and City of Sherman Investment Officer

Tammy Davis

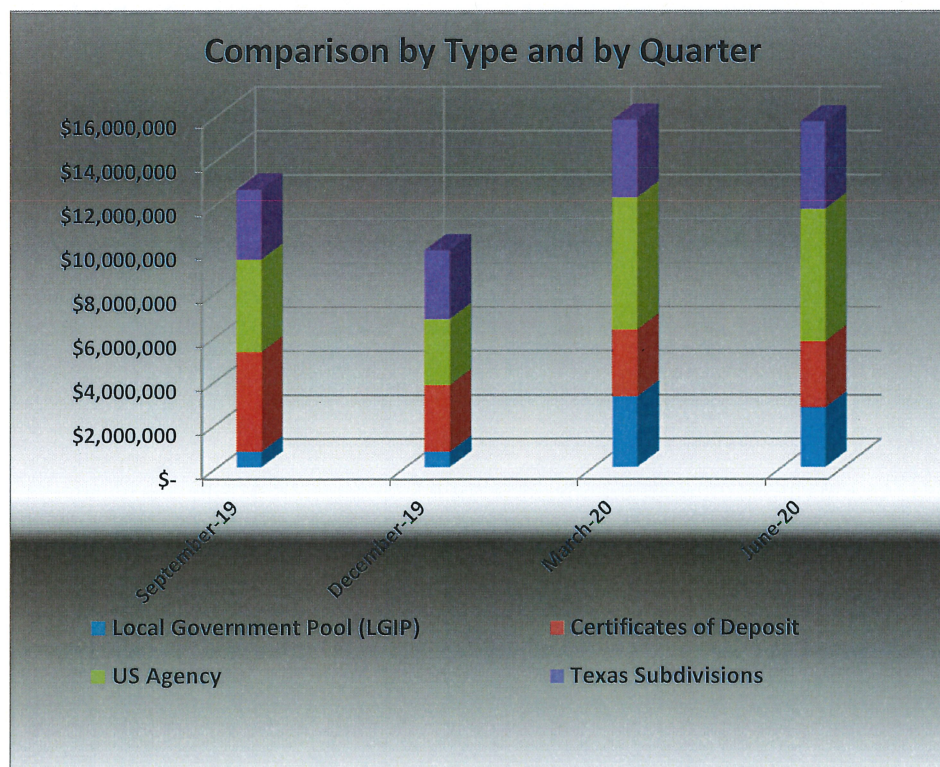
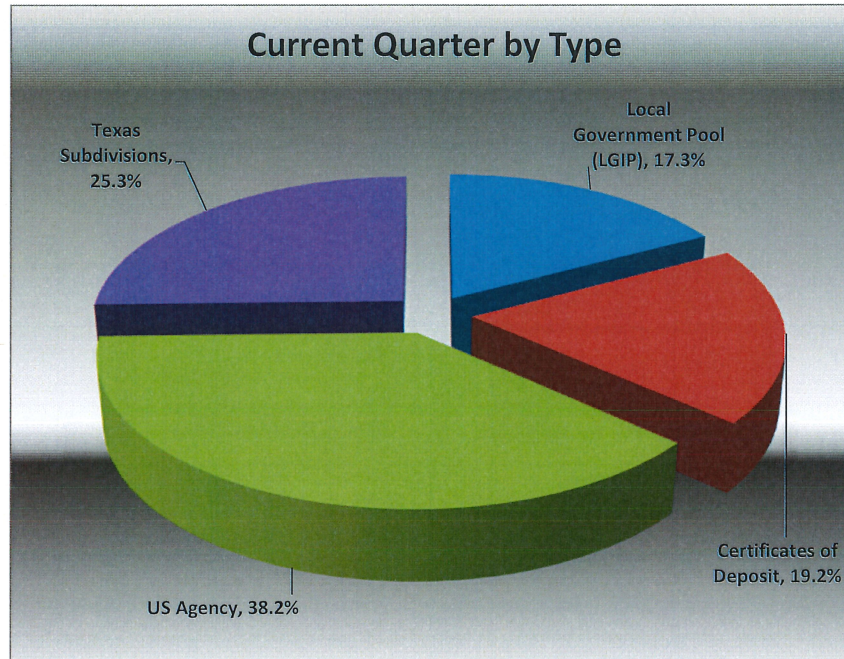
Tammy Davis, Controller and City of Sherman Investment Officer

CUSIP	Settlement Date	Security Type	Security Description	CPN Rate	Maturity Date	Credit Rating	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
Tex-Pool		LGIP	TexPool			AAAm	\$ 1,554,665	100.00	\$ 1,554,665	\$ 1,554,666	100.00	\$ 1,554,666	1	0.31%
TexStar		LGIP	TexSTAR			AAAm	1,165,859	100.00	1,165,859	1,165,859	100.00	1,165,859	1	0.30%
CDARS 1023157035	10/24/2019	CDARS	Simmons Bank	1.75%	10/22/2020		1,500,000	100.00	1,500,000	1,518,160	100.00	1,518,160	114	1.75%
CD 197679947	5/28/2020	CD	Simmons Bank	0.70%	5/29/2021		1,500,000	100.00	1,500,000	1,500,000	100.00	1,500,000	333	0.70%
414935LK0	5/3/2016	Texas Subdivision	Harris Co MUD #120	2.00%	8/1/2020	AA	395,000	102.09	403,252	395,167	100.10	395,411	32	1.49%
41456PHW0	8/11/2016	Texas Subdivision	Harris-Montgomery TX MUD # 386	2.00%	9/1/2020	Aa3	350,000	103.16	361,050	350,454	100.23	350,788	63	1.20%
038395EP0	9/6/2016	Texas Subdivision	Aquilla TX Water SUD Series A	3.25%	9/1/2020	A	200,000	107.96	215,910	200,676	100.42	200,830	63	1.20%
038395FD6	9/6/2016	Texas Subdivision	Aquilla TX Water SUD Series B	3.25%	9/1/2020	A	160,000	106.95	171,114	160,472	100.34	160,544	63	1.45%
6678257C1	12/4/2019	Texas Subdivision	Northwest TX ISD	5.00%	2/15/2021	AA+	500,000	103.92	519,580	510,222	102.27	511,355	230	1.68%
3134GSFE0	2/27/2018	Agency Bullet	FHLMC	2.50%	2/26/2021	AA+	1,000,000	100.00	1,000,000	1,000,000	101.34	1,013,381	241	2.50%
64542WAX8	6/14/2019	Texas Subdivision	New Hope Cultrl Edu TX A&M Univ	1.81%	4/1/2021	AA+	500,000	99.50	497,500	498,957	100.96	504,775	275	2.09%
926293YY1	3/20/2020	Texas Subdivision	City of Victoria	4.00%	8/15/2021	AA+	100,000	102.68	102,681	102,150	104.18	104,178	411	2.05%
34679RNB1	6/6/2017	Texas Subdivision	Fort Bend Co TX MUD #23-A	2.00%	9/1/2021	A3	500,000	101.43	507,125	501,962	101.62	508,105	428	1.65%
41420QGV4	3/17/2020	Texas Subdivision	Harris Cnty TX MUD # 400	3.00%	9/1/2021	AA+	300,000	101.53	304,590	302,344	100.35	301,050	428	2.75%
549188UJ7	6/25/2019	Texas Subdivision	City of Lubbock TX Txbl-Ref	2.32%	2/15/2022	AA+	500,000	101.00	504,985	503,070	102.05	510,250	595	1.93%
3134GBRT1	6/29/2017	Agency Bullet	FHLMC	2.00%	6/29/2022	Aaa	1,000,000	100.00	1,000,000	1,000,000	103.54	1,035,428	729	2.00%
3134GUW55	1/13/2020	Agency Callable	FHLMC	1.65%	7/13/2022	AA+	1,000,000	100.00	1,000,000	1,000,000	100.05	1,000,464	743	1.65%
3134GVZT8	6/30/2020	Agency Callable	FHLMC	0.35%	11/28/2022	AA+	1,000,000	100.00	1,000,000	1,000,000	99.97	999,742	881	0.35%
31422BB74	6/2/2020	Agency Callable	FAMACA	0.48%	6/2/2023	AA+	1,000,000	100.00	1,000,000	1,000,000	100.01	1,000,086	1,067	0.48%
3135G05B5	6/25/2020	Agency Callable	FNMA	0.45%	6/30/2023	AA+	1,000,000	100.00	1,000,000	1,000,000	100.00	1,000,000	1,095	0.45%
413946PC2	6/25/2020	Texas Subdivision	Harris Cnty TX MUD # 278 GO	4.000%	9/1/2023	AA+	420,000	108.17	457,439	457,308	108.74	456,704	1,158	1.14%
Total							\$ 15,645,524		\$ 15,765,749	\$ 15,721,467		\$ 15,791,776		

CUSIP	Settle Date	Security Description	Maturity Date	Market Value 3/31/2020	Change in Market Value	Market Value 6/30/2020
Tex-Pool		TexPool		\$ 1,553,454	\$ 1,212	\$ 1,554,666
TexStar		TexSTAR		1,664,686	(498,827)	1,165,859
CD 197679947	2/27/2019	Simmons Bank	5/27/2021	-	1,500,000	1,500,000
CD 4176808998	2/27/2019	Simmons Bank	5/27/2020	1,539,994	(1,539,994)	-
CDARS 1023150735	10/23/2019	Simmons Bank	10/22/2020	1,504,970	13,190	1,518,160
414935LK0	5/3/2016	Harris Co TX MUD #120	8/1/2020	395,596	(185)	395,411
4146PHWO	9/6/2016	Harris-Montgomery TX MUD #386	9/1/2020	351,208	(420)	350,788
038395EPO	9/6/2016	Aquilla TX Water SUD Series A	9/1/2020	201,402	(572)	200,830
038395FD6	9/6/2016	Aquilla TX Water SUD Series B	9/1/2020	161,363	(819)	160,544
6678257C1	12/4/2019	Northwest TX ISD	2/15/2021	515,840	(4,485)	511,355
3134GSFE0	2/27/2018	FHLMC	2/26/2021	1,016,437	(3,056)	1,013,381
64542WAX8	6/14/2019	New Hope Cultrl Edu TX A&M Univ	4/1/2021	503,155	1,620	504,775
926293YY1	3/20/2020	City of Victoria	8/15/2021	103,986	192	104,178
34679RNB1	6/6/2017	Fort Bend Co TX MUD #23-A	9/1/2021	504,955	3,150	508,105
41420QGV4	3/17/2020	Harris Cnty TX MUD #400	9/1/2021	301,722	(672)	301,050
3133ELTL8	3/16/2020	FFCB	9/16/2021	999,818	(999,818)	-
3134GUSU5	11/22/2019	FHLMC	11/22/2021	1,001,822	(1,001,822)	-
549188UJ7	6/25/2019	City of Lubbock TX Txbl-Ref	2/15/2022	510,745	(495)	510,250
3130AJEL9	3/30/2020	FHLB	3/30/2022	1,000,424	(1,000,424)	-
3134GBRT1	6/29/2017	FHLMC	6/29/2022	1,035,053	375	1,035,428
3134GUW55	1/13/2020	FHLMC	7/13/2022	1,003,421	(2,957)	1,000,464
3134GVZT8	6/30/2020	FHLMC	11/28/2022	-	999,742	999,742
31422BB74	6/2/2020	FAMACA	6/2/2023	-	1,000,086	1,000,086
3135G05B5	6/25/2020	FNMA	9/1/2023	-	1,000,000	1,000,000
413946PC2	6/25/2020	Harris Cnty TX MUD # 278 GO	9/1/2023	-	456,704	456,704
Total				\$15,870,051	\$ (78,275)	\$ 15,791,776

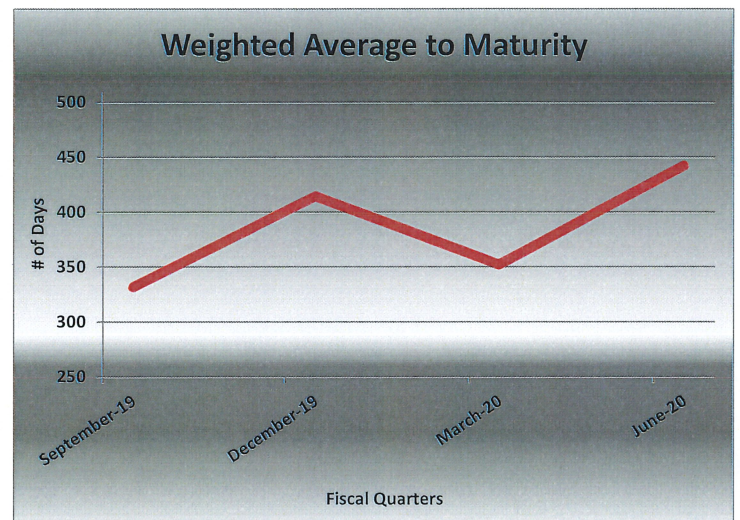
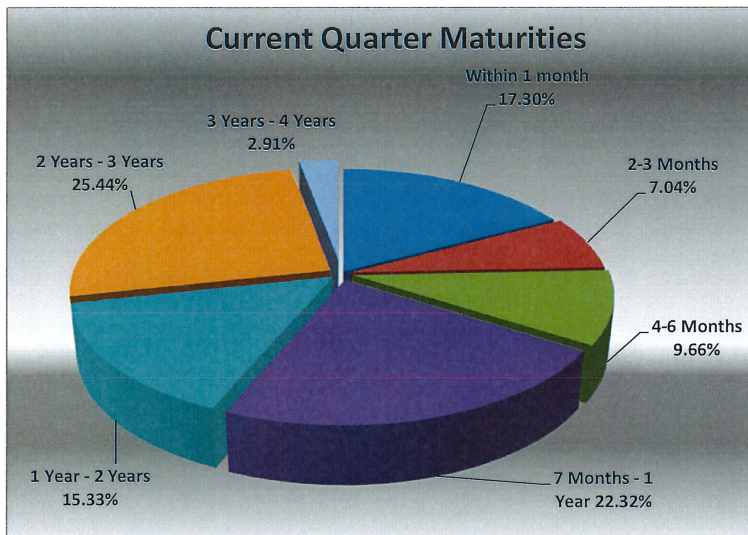
Trade Date	Settle Date	CUSIP	Security Description	Coupon	Maturity Date	Call Date	Par Value	Principal Amount	Interest Purchased/Received	Total Amount	YTM
<u>Maturities & Calls</u>											
	6/12/2020	Texstar	LGIP	0.31%	6/12/2020		\$ 500,000	\$ 500,000	\$ -	\$ 500,000	0.31%
	5/27/2020	CD 4176808998	Simmons Bank CD	2.64%	5/27/2020		1,500,000	1,539,994	9,979	1,549,973	2.66%
	5/22/2020	3134GUSU5	FHLMC	1.70%	11/22/2021	5/22/2020	1,000,000	1,000,000	8,500	1,008,500	1.70%
	6/16/2020	3133ELTL8	FFCB	0.75%	9/16/2021	6/16/2020	1,000,000	999,377	1,875	1,001,252	0.79%
	6/30/2020	3130AJEL9	FHLB	0.94%	3/30/2022	6/30/2020	1,000,000	1,000,000	2,350	1,002,350	0.95%
<u>Purchases</u>											
	5/28/2020	CD 197679947	Simmons Bank CD	0.70%	5/29/2021		1,500,000	1,500,000	-	1,500,000	70.00%
	6/2/2020	31422BB74	FAMACA	0.48%	6/2/2023		1,000,000	1,000,000	-	1,000,000	0.48%
	6/25/2020	4143946PC2	Harris Cnty TX MUD #278 GO	4.00%	9/1/2023		420,000	457,439	1,120	458,559	1.14%
	6/30/2020	3135G05B5	FNMA	0.45%	6/30/2023		1,000,000	1,000,000	-	1,000,000	0.45%
	5/28/2020	3134GVZT8	FHLMC	0.35%	11/28/2022		1,000,000	1,000,000	-	1,000,000	0.35%
<u>Income Payments</u>											
	6/30/2020	TexPool	LGIP	0.31%					1,212	1,212	0.31%
	6/30/2020	TexStar	LGIP	0.30%					1,690	1,690	2.40%
	6/30/2020	CDARS 1023157035	Simmons Bank CDARS	2.64%	10/22/2020				6,522	6,522	2.66%
	4/1/2020	64542WAX8	New Hope Cutlrl EDU TX A&M	1.81%	4/1/2021				4,515	4,515	2.09%
	6/29/2020	31346BRT1	FREDDIC MAC	2.00%	6/29/2022				10,000	10,000	2.00%
Total									\$ 47,763		

Cash/Investment Type	Balance 9/30/2019	Balance 12/31/2019	Balance 3/31/2020	Balance 6/30/2020	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	\$708,725	\$711,736	\$3,218,140	\$ 2,720,525	17.3%	50.00%
Certificates of Deposit	4,539,328	3,034,784	3,044,964	3,018,160	19.2%	50.00%
US Agency	4,199,993	3,000,000	5,999,394	6,000,000	38.2%	50.00%
Texas Subdivisions	3,187,118	3,136,379	3,533,950	3,982,782	25.3%	50.00%
Total	\$ 12,635,164	\$ 9,882,899	\$ 15,796,448	\$ 15,721,467	100.00%	



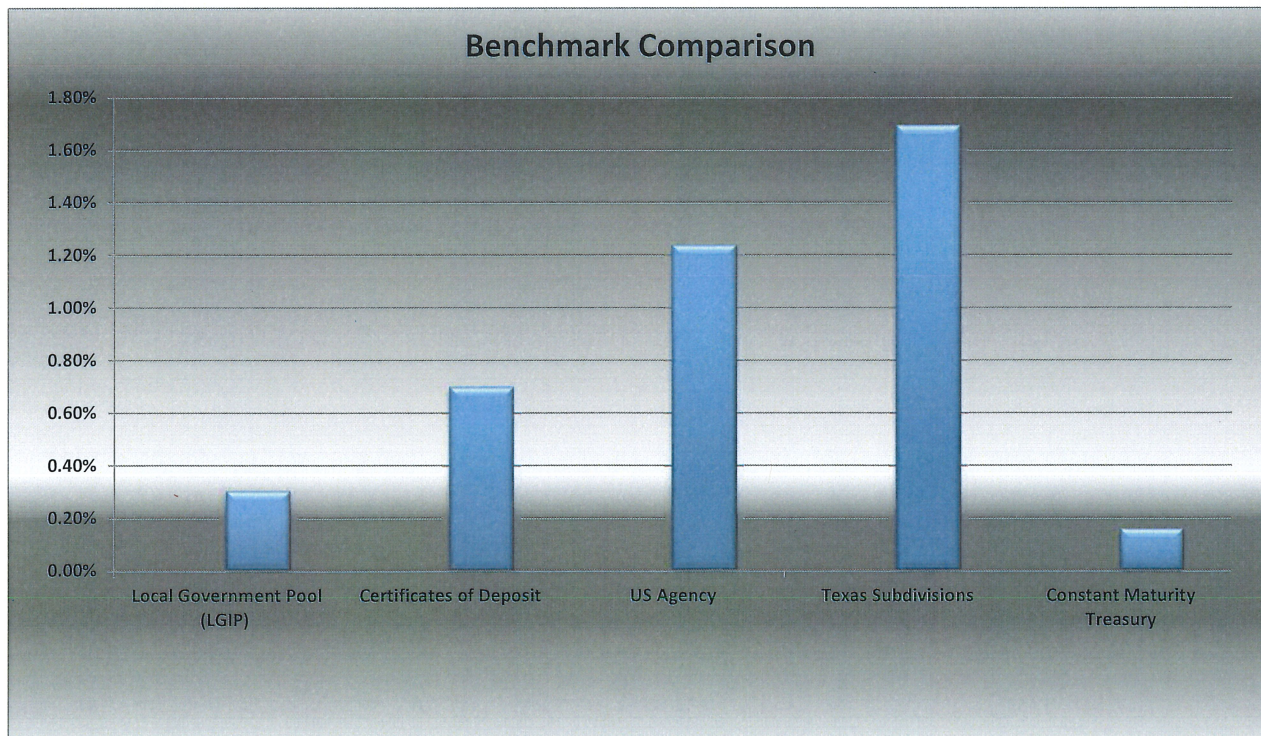
Maturity Time Frame	Balance 9/30/2019	Balance 12/31/2019	Balance 3/31/2020	Balance 6/30/2020	Percent of Portfolio
Within 1 month	\$ 3,978,351	\$ 711,736	\$ 3,218,140	\$ 2,720,525	17.30%
2-3 Months	1,516,133	-	1,539,994	1,106,769	7.04%
4-6 Months	-	1,529,814	1,109,631	1,518,160	9.66%
7 Months - 1 Year	2,635,056	2,617,463	3,019,280	3,509,179	22.32%
1 Year - 2 Years	2,001,137	3,519,872	4,909,403	2,409,526	15.33%
2 Years - 3 Years	2,504,487	1,504,014	2,000,000	4,000,000	25.44%
3 Years - 4 Years	-	-	-	457,308	2.91%
4 Years - 5 Years	-	-	-	-	0.00%
	\$ 12,635,164	\$ 9,882,899	\$ 15,796,448	\$ 15,721,467	100.00%

Liquidity Indicator	Maximum Allowable				
Weighted Average Maturity	332.11	414.72	352.63	442.61	500.00



Date Received/ Purchased	CUSIP	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
6/30/2020	Tex-Pool	TexPool		0.31%	\$ 1,212	\$ -	\$ 1,212
6/30/2020	TexStar	TexSTAR		0.30%	1,690	-	1,690
5/27/2020	CD 4176808998	Simmons Bank	2.64%	2.66%	9,979	(4,009)	5,970
6/30/2020	CD 197679947	Simmons Bank	0.70%	0.70%	-	863	863
6/30/2020	CDARS 1023157035	Simmons Bank	1.75%	1.76%	6,522	14	6,536
4/1/2020	64542WAX8	New Hope Cultrl Edu TX A&M Uni	1.80%	2.09%	4,515	(1,910)	2,605
5/22/2020	3134GUSU5	FHLMC	1.70%	1.70%	8,500	(4,250)	4,250
6/16/2020	3133ELTL8	FFCB	0.75%	0.79%	1,875	(225)	1,650
6/25/2020	413946PC2	Harris Cnty TX MUD#278 GO	4.00%	1.14%	1,120	(971)	149
6/30/2020	31346BRT1	FHLMC	2.00%	2.00%	10,000	(5,000)	5,000
6/30/2020	3130AJEL9	FHLB	0.94%	0.95%	2,350	-	2,350
6/30/2020	414935LK0	Harris Co MUD #120	2.00%	1.49%	-	1,489	1,489
6/30/2020	6678257C1	Northwest TX ISD	5.00%	1.68%	-	2,161	2,161
6/30/2020	549188UJ7	City of Lubbock TX Txbl-Ref	2.32%	1.93%	-	2,428	2,428
6/30/2020	3134GSFE0	FHLMC	2.50%	2.50%	-	6,250	6,250
6/30/2020	34679RNB1	Fort Bend Co TX MUD #23-A	2.00%	1.65%	-	2,080	2,080
6/30/2020	038395EP0	Aquilla TX Water SUD Series A	3.25%	1.20%	-	627	627
6/30/2020	038395FD6	Aquilla TX Water SUD Series B	3.25%	1.45%	-	603	603
6/30/2020	41456PHW0	Harris Cnty TX MUD#386	2.00%	1.20%	-	1,069	1,069
6/30/2020	41420QGV4	Harris Cnty TX MUD#400	3.00%	2.75%	-	1,747	1,747
6/30/2020	926293YY1	City of Victoria	4.00%	2.05%	-	522	522
6/30/2020	3134GUW55	FHLMC	1.65%	1.65%	-	4,125	4,125
6/30/2020	3134GVZT8	FHLMC	0.35%	0.35%	-	292	292
6/30/2020	31422BB74	FAMACA	0.48%	0.48%	-	400	400
6/30/2020	3135G05B5	FNMA	0.45%	0.45%	-	-	-

\$ 47,763 \$ 8,305 \$ 56,068





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

F. 4.

Meeting Date: 07/20/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Consider Calling a Special Meeting of the City Council for Tuesday, September 8, 2020, due to Conflict with a Federal Holiday

Issue:

To consider calling a special meeting of the City Council for 5:00 p.m. on Tuesday, September 8, 2020, to make up for the first regular meeting in September, which falls on the Federal Holiday of Labor Day

Background:

The City Charter provides that City Council regular meetings shall fall “on the first and third Mondays of each month, excluding holidays, at its discretion.” The regular date for the Council’s first meeting in September is Monday, September 7th, a Federal Holiday to celebrate Labor Day. This day is an officially recognized holiday for City of Sherman employees and is traditionally respected by not holding regular City Council meetings on this Federal Holiday. While the Charter provision does not require the City Council to meet on a Federal Holiday, neither does it establish a make up date, which would be done by a motion and order with a 72-hour public notice.

Origination:

City Manager's Office

Financial Consideration:

There is no financial impact to be considered.

Staff Recommendation:

It is recommended that the City Council, **by motion and order**, call a special City Council meeting for 5:00 p.m. on Tuesday, September 8th.

Alternatives:

No alternative is recommended since the first meeting in September is necessary in the process to set the property tax rate.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

K. 1.

Meeting Date: 07/20/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Consider Approval of a Term Sheet between the City of Sherman, the Sherman Tax Increment Reinvestment Zone, Number Seven (TIRZ #7), and American-Companies, LLC for the Bel Air Village Planned Development

Issue:

A Term Sheet for a Master Development Agreement for the construction of public facilities in the Bel Air Village Planned Development, being approximately 280 acres of land lying east of U.S. Highway 75 and south of F.M. 1417 (Vietnam Veterans Parkway) in the City of Sherman

Background:

American-Companies, LLC proposes to construct an approximately 280-acre planned development east of U.S. Highway 75 and south of F.M. 1417 (Vietnam Veterans Parkway), within Tax Increment Reinvestment Zone, Number Seven (TIRZ #7), which includes the construction of storm water, water mains, sanitary sewer mains, and public roads. The Bel Air Village Planned Development will be an integrated mix of commercial and residential with land set aside for parks, open space or other village amenities, and a potential school site. The site will be developed in phases.

The proposed Term Sheet summarizes the primary terms and conditions of a Master Development Agreement that would be considered by the City Council at a later meeting.

Origination:

City Manager's Office

Financial Consideration:

The City's contribution to this project will be only those incremental property tax revenues allocated to TIRZ #7, which equates to roughly one-third (1/3) of the total property tax revenues generated from this project.

Staff Recommendation:

Staff recommends approval of the Term Sheet for the Master Development Agreement.

Alternatives:

As directed by City Council

Attachments

Aerial Location Map



Sherman
CLASSIC TOWN. BROAD HORIZON.

**300-1000 Blks. East FM 1417
(Vietnam Veterans Parkway)**



1 in = 1,270 ft

City of Sherman, Texas
Developmental Services Department



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Meeting Date: 07/20/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2020 Council Calendar

2020

JANUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

FEBRUARY						
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16	17	18	19	20	21	22
23	24	25	26	27	28	29

MARCH						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL						
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MAY						
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24	25	26	27	28	29	30
31						

JUNE						
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21	22	23	24	25	26	27
28	29	30				

JULY						
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26	27	28	29	30	31	

AUGUST						
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23	24	25	26	27	28	29
30	31					

SEPTEMBER						
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER						
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DECEMBER						
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

1/20/2020	Martin Luther King, Jr. Day/Called City Council Meeting on 1/21/2020
2/12/2020	Called Council Meeting - Training Session for Council Members
3/30/2020	Called Council Meeting - Intro and PH of Ordinance No. 6288, Extending Declaration of Public Health Disaster Indefinitely and Other Matters related to COVID-19
4/6/2020	City Council Meeting - Cancelled
6/25/2020	Called Budget Workshop in the Municipal Ballroom - Rescheduled
6/26/2020	Called Budget Workshop in the Municipal Ballroom - Rescheduled
9/7/2020	Labor Day/Called City Council Meeting on 9/8/2020

9/11/2020	Called Joint Meeting of City Council and SEDCO Board in the Council Chambers