City of Garden Ridge

"A way of life, not just a place to live"

AGENDA
CITY COUNCIL REGULAR MEETING
WEDNESDAY, JANUARY 6, 2021, 6:00 P.M.

The Garden Ridge City Council will meet in a regular session on Wednesday, January 6, 2021, at 6:00 p.m. in the City Council Chambers, 9400 Municipal Parkway, Garden Ridge, Texas. This is an open meeting, open to the public, subject to the Open Meetings Law of the State of Texas, and as required by law, notice is hereby posted providing time, place, date, and agenda thereof. The meeting facility is wheelchair accessible and accessible parking spaces are provided. Requests for accommodations or interpretative services must be made to the City Secretary 48 hours prior to this meeting.

1. **Call to Order**

2. **Roll Call**

3. **Pledge of Allegiance**

4. **City/Employee Recognitions/Employee Introductions**
   a) Thank you note from Gail Gitcho to Sgt. Thoemke.

5. **Citizen Comment Period – limited to 30 minutes total**
   Rules for Citizens' Participation: The City Council welcomes citizen participation and comments at all City Council Meetings. If you speak, you must follow these guidelines:
   a) Respect and courtesy:
      1. Direct your comments to the entire City Council, not to an individual member, nor to the audience.
      2. Show the City Council the same respect that you would like to be shown.
      3. End your speaking at the time allotted below.
   b) Speaking:
      1. First citizen comment period.
         1.1. You are required to sign up to speak and you are limited to one 3-minute period.
      2. Second citizen comment period.
         2.1. You are not required to sign up and you are limited to one 2-minute period.
      3. State your name and address before your comments begin.
      4. You are only allowed to speak once per topic, unless also speaking during a posted Public Hearing.

NOTE: The Texas Open Meetings Act permits a member of the public or a member of the governmental body to raise a subject that has not been included in the notice for the meeting. However, any discussion of the subject must be limited to a proposal to place the subject on the agenda for a future meeting and any response to a question posed to the City Council is limited to either a statement of specific factual information or a recitation of existing policy. TEX. GOV'T CODE § 551.042.

6. **Consent Agenda**
   THESE ITEMS MAY BE ACTED UPON IN A SINGLE MOTION. NO SEPARATE DISCUSSION OR ACTION ON THESE ITEMS WILL BE HELD UNLESS REQUESTED BY A COUNCILMEMBER. PUBLIC COMMENT ON THESE ITEMS MAY BE HEARD DURING CITIZENS' PARTICIPATION; HOWEVER, THAT DOES NOT MEAN THE ITEM WILL BE CONSIDERED OUTSIDE THE CONSENT AGENDA.
   a) Approval of Minutes for the December 2, 2020, City Council Regular Meeting.

   b) Financial Statement, Summary Report, and Management's Discussion and Analysis of Results of Operations – November 30, 2020.

   c) Destruction of City Records in accordance with City of Garden Ridge Records Retention Plan.

d) Resolution No. 470-012021 A Resolution of the City Council of the City of Garden Ridge, Texas, in compliance with annual review and adoption of the Public Funds Investment Policy for the City of Garden Ridge, Texas, as required by the provisions of Texas Government Code Chapter 2256, the Public Funds Investment Act, as amended.

7. **Approvals/Authorizations**

The following items are for discussion, consideration, and action.

a) Eagle Scout Project.
   1. Receive presentation from William "Trey" Acker.
   2. Take action on Eagle Scout Project.

b) Fiscal Year 2020 Audit Report (period ending September 30, 2020).
   1. Receive a presentation and review.
   2. Take action on the Fiscal Year 2020 Audit Report.

8. **Staff Reports**

The following items are for discussion, consideration, and action.

a) City Administrator Monthly Activity Report.
   - Community and Event Center usage/financial report, Building Permits issued to date for residential, commercial, and minor construction projects, City Council ideas/suggestions, communication efforts, citizen concern/input, upcoming events, personnel updates, and continuity of operations.

b) Finance/HR Monthly Activity Report.
   - Financial reporting, audits, employee benefits, communication efforts, upcoming events, personnel updates, and continuity of operations.

c) City Secretary Monthly Activity Report.
   - Administrative operations and projects, records management, communication efforts, citizen concern/input, upcoming events, personnel updates, and continuity of operations.

d) Police Department Monthly Activity Report.
   - Traffic/code compliance enforcement, criminal activity, upcoming events, and continuity of operations.

e) Public Works Monthly Activity Report.
   - Street and right-of-way maintenance, drainage facility and easement maintenance, City parking lots and facility maintenance, Animal Services (domestic and wild), projects, and continuity of operations.

f) Water Department Monthly Activity Report.
   - Water pumping/usage from City wells, water system infrastructure maintenance/repairs/projects, leak adjustments, water and/or drought management (current watering stage), and continuity of operations.

g) Library Monthly Activity Report.
   - Upcoming events and continuity of operations.

9. **City Engineer Projects Status Reports**

a) FM 2252 TxDOT Project.
b) FM 2252 Wastewater Project.

10. City Commission and Committee Reports/Recommendations/Possible Actions

a) Planning and Zoning Commission:
   1. Receive monthly activity update as applicable.

b) Quarry Commission:
   1. Receive monthly activity update as applicable.

c) Water Commission:
   1. Receive monthly activity update as applicable.

d) Wildlife Management Advisory Commission:
   1. Receive monthly activity update as applicable.

e) Parks Committee:
   1. Receive monthly activity update as applicable.

f) *Volunteer Garden Ridge!*
   1. Receive monthly activity update as applicable.

11. Updates

a) COVID-19.
   1. Discuss status, updates, response, and matters related to COVID-19.
   2. Discuss funding and expenditures from the Coronavirus Aid, Relief, and Economic Security Act.
   3. Take possible action on matters related to COVID-19.

b) City Administrator Reports.
   1. Update on Oak Wilt.

c) City Council Projects.
   1. Comal ISD Events (Swint and Arvidson).

d) Mayor's Projects.
   1. Communication Report.
   2. Citizen Contact Report.

12. Discussion of Future Agenda Items

13. Citizen Comment Period – limited to 20 minutes total
See "Rules for Citizens' Participation" under Item 5.

14. Reports and Comments from Mayor and City Councilmembers

The Mayor and/or City Councilmembers may comment, make general announcements, and/or provide progress reports on events, activities and/or committees/board meetings concerning the following:

Alamo Area Metropolitan Planning Organization
Boy Scouts and/or Girl Scouts
City of Garden Ridge sponsored events and outreach efforts
Comal ISD (Garden Ridge Elementary School/Danville Middle School/Davenport High School)
Counties (Bexar/Comal/Guadalupe)
Garden Ridge Lions Club
Garden Ridge Citizen Police Academy Alumni Association/Citizen Patrol
Garden Ridge Women's Club
Greater Bexar County Council of Cities
Northeast Partnership

15. **Executive Session**

The City Council will recess its open meeting and reconvene in Executive Session:

a) Pursuant to Texas Government Code Section 551.071 – Consultation with Attorney and 551.072 – Deliberations About Real Property.
   1. To seek legal advice, if needed, in connection with deliberating the purchase, lease, exchange, or value of real property and regarding related negotiations for City building projects, and wastewater utility projects.
   2. To seek legal advice regarding requirements for Comal County Emergency Services and authority to contract for such services through an interlocal agreement and discuss any related liability issues.

16. **Business Items**

The City Council will reconvene into Regular Session upon conclusion of the Executive Session and may recall any item posted for Executive Session for action, as necessary.

17. **Adjournment**

AGENDA NOTICES:

Decorum Required: Any disruptive behavior, including shouting or derogatory statements or comments may be ruled out of order by the Presiding Officer. Continuation of this type of behavior could result in a request by the Presiding Officer that the individual leave the meeting, and if refused, an order of removal.

Action by Council Authorized: The Council may vote or act upon any item within this Agenda. The Council reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Title 5, Chapter 551, of the Texas Government Code.

Executive Sessions Authorized: This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

Attendance By Other Elected or Appointed Officials: It is anticipated that members of the other city boards, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the City Council, other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action are specifically provided for on an agenda for that board, commission, or committee subject to the Texas Open Meetings Act.

This is to certify that I, Marisa Spencer, posted this Agenda at 11:00 a.m. on December 23, 2020, on the bulletin board located at the entrance to Garden Ridge City Hall, 9400 Municipal Parkway, Garden Ridge, Texas.

Marisa Spencer

Marisa Spencer
City Secretary

Hallmark

MADE WITH PAPER FROM
WELL-MANAGED FORESTS

RES. PHOTO

11/23/20

Dear Joe-

It was great to see you - even under the 4am circumstances when my alarm went off! You made me feel better and safer. I'm so lucky you happend to be on duty.

It was great to catch up with you. Maybe next time we visit, it won't be at 4am. I should have at least given you a cup of coffee.

Hope you and your family have a wonderful Thanksgiving!

Best,
gail gitcho

City of Garden Ridge

"A way of life, not just a place to live"

MINUTES
CITY COUNCIL REGULAR MEETING
WEDNESDAY, DECEMBER 2, 2020, 6:00 P.M.

Councilmembers Present:
Mayor Larry Thompson
Mayor Pro-Tem John McCaw
Councilmember Lisa Swint
Councilmember Kay Bower
Councilmember Todd Arvidson

Councilmembers Absent:
Councilmember Bryan Lantzy

City Staff Present:
Nancy Cain, City Administrator
Marisa Spencer, City Secretary
Kat Balbi, Assistant City Secretary
Karen Ford, Finance/HR
Ron Eberhardt, Police Chief
Jacob Parsons, Water Manager
Steven Steinmetz, Public Works Director
Linda Crosland, Librarian
Cynthia Trevino, City Attorney

City Commission Representatives Present:
Karen Diaz, Vice-Chair, Planning and Zoning Commission
Jesse Valdez, Chair, Water Commission
Ken Kneupper, Vice-Chair, Wildlife Management Advisory Commission

1. Call to Order
With a quorum of the City Councilmembers present, Mayor Thompson called the regular meeting of the Garden Ridge City Council to order at 6:01 p.m. on Wednesday, December 2, 2020, in the City Council Chambers of the Garden Ridge City Hall, 9400 Municipal Parkway, Garden Ridge, Texas 78266.

2. Roll Call: See above.

3. Pledge of Allegiance: Mayor Thompson led the Pledge of Allegiance and the Texas Pledge.

4. Eagle Scout Certificates of Recognition
a) Jack Bloxom
Mayor Thompson presented a Certificate of Recognition to Jack Bloxom on behalf of the Garden Ridge Community congratulating him for attaining the rank of Eagle Scout.

5. City/Employee Recognitions/Employee Introductions
a) Thank you note from Librarian Linda Crosland to Deputy Public Works Director Eric Lowman.
Nancy Cain, City Administrator, stated a thank you note was received from Librarian Linda Crosland to Deputy Public Works Director Eric Lowman for his help in making the Trunk or Treat event run smoothly.

b) Thank you note from Librarian Linda Crosland to Utility Foreman Chris Graef.
Nancy Cain, City Administrator, stated a thank you note was received from Librarian Linda Crosland to Utility Foreman Chris Graef for his help in making the Trunk or Treat event run smoothly.

c) Recognition of Employee Service Years with the City of Garden Ridge.

Nancy Cain, City Administrator, recognized employees with anniversary dates in the month of December for their hard work, dedication, and tenure with the City. This recognition included: Officer Corey Hackenberg-5 years of service and Lieutenant Dan Bellinger-18 years of service.

Nancy Cain, City Administrator, recognized City Secretary Marisa Spencer for completing the Texas Municipal Clerks Certification Program and achieving the Texas Registered Municipal Clerk designation.

d) Small Town America Civic Volunteer Award.

Mayor Thompson spoke regarding the Small Town America Civic Volunteer Award, a national program sponsored by CivicPlus intended to recognize public service volunteers who support small localities through extraordinary efforts. He stated City Staff submitted a nomination detailing the work of a volunteer organization within the City and announced this organization was chosen as a Top 100 National Award Winner for Outstanding Civic Volunteerism. Mayor Thompson presented the Certificate of National Recognition to the City of Garden Ridge Water Commission and thanked Chair Valdez for his exceptional leadership.

Chair Valdez expressed gratitude to City Staff for nominating the Commission and thanked his fellow Commissioners for their continued hard work and dedication to serving the City.

6. Citizen Comment Period

Mayor Thompson reviewed the Rules for Citizens' Participation.

Ken Kneupper, 8891 Schoenthal Road, spoke regarding events at Davenport High School.

7. Consent Agenda

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a) Approval of Minutes for the November 4, 2020, City Council Regular Meeting.

b) Financial Statement, Summary Report, and Management's Discussion and Analysis of Results of Operations – October 31, 2020.

Motion: A motion was made by Councilmember Swint, seconded by Councilmember Bower, to approve Consent Agenda items a)-b). The City Council voted four (4) for and none (0) opposed. The motion carried unanimously.

8. Staff Reports

The following items are for discussion, consideration, and action.

a) City Administrator Monthly Activity Report.

Nancy Cain, City Administrator, stated she had nothing additional to add to her report.

b) Finance/HR Monthly Activity Report.

Karen Ford, Finance/HR, spoke regarding continuity of operations related to Finance and Human Resources and provided City Council with an update on the fiscal year 2020 audit and the salary step program.

c) City Secretary Monthly Activity Report.

Marisa Spencer, City Secretary, spoke regarding continuity of operations related to the Administrative Department and precautionary public health measures implemented at City Hall. She provided City Council with an update regarding City Hall hours and streaming numbers.

d) Police Department Monthly Activity Report.

Chief Eberhardt reviewed the monthly activity report and spoke regarding continuity of operations related to the Police Department. He provided City Council with an update regarding an offer of employment, municipal court operations, and assisting Texas Parks and Wildlife Department with a poaching incident. Chief Eberhardt also spoke regarding participating in the "Walk a Mile in Her Shoes" fundraising event to benefit the Crisis Center of Comal County and thanked the community for their support and generous donations.

e) Public Works Monthly Activity Report.

Steven Steinmetz, Public Works Director, reviewed the monthly activity report and spoke regarding continuity of operations related to the Public Works Department.

f) Water Department Monthly Activity Report.

Jacob Parsons, Water Manager, reviewed the monthly activity report and spoke regarding continuity of operations related to the Water Department. He announced the promotion of Chris Graef to Utility Foreman and provided City Council with an update regarding the Advanced Metering Infrastructure (AMI) and Meter Data Management System (MDMS).

g) Library Monthly Activity Report.

Linda Crosland, Librarian, spoke regarding upcoming events and continuity of operations related to the Library.

9. City Engineer Projects Status Reports

Pat Lackey, City Engineer, reviewed the Trihydro Corporation Engineering Report for December 2020 and addressed questions from Councilmembers. The topics of discussion included the FM 2252 TxDOT Project and FM 2252 Wastewater Project.

10. City Commission and Committee Reports/Recommendations/Possible Actions

a) Planning and Zoning Commission:

1. Receive monthly activity update as applicable.

Vice-Chair Diaz provided City Council with an update on the topics discussed at the Commission's November meeting and spoke regarding the Draft Zoning Ordinance.

b) Quarry Commission:

1. Receive monthly activity update as applicable.

Nancy Cain, City Administrator, provided City Council with an update on the topics discussed at the Commission's November meeting.

c) Water Commission:

1. Resignation of Commissioner Bullard.

1.1. Receive recommendation from Water Commission.

Chair Valdez spoke regarding Commissioner Bullard's volunteer service and stated the Commission recommends City Council accept the resignation of Commissioner Bullard.

Mayor Thompson and City Council thanked Commissioner Bullard for his volunteer service to the City.

1.2. Take action on recommendation.

Motion: A motion was made by Councilmember Bower, seconded by Mayor Pro-Tem McCaw, to approve the Water Commission's recommendation and accept the resignation of Commissioner Bullard. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously.

2. Request for water leak adjustment for 20210 Bat Cave Road for the billing period of March 21, 2019 – April 22, 2019.

2.1. Receive recommendation from Water Commission.

Chair Valdez provided City Council with a summary of the Commission's discussion regarding this request. He stated the Commission recommends the Water Manager's proposal of a credit in the amount of $585.63 for approval by City Council, adding the amount is based on calculating the cost of water lost at the lowest tier rate.

2.2. Take action on recommendation.

Motion: A motion was made by Councilmember Swint, seconded by Mayor Pro-Tem McCaw, to approve the Water Commission's recommendation for request for water leak adjustment for 20210 Bat Cave Road for the billing period of March 21, 2019 – April 22, 2019, and credit the account in the amount of $585.63. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously.

3. **Ordinance No. 54-122020 An Ordinance of the City Council of the City of Garden Ridge, Texas, adopting a comprehensive water company for the City of Garden Ridge; providing definitions; statement of organization; establishing a Water Commission; general policies; regulations and rules; rates and billing cycles; providing for a penalty; providing for severability; and declaring an effective date.**
   3.1. **Receive recommendation from Water Commission regarding the water rate for leak adjustments.**

Chair Valdez spoke regarding the cost of water and the rate used to calculate bill adjustments. He stated the Commission recommends amending Ordinance No. 54 to calculate bill adjustments based on the second-rate tier above 5,000 gallons instead of the first-rate tier.

   3.2. **Take action on Ordinance No. 54-122020.**

Mayor Thompson stated the water rate structure approved by City Council in November must be reflected in Ordinance No. 54 for the rates to be implemented; therefore, the proposed amended Ordinance incorporates the Commission's recommendation as well as the approved water rate structure. He stated the new rates would be implemented for the December 23, 2020, through January 22, 2021, billing period.

Motion: A motion was made by Councilmember Arvidson, seconded by Councilmember Bower, to approve the Water Commission's recommendation and approve Ordinance No. 54-122020 An Ordinance of the City Council of the City of Garden Ridge, Texas, adopting a comprehensive water company for the City of Garden Ridge; providing definitions; statement of organization; establishing a Water Commission; general policies; regulations and rules; rates and billing cycles; providing for a penalty; providing for severability; and declaring an effective date. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously.

4. **Ordinance No. 61-092020 An Ordinance of the City Council of the City of Garden Ridge, Texas, establishing the Drought Management Plan for the City of Garden Ridge; providing definitions, establishing trigger points for Stages 1 through 5; restricting the use of water upon implementation of specific stages of said plan; establishing water surcharge rates for Stages 3 through 5 of said plan: providing a variance procedure; providing a penalty clause; providing for severability; and declaring an effective date.**
   4.1. **Receive recommendation from Water Commission.**

Chair Valdez provided City Council with an overview of the proposed revisions to Ordinance No. 61 recommended by the Commission and thanked the Commissioners and City Staff for their hard work throughout the revision process.

   4.2. **Hold a public hearing.**

Mayor Thompson opened the public hearing at 7:01 p.m.

No one wished to speak and Marisa Spencer, City Secretary, stated no written comments were received.

Mayor Thompson closed the public hearing at 7:03 p.m.

   4.3. **Take action on Ordinance No. 61-122020.**

Motion: A motion was made by Mayor Pro-Tem McCaw, seconded by Councilmember Arvidson, to approve the Water Commission's recommendation and approve Ordinance No. 61-122020 An Ordinance of the City Council of the City of Garden Ridge, Texas, establishing the Drought Management Plan for the City of Garden Ridge; providing definitions, establishing trigger points for Stages 1 through 5; restricting the use of water upon implementation of specific stages of said plan; establishing water surcharge rates for Stages 3 through 5 of said plan: providing a variance procedure; providing a penalty clause; providing for severability; and declaring an effective date. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously.

5. Receive monthly activity update as applicable.

Chair Valdez provided City Council with an update on topics discussed at the Commission's November meeting and spoke regarding leak adjustments, ordinance revisions, water rates, and the AMI project. He addressed questions from Councilmembers.

d) Wildlife Management Advisory Commission:

1. Receive monthly activity update as applicable.

Mayor Thompson stated the Commission did not meet in November and did not have anything to report.

e) Parks Committee:

1. Receive monthly activity update as applicable.

Rod Chamberlain, Parks Committee, provided City Council with an update on the Committee's efforts and projects. He spoke regarding park facilities, pocket parks, committee membership, and ordinance revisions.

Mayor Thompson and Councilmembers thanked Rod Chamberlain and the Parks Committee for their hard work.

f) *Volunteer Garden Ridge!*

1. Receive monthly activity update as applicable.

Nancy Cain, City Administrator, stated *Volunteer Garden Ridge!* reported 271 hours for the month of November, despite the necessary COVID restrictions.

11. <u>Approvals/Authorizations</u>

The following items are for discussion, consideration, and action.

a) COVID-19.

1. Discuss status, updates, response, and matters related to COVID-19.

Mayor Thompson provided City Council with an update on the status and actions taken at the federal, state, and local level in response to COVID-19. He spoke regarding Governor Abbott's disaster declaration, Executive Order GA-32, continuity of operations, and waivers for approved outdoor public gatherings.

2. Discuss funding and expenditures from the Coronavirus Aid, Relief, and Economic Security Act.

Karen Ford, Finance/HR, provided City Council with an update on funding and expenditures from the Coronavirus Aid, Relief, and Economic Security Act.

3. Take possible action on matters related to COVID-19, including Christmas Tree Lighting Event.

Mayor Thompson requested Rod Chamberlain, Parks Committee, to provide an update regarding the Christmas Tree Lighting Event.

Rod Chamberlain, Parks Committee, provided City Council with an update regarding the drive-through Christmas Tree Lighting Event scheduled for December 4, 2020, at the Municipal Complex. He spoke regarding the City of Garden Ridge 2020 ornament and stated all proceeds from donations for ornaments will benefit the Children's Advocacy Center of Comal County.

12. <u>Updates</u>

a) City Administrator Reports.

1. Update on Oak Wilt.

Steven Steinmetz, Public Works Director, provided City Council with an update on Oak Wilt within the City of Garden Ridge, including containment and treatment efforts.

2. Update on contracting with Tristem for franchise fee, sales tax, and utility audits.

Nancy Cain, City Administrator, provided City Council with an update on contracting with Tristem for franchise fees, sales tax, and utility audits.

3. Update on rezoning petition by Scott Smith for 1.734-acre tract on the southside of FM 2252.

Nancy Cain, City Administrator, provided City Council with an update on the rezoning petition by Scott Smith for a 1.735-acre tract on the southside of FM 2252 and stated the property remains zoned as Residential Agriculture due to the petitioner not providing proof of purchase within the timeframe set by City Council.

4. Update on City Christmas Party.

Nancy Cain, City Administrator, provided City Council with an update on the City Christmas Party scheduled for Friday, December 11th at the Community and Event Center. Mayor Thompson emphasized the public health and safety measures in place for the City Christmas Party.

b) City Council Projects.

1. Post Office Information (Bower).

Councilmember Bower spoke regarding the post office in Schertz.

c) Mayor's Projects.

1. Communication Report.

Mayor Thompson spoke regarding recent media communications related to the police department assisting Texas Parks and Wildlife Department with the poaching incident.

Mayor Thompson spoke regarding conducting Coffee with the Mayor on the 2nd Monday of each month.

Mayor Thompson spoke regarding options for relocating the City sign on FM 2252 as well as looking into options regarding electronic signage within the City.

Mayor Thompson spoke regarding his communications with Texas Municipal League's Executive Director related to their COVID-19 updates.

2. Citizen Contact Report.

Mayor Thompson spoke regarding his contact and communications with a resident regarding a water leak.

Mayor Thompson spoke regarding drainage behind Hickory Bend and Magic Falls.

Mayor Thompson spoke regarding working with an Eagle Scout on his project and stated the Eagle Scout will present his project to City Council next month.

3. Public Information Request.

Mayor Thompson provided City Council with an update on a recent request where the requestor asked for information and documentation relating to deer trapping and wildlife management concerns.

Mayor Thompson spoke regarding City Staff providing City Council with a report detailing the impact that open records requests had on the City for 2020.

13. <u>Discussion of Future Agenda Items</u>

None at this time.

14. <u>Citizen Comment Period</u>

No one wished to speak.

15. <u>Reports and Comments from Mayor and City Councilmembers</u>

The Mayor and/or City Councilmembers may comment, make general announcements, and/or provide progress reports on events, activities and/or committees/board meetings concerning the following:

Alamo Area Metropolitan Planning Organization, Boy Scouts and/or Girl Scouts, City of Garden Ridge sponsored events and outreach efforts, Comal ISD (Garden Ridge Elementary/ Danville Middle School/Davenport High School), Counties (Bexar/Comal/Guadalupe), Garden

Ridge Lions Club, Garden Ridge Citizen Police Academy Alumni Association/Citizen Patrol, Garden Ridge Women's Club, Greater Bexar County Council of Cities, Northeast Partnership.

Mayor Thompson, Councilmember Arvidson, and Councilmember Swint spoke regarding events at Canyon High School and Davenport High School in Comal ISD.

The City Council discussed having a link on the City's website for Comal ISD events. Councilmember Swint and Councilmember Arvidson stated they would work with the school district on this project. Mayor Thompson stated this item would be added to the January agenda.

Mayor Thompson spoke regarding the Garden Ridge Lions Club delivering meals as part of Operation Thanksgiving and Operation Christmas.

Councilmember Bower spoke regarding the Garden Ridge Women's Club and the Garden Ridge Lions Club conducting a toy drive at the Garden Ridge Library.

Mayor Thompson spoke regarding the community blood drive scheduled for December 12th and December 13th at the Community and Event Center.

Mayor Thompson spoke regarding outreach efforts and stated the Hill Country Alliance was proud to present a Certificate of Participation to the City for participating in Hill Country Night Sky Month.

16. Executive Session

The City Council will recess its open meeting and reconvene in Executive Session:

a) Pursuant to Texas Government Code Section 551.071 – Consultation with Attorney and 551.072 – Deliberations About Real Property.

1. To seek legal advice, if needed, in connection with deliberating the purchase, lease, exchange, or value of real property and regarding related negotiations for City building projects, and wastewater utility projects.

2. To seek legal advice regarding requirements for Comal County Emergency Services and authority to contract for such services through an interlocal agreement and discuss any related liability issues.

Mayor Thompson announced he was striking both Executive Session items and cancelling the Executive Session.

17. Business Items

The City Council will reconvene into Regular Session upon conclusion of the Executive Session and may recall any item posted for Executive Session for action, as necessary.

Mayor Thompson cancelled the Executive Session; therefore, there were no items to recall for action.

18. Adjournment

Motion: A motion was made by Councilmember Bower, seconded by Mayor Pro-Tem McCaw, to adjourn. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously. There being no further business, the Wednesday, December 2, 2020, City Council regular meeting was adjourned at 8:10 p.m. by Mayor Thompson.

Larry Thompson
Mayor

ATTEST

Marisa Spencer
City Secretary

CITY OF GARDEN RIDGE

MONTHLY ACCOUNT BALANCES & INTEREST RATES

PERIOD ENDED AS OF 11/30/2020

CITY FUNDS	BALANCE	CURRENT INTEREST RATE
GF OPERATING ACCOUNT	$ 137,059.90	0.00%
GF MONEY MARKET	2,734,515.36	0.55%
PEG CAPITAL FEES	44,738.49	0.50%
TEXPOOL INVESTMENTS	6,601.23	0.12%
2017 I&S	2,106.46	0.45%
2012 I&S	13,503.30	0.50%
2012 REFI	17,811.96	0.50%
2015 I&S	12,492.60	0.46%
TEXPOOL WATER IMPACT FEES	170,535.80	0.12%
TEXPOOL STREET IMPACT FEES	59,019.24	0.12%
CONSTRUCTION BOND	139,501.45	0.55%
ASSET/FORFEITURE - STATE	98.13	0.04%
ASSET/FORFEITURE - FED	237,693.94	0.55%
TOTAL CITY FUNDS	**$ 3,575,677.86**	

WATER FUNDS	BALANCE	CURRENT INTEREST RATE
TEXPOOL WATER INVEST	$ 2,236.04	0.12%
WATER SURCHARGE	148,132.01	0.55%
OPERATING ACCOUNT	2,093,040.13	0.55%
TOTAL WATER FUNDS	**$ 2,243,408.18**	

TOTAL ALL ACCOUNTS	**$ 5,819,086.04**	

CITY OF GARDEN RIDGE

CASH & INVESTMENTS STATEMENT

CURRENT AND YEAR TO DATE AS OF 11/30/2020

GENERAL FUND	BALANCE
GF Operational Checking	$ 137,059.90
GF Money Market	2,734,515.36
TexPool Investments	6,601.23
Restricted Amounts	(317,361.51)
TOTAL AVAILABLE FUNDS	**$ 2,560,814.98**

WATER FUND	BALANCE
Operational Checking	$ 2,093,040.13
TexPool Water Invest	2,236.04
Water Surcharge	148,132.01
Restricted Amounts	(201,526.31)
TOTAL AVAILABLE FUNDS	**$ 2,041,881.87**

CITY OF GARDEN RIDGE

STATEMENT OF ACTIVITIES

CURRENT AND YEAR TO DATE AS OF 11/30/2020

GENERAL FUND	Nov-20	YTD	FY 2021 BUDGET	% OF BUDGET	BUDGET BALANCE
REVENUES	$ 279,847.19	$ 395,578.06	$ 3,049,015.00	13.0%	$ 2,653,436.94
EXPENDITURES					
ADMINISTRATION	53,534.74	119,339.85	853,496.00	14.0%	734,156.15
COURT	7,342.35	18,233.11	91,105.00	20.0%	72,871.89
POLICE	83,204.99	199,979.05	1,324,881.00	15.1%	1,124,901.95
PUBLIC FACILITIES	47,021.87	94,399.05	608,670.00	15.5%	514,270.95
COMMUNITY CENTER	2,628.50	4,370.60	65,998.00	6.6%	61,627.40
LIBRARY	7,012.69	16,821.76	99,855.00	16.8%	83,033.24
FARMERS MARKET	-	-	-		-
FUND CHANGES/XFER	-	-	-	0.0%	-
TOTAL EXPENDITURES	200,745.14	453,143.42	3,044,005.00	14.9%	2,590,861.58
NET POSITION	$ 79,102.05	$ (57,565.36)	$ 5,010.00		$ 62,575.36

WATER FUND	Nov-20	YTD	FY 2021 BUDGET	% OF BUDGET	BUDGET BALANCE
REVENUES	$ 183,332.63	$ 383,572.80	$ 1,789,687.00	21.4%	$ 1,406,114.20
EXPENDITURES	80,502.01	161,663.77	1,330,798.00	12.1%	1,169,134.23
REVENUE +/(-) EXPENDITURES	102,830.62	221,909.03	458,889.00		236,979.97

OTHER CASH OUTFLOWS	Nov-20	YTD	FY 2021 BUDGET	% OF BUDGET	BUDGET BALANCE
BOND PRINCIPLE PAYMENTS	-	-	451,900.00	0.0%	451,900.00
XEROX LEASE PRINCIPLE PMTS	432.16	862.32	5,284.00	16.3%	4,421.68
TOTAL OTHER CASH OUTFLOWS	$ 432.16	$ 862.32	$ 457,184.00		$ 456,321.68

CITY OF GARDEN RIDGE

STATEMENT OF ACTIVITIES - COMMUNITY CENTER
PERIOD ENDED AS OF 11/30/2020

	YTD	Budget
REVENUES		
RENTALS	$ 565.00	30,000.00
DEPOSITS	1,500.00	18,000.00
CLEAN-UP FEES	-	2,250.00
DEPOSITS REFUNDED	(975.00)	(16,500.00)
DONATIONS	-	-
TOTAL REVENUES	1,090.00	33,750.00
EXPENDITURES		
PAYROLL/TAXES/RETIREMENT	-	2,286.00
MANAGER FEES	1,050.75	17,500.00
COMPUTER/INTERNET	275.39	1,817.00
TELEPHONE	94.00	564.00
UTILITIES	958.31	10,301.00
MAINTENANCE	837.15	9,000.00
SUPPLIES	-	1,200.00
CLEANING	180.00	5,230.00
EQUIPMENT	-	600.00
MARKETING	-	-
DONATION EXPENDITURES	-	-
FACILITY ENHANCEMENTS	-	-
TOTAL EXPENDITURES	3,395.60	48,498.00
NET POSITION	$ (2,305.60)	$ (14,748.00)

Management's Discussion and Analysis of Results of Operations – November 2020

GENERAL FUND

Cash
Total available funds as of November 30, 2020 are $2,560.8k.

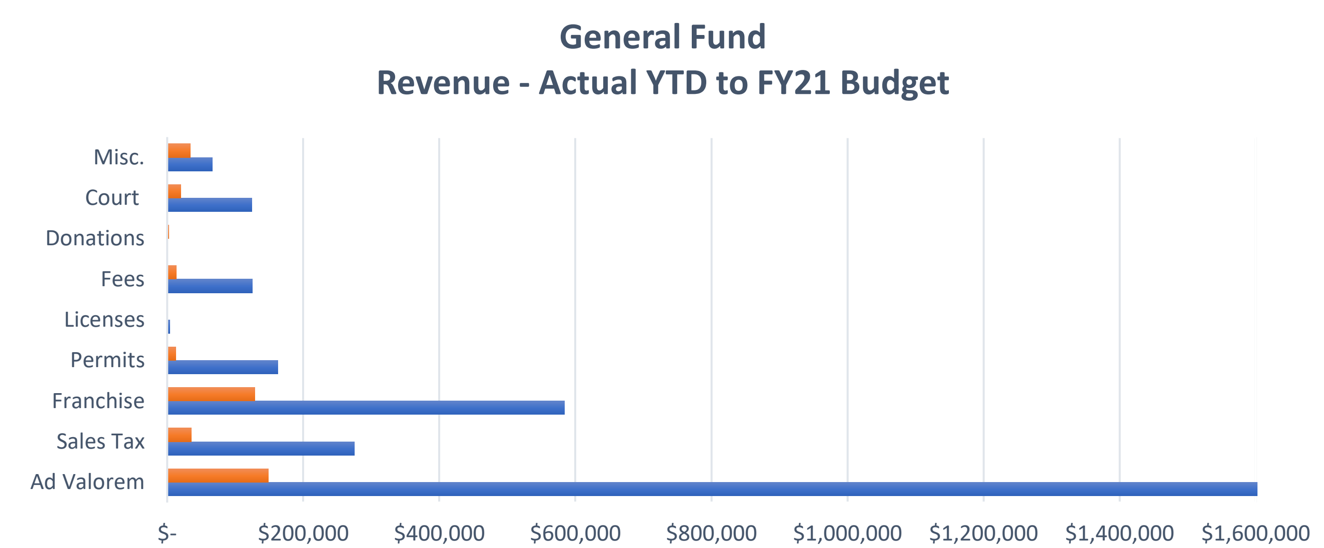
Revenue
Ad Valorem Tax collections for November total $130.2k or 8.77% of the FY21 budget of $1,699.5k.

Sale Tax Revenue received in November for the month of September sales totals $35.8k. The FY21 budget is $275k.

Building Permits revenue YTD totals $12.7k or 7.93% of the $160k budgeted for FY21.

Trash Collections YTD total $17.4k vs $12.7 for the previous year. The FY21 budget is 80k.

The quarterly CPS franchise fee of $96k was received in Nov.

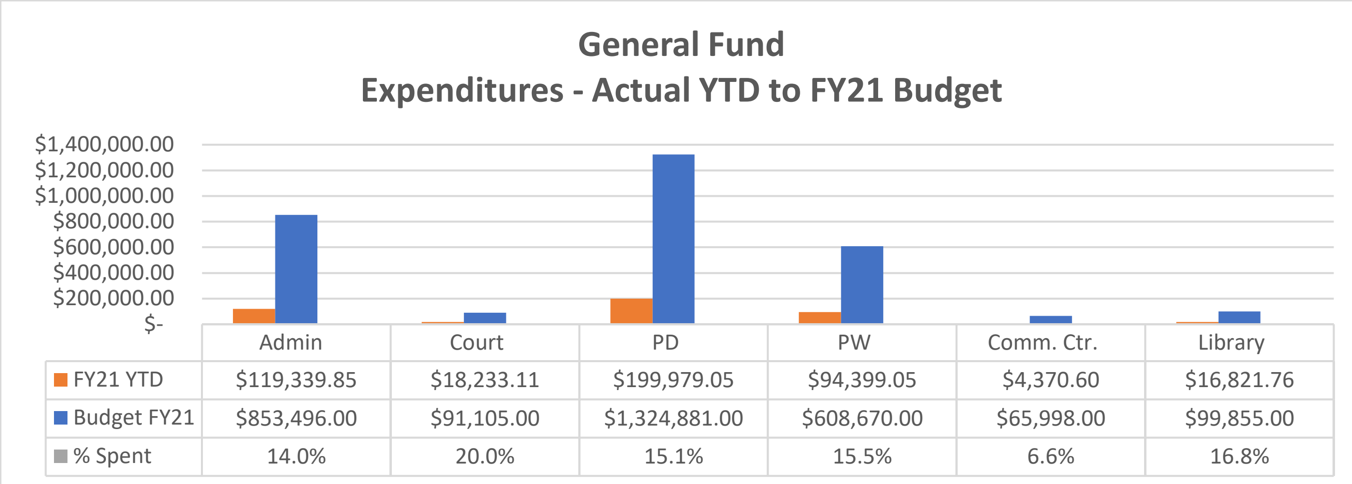


	Ad Valorem	Sales Tax	Franchise	Permits	Licenses	Fees	Donations	Court	Misc.
FY21 YTD	148,383	35,809	128,738	12,867	290	13,717	2,015	19,908	33,851
Budget FY21	$1,708,500	$275,000	$583,720	$162,600	$3,500	$125,290	$-	$124,305	$66,100

Expenditures
The Library used $12.9k of the $15.2k grant received from the Ladd and Katherine Hancher Library Foundation Grant to purchase Lego Rebotics.

Expenses for the Oak Wilt project to-date total $6.3k.

All departments are operating within the FY20 budget.



	Admin	Court	PD	PW	Comm. Ctr.	Library
FY21 YTD	$119,339.85	$18,233.11	$199,979.05	$94,399.05	$4,370.60	$16,821.76
Budget FY21	$853,496.00	$91,105.00	$1,324,881.00	$608,670.00	$65,998.00	$99,855.00
% Spent	14.0%	20.0%	15.1%	15.5%	6.6%	16.8%

WATER FUND

Meters

Current meters for November 2020 total 1666 vs 1655 for November 2019.

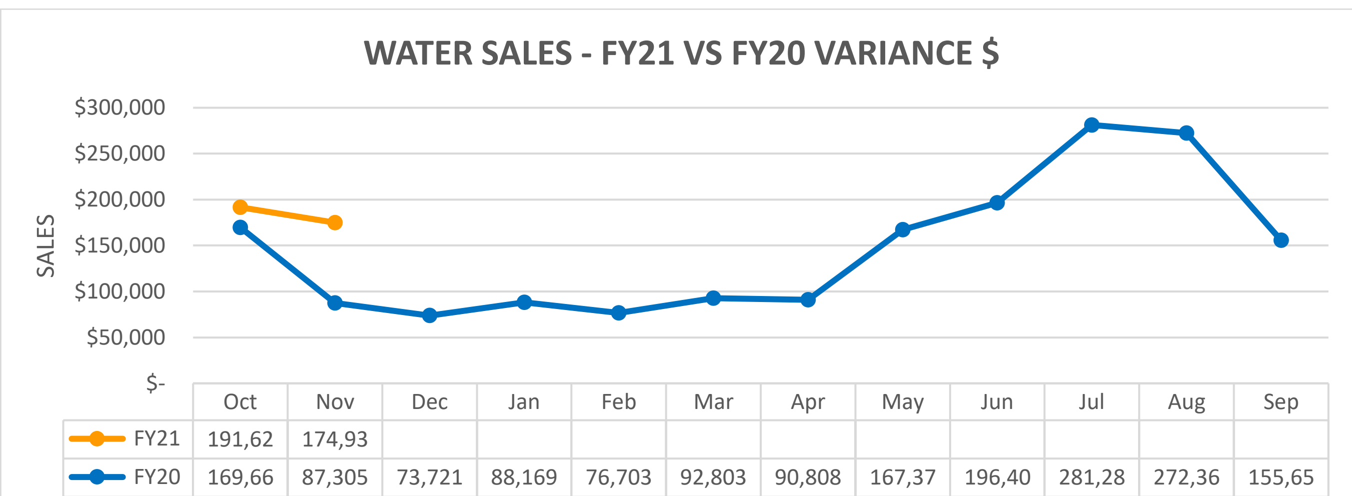
Cash

Total available funds as of November 30, 2020 are $2,041.9k.

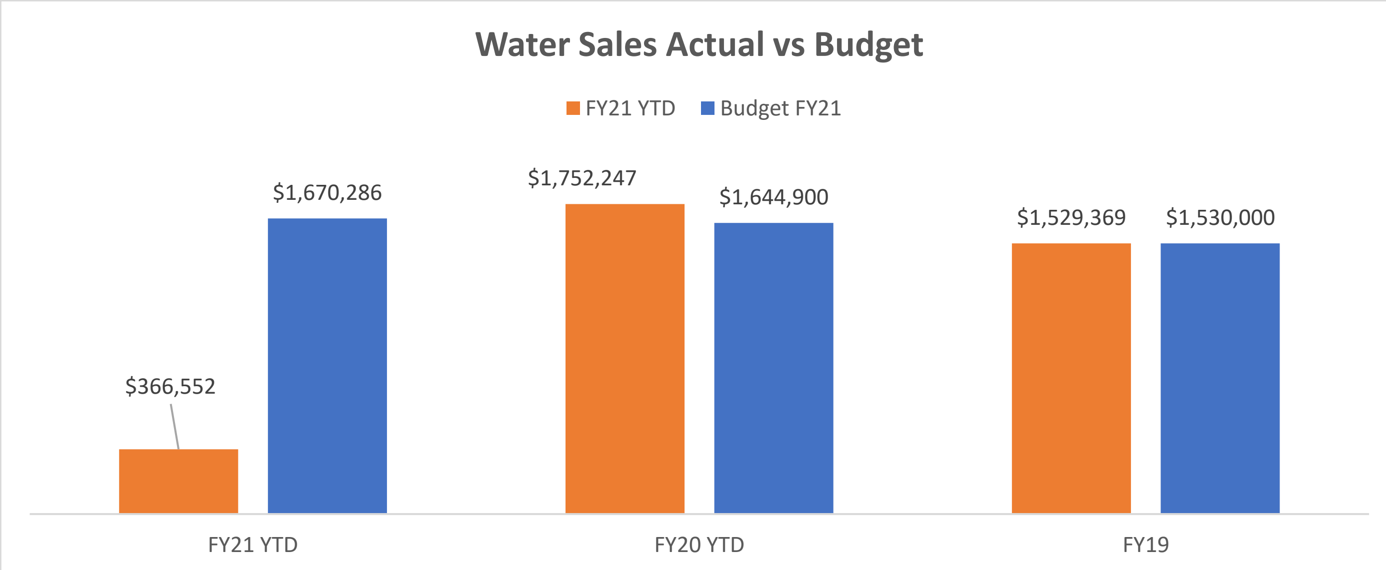
Revenue

Revenue YTD totals $383.6k or 21.4% of the $1,789.7k budget for FY21.

Water Sales for the month total $174.9k. YTD sales total $366.6k or 21.9% of the $1,670.3 budgeted for FY21.

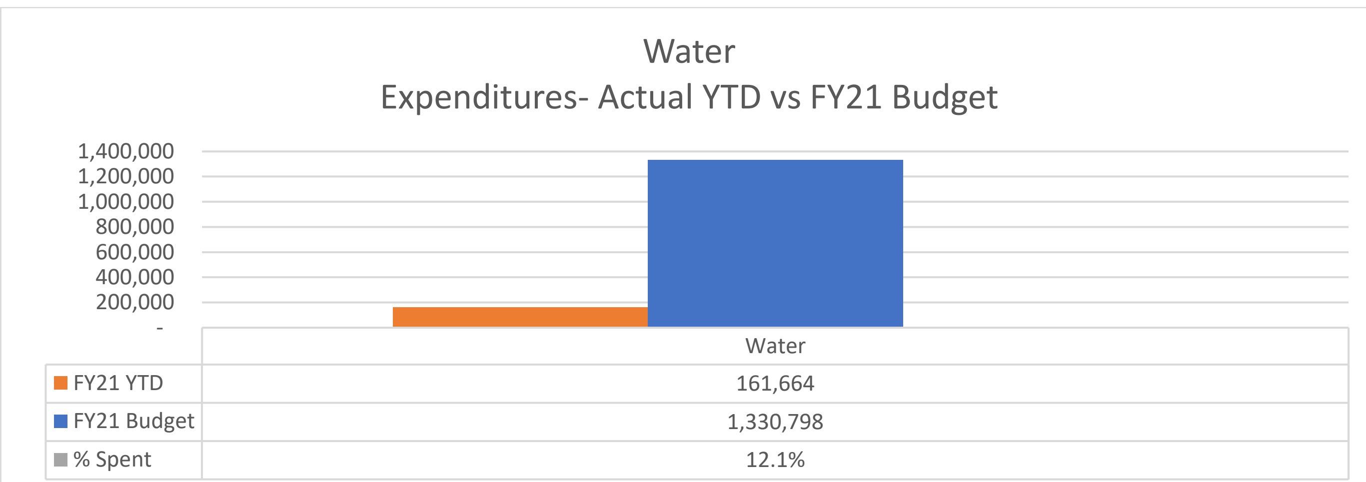


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY21	191,62	174,93										
FY20	169,66	87,305	73,721	88,169	76,703	92,803	90,808	167,37	196,40	281,28	272,36	155,65



No meter Installations for the month.

Expenditures
The Water department is operating within the FY21 budget.



Interest & Sinking Fund

Revenue
Ad Valorem Tax collections YTD total $62.2k of the $721.8k budget for FY21.

Expenditures
The I&S fund had no expenditures during November. Next bond payments are due in February 2021.

Capital Improvements Fund

Cash Balance
Water Impact Fee Balance is $170.5K.
Street Impact Balance is $59k.

Revenue

No revenue to report for November.

Asset Seizure Fund

Cash Balance

The Restricted Fund Balance is $233.8k.

Revenue

November revenue totals $4.6k.

Expenditures

PD used Asset Seizure Funds to purchase supplies totaling $2.6k.

Summary

The City of Garden Ridge is financially sound and operating within the Budget set forth by the City Council.

REQUEST FOR AUTHORITY TO DESTROY AND CERTIFICATION OF DESTRUCTION

DATE: 12/16/2020 REQUESTED BY: Police Dept. / Administration

DEPARTMENT NAME

Ron Eddy #100

Nancy Cain

SIGNATURE OF DEPARTMENT HEAD

HEREBY REQUEST DESTRUCTION OF THE RECORDS CORRECTLY LISTED BELOW. THE RECORDS WERE REVIEWED FOR HISTORICAL SIGNIFICANCE AND ANY FOUND HAVE BEEN TURNED OVER THE TO THERECORDS MANAGEMENT OFFICE.

[X] THE RECORDS HAVE EXCEEDED THE REQUIRED RETENTION PERIOD STIPULATED BY THE DEPARTMENT'S RECORDS RETENTION SCHEDULE AND DO NOT NEED ADDITIONAL RETENTION.

[X] THE RECORDS HAVE BEEN PRESERVED IN ACCORDANCE WITH LOCAL GOVERNMENT CODE, CHAPTER 204, AND THE RULES ADOPTED UNDER IT.

TRACKING #	RECORD SERIES #	RETENTION PERIOD	DESCRIPTION	DESTRUCTION DATE
Misc.	GR1000-46	Settlement + 3 yrs	Insurance Claims from Auto Accidents in 11/2017	1/8/2021
Misc.	PS4275-01a	Expiration + 2yrs	2016-2017 Alarm Permits	1/8/2021

APPROVAL OF THE RECORDS MANAGEMENT COMMITTEE, FOR THE DESTRUCTION OF THESE RECORDS HAS BEEN RECEIVED THIS DATE **12/16/2020** AND EVIDENCED BY THEIR SIGNATURES BELOW:

Nancy Cain

CITY ADMINISTRATOR

Ron Eddy #100

CHIEF OF POLICE

Marian Sperry

CITY SECRETARY

MAYOR

DATE APPROVED BY CITY COUNCIL

RESOLUTION NO. 470-012021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN RIDGE, TEXAS, IN COMPLIANCE WITH ANNUAL REVIEW AND ADOPTION OF THE PUBLIC FUNDS INVESTMENT POLICY FOR THE CITY OF GARDEN RIDGE, TEXAS, AS REQUIRED BY THE PROVISIONS OF TEXAS GOVERNMENT CODE CHAPTER 2256, THE PUBLIC FUNDS INVESTMENT ACT, AS AMENDED.

WHEREAS, on April 1, 2009, the City Council of the City of Garden Ridge, Texas, adopted Ordinance 88-042009 creating a Public Funds Investment Policy for the City of Garden Ridge, Texas; establishing policies governing the investment and security of public funds; and complying with the provisions of Texas Government Code Chapter 2256, The Public Funds Investment Act, as amended; and

WHEREAS, the City of Garden Ridge Public Funds Investment Policy, Section 14. Investment Policy Adoption by the City Council requires the policy and strategies shall be reviewed on an annual basis by the City Council and a written resolution approving the review be adopted and recorded in the minutes of the City Council.

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

SECTION 1. FINDINGS. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes and findings of fact.

SECTION 2. ADOPTION. The City Council of the City of Garden Ridge has reviewed the Public Funds Investment Policy for the City of Garden Ridge, Texas, as required by the provisions of Texas Government Code Chapter 2256, The Public Funds Investment Act, and adopts the Public Funds Investment Policy for the City of Garden Ridge as written due to the finding that the policy remains prudent and financially conservative in the investment and management of the City's funds and financial resources.

SECTION 3. EFFECTIVE DATE. This resolution shall be in force and effect upon its passage, and it is so resolved.

PASSED AND APPROVED ON this 6th day of January, 2021.

Larry Thompson
Mayor

ATTEST:

Marisa Spencer
City Secretary

AN ORDINANCE CREATING A PUBLIC FUNDS INVESTMENT POLICY FOR THE CITY OF GARDEN RIDGE, TEXAS; ESTABLISHING POLICIES GOVERNING THE INVESTMENT AND SECURITY OF PUBLIC FUNDS; AND COMPLYING WITH THE PROVISIONS OF CHAPTER 2256, THE PUBLIC FUNDS INVESTMENT ACT (THE ACT), AS AMENDED, TEXAS GOVERNMENT CODE; AND AMENDING ORDINANCE 88 PASSED AND APPROVED ON JUNE 5, 1996.

WHEREAS: The City of Garden Ridge, Texas (the City) has a prudent and financially conservative policy in place governing the investment and management of the City's funds and financial resources;

WHEREAS: The City's financial management of assets has received favorable review during recurring independent audit examinations;

WHEREAS: The Council of the City of Garden Ridge desires to establish documented policies governing the investment and security of public funds as required by Chapter 2256, The Public Funds Investment Act (The Act*)*, as amended, Texas Government Code.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GARDEN RIDGE, TEXAS THAT, Ordinance 88 passed and approved on June 5, 1996 is hereby amended effective on the date this Ordinance is passed and approved by the City Council of the City of Garden Ridge:

Section 1. POLICY STATEMENT:
It is the policy of the City of Garden Ridge, Texas (the "City") that the administration of its funds and the investment of those funds shall be handled at its highest public trust. Investment shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the City and conforming to all applicable state statutes governing in investment of public funds.

The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. It is the intent of the City to be in complete compliance with local law and the Texas Public Funds Investment Act (the "Act"). The earnings from investment will be used in a manner that best serves the interests of the City.

Section 2. SCOPE:
This investment policy applies to all the financial assets and funds of the City. The City places its funds into one pooled investment fund for investment purposes for efficiency and maximum investment opportunity. These funds are defined in the City's Comprehensive Annual Financial Report (CAFR) and include:

General Fund
Enterprise Fund (Water Fund)
Debt Service Fund
Capital Improvement Fund
Special Revenue Fund (Asset/Seizure Funds)
Other Funds, as Required

And any new funds created by the City unless specifically exempted by the City Council and this policy.

Section 3. OBJECTIVES AND STRATEGY:
It is the policy of the City that funds shall be managed and invested with four primary objectives, listed in order of the priority: safety, liquidity, diversification and yield. Investments are to be chosen in a manner which promotes diversity by market sector, credit and maturity. The choice of high-grade government investments and high-grade money market instruments is designed to assure the marketability of those investments should liquidity needs arise. To match anticipated cash flow requirements the maximum weighted average maturity of the overall portfolio may not exceed one year.

Safety of Principal
Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Liquidity
The City's investment portfolio will be based on a cash flow analysis of needs and will remain sufficiently liquid to enable it to meet all operating requirements which be reasonably anticipated.

Diversification
Diversification of the portfolio will include diversification by maturity and market sector.

Yield
The City's investment portfolio shall be designed with the objective of attaining a market rate of return, taking into account the City's risk constraints and the cash flow needs of the portfolio. "Market rate of return" may be defined as the average yield of the current six month U.S. Treasury bill.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

Section 4. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY
Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code, (the"Act"). The Act is attached as Exhibit A. The Public Funds Collateral Act, Chapter 2257, Texas Government code, specifies collateral requirements for all public funds deposits. All investments will be made in accordance with these statutes.

Section 5. DELEGATION OF INVESTMENT AUTHORITY
The City Treasurer, acting on behalf of the City, is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The Treasurer is responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy. Procedures will include reference to safekeeping, wire transfer agreements, banking services contracts and other investment related activities.

The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. The Investment Officer shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established.

The Investment Officer shall comply with training requirements as specified in the Public Funds Investment Act.

Section 6. PRUDENCE
The standard of prudence to be used in the investment function shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. This standard states:

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

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

Section 7. INTERNAL CONTROLS
The Investment Officer shall establish a system of internal controls which will be reviewed annually with the independent auditor of the City. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the City.

Section 8. AUTHORIZED INVESTMENTS
Acceptable investments under this policy shall be limited to the instruments listed below and as further described by the Public Funds Investment Act.

A. Obligations of the United Stated Government, its agencies and instrumentalities, and government sponsoring enterprises, not to exceed one year to stated maturity, excluding collateralized mortgage obligations (CMOs);
B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed one year to stated maturity;
C. Constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act; and,

If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the City until this policy has been amended and the amended version approved by the City Council.

Delivery versus Payment
All transactions entered into by the City, shall be conducted on a delivery versus payment (DVP) basis.

Section 9. AUTHORIZED FINANCIAL INSTITUTIONS
All investments made by the City will be made through either the City's banking services bank or local government investment pool in accordance with Section 8 of this investment policy.

Every financial institution with who the City transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the investment program. A representative of the firm will be required to return a signed certification stating that the Policy has been received and reviewed and that controls are in place to assure that only authorized are made in accordance with the city' investment policy.

Section 10. DIVERSIFICATION AND MATURITY LIMITATIONS
It is the policy of the City to diversify its investment portfolio. Invest funds shall be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

Security Type	Max % of Portfolio
U.S. Treasury obligations	100%
U.S. Government agencies and instrumentalities	not to exceed 50%
Fully insured or collateralized CDs	not to exceed 30%
Money Market funds	100%
Local Government Investment Pools	
Liquidity Pools	100%

The Investment Officer shall be required to diversity maturities. The Investment Officer, to the extent possible, will attempt to match investment with anticipated cash flow requirements. The Investment Officer may not invest for a period greater than one (1) year.

Section 11. SAFEKEEPING AND COLLATERALIZATION
The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery versus payment basis and be held in safekeeping by either the City, an independent third party financial institution, or the City's designated banking services depository.

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

All securities pledged to the City for certificates of deposit or demand deposits shall be held by an independent third party bank doing business in Texas. The safekeeping bank shall be within the same holding company as the bank from which the securities are pledged.

Collateralization

Collateralization on time and demand deposits over the FDIC insurance coverage.

In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 102% of the market value of the principal and accrued interest in banking institutions with exclusion of investment pools. Collateral will be held by an independent third party safekeeping agent.

Section 12. PERFORMANCE EVALUATION AND REPORTING

The Investment Officer shall submit monthly and quarterly reports to the City Council containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program and consistent with statutory requirements. All reports shall be in compliance with the Act. Market prices for market evaluations will be obtained from an independent source.

Section 13. DEPOSITORIES

The City will designate one banking institution through a competitive process as its central banking services provider at least every three years. This institution will be used for normal banking services including disbursements, collections, and safekeeping of securities. Other banking institutions from which the City may purchase certificates of deposit will also be designated as a depository after they provide their latest audited financial statements to the City.

Section 14. INVESTMENT POLICY ADOPTION BY THE CITY COUNCIL

The City's Investment Policy shall be adopted annually by the City Council. The policy and strategies shall be reviewed on an annual basis by the City Council. A written resolution approving that review shall be adopted and such action recorded in the minutes of the City Council. Changes to the policy resulting from review must be adopted through an amended Ordinance and such action recorded in the minutes of the City Council.

PASSED AND APPROVED this 1st day of April, 2009.

CITY OF GARDEN RIDGE

Jay F. Feibelman, Mayor

ATTEST:

Linda Knowlson, City Secretary

Garden Ridge Flag Retirement Box

Eagle Scout Project

By

William P. Acker, III "Trey"

PROPOSAL

- Garden Ridge is a very patriotic community with many households flying the US Flag daily

- Often asked how to dispose of aged US Flags

- Performed multiple Flag retirement ceremonies as a Scout.

- **Garden Ridge needs a method for residents to respectfully retire their US Flags**

EXAMPLE

LONGEVITY

- Plan to demonstrate US Flag retirement ceremonies to Troop 828
- Place continuity binder with retirement instructions/script in the box for other Troops/Packs participation
- VFWs
- Troop 828 will maintain box for aesthetics

APPROVAL

- **Request approval to place a US Flag retirement box at the Garden Ridge municipal building for the purposes of providing a flag retirement service to our community**

Garden Ridge Flag Retirement Box

Eagle Scout Project

By

William P. Acker, III “Trey”

Armstrong, Vaughan & Associates, P. C.
Certified Public Accountants

Communication with Those Charged with Governance

December 18, 2020

To the Council and Management,
City of Garden Ridge

We have audited the financial statements of the City of Garden Ridge as of and for the year ended September 30, 2020, and have issued our report thereon dated December 18, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated August 25, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Garden Ridge solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

941 West Byrd Blvd., Suite 101 • Universal City, Texas 78148
Phone: 210-658-6229 • Fax: 210-659-7611 • Email: info@avacpa.com • www.avacpa.com

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use of appropriate accounting policies. A summary of the significant accounting policies adopted by the City of Garden Ridge are described in Note 1 to the financial statements.

No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive estimates affecting the financial statements were:

- Useful lives of depreciable assets
- Allowance for doubtful accounts
- Actuarial valuation of net pension liability
- Actuarial valuation of total OPEB liability

Management's estimate of the useful lives of the depreciable assets are based on past history, engineering estimates, and industry standards. The allowance for doubtful accounts has been estimated for ad valorem property taxes and water receivable accounts and is based on collections history of the City. We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

The estimates for the Net Pension Liability and Total OPEB Liability are based on the actuarial studies performed by Texas Municipal Retirement System (TMRS) with no input from the City's management. We have considered the underlying inputs provided by the City related to covered employees as well as the reasonableness of the actuarial assumptions used.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City of Garden Ridge's financial statements relate to the property tax calendar, employees' retirement system liabilities, other post employment benefit liabilities and long-term debt.

Significant Difficulties Encountered during the Audit

We encountered no difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We assisted management in recording routine journal entries for year-end accruals, depreciation, net pension liability and other postemployment benefit liability. We also, assisted management in recording an interfund payable/receivable.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City of Garden Ridge's financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Representations Requested from Management

We have requested certain representations from management that are included in the management representation letter dated December 18, 2020.

Management Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City of Garden Ridge, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risk of material misstatement. None of the matters discussed resulted in a condition to our retention as City of Garden Ridge's auditors.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing City of Garden Ridge's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was materially consistent with its presentation in the financial statements.

With respect to the supplementary information accompanying the financial statements, made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the audit committee of the City of Garden Ridge and is not intended to be and should not be used by anyone other than these specified parties.

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.

CITY OF GARDEN RIDGE, TEXAS

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2020

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CITY OF
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RIDGE

CITY OF GARDEN RIDGE, TEXAS
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2020

CITY OFFICIALS

MAYOR	LARRY THOMPSON
MAYOR PRO-TEM	JOHN R. MCCAW
CITY COUNCIL	LISA SWINT BRYAN LANTZY TODD ARVIDSON KAY BOWER
CITY ADMINISTRATOR/TREASURER	NANCY CAIN
CITY SECRETARY	MARISA SPENCER
FINANCE DIRECTOR	KAREN FORD
ATTORNEY	DENTON, NAVARRO, ROCHA, BERNAL, & ZECH P.C.

CITY OF GARDEN RIDGE, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2020

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CITY OF
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Armstrong, Vaughan & Associates, P. C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
City of Garden Ridge, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Garden Ridge, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

941 West Byrd Blvd., Suite 101 • Universal City, Texas 78148
Phone: 210-658-6229 • Fax: 210-659-7611 • Email: info@avacpa.com • www.avacpa.com

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Garden Ridge, Texas, as of September 30, 2020, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedule of Changes – Net Pension Liability and Related Ratios, the Schedule of Employer Contributions and the Schedule of Changes – Other Post Employment Benefits (OPEB) as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Garden Ridge, Texas', basic financial statements. The comparative financial statements and the statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.

December 18, 2020

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CITY OF
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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of City of Garden Ridge's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year ended September 30, 2020. Please read it in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City's total combined net position was $15.2 million at September 30, 2020.

- During the year, the City's governmental operating expenses (including transfers to the business-type activities) were $844 thousand less than the $4.2 million generated in program and general revenues for the governmental activities.

- The total cost of the City's programs decreased to $3.3 million and no new programs were added this year.

- The general fund reported a fund balance this year of $3.1 million of which $3.1 million was unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements*, *and required supplementary information*. The basic financial statements include two kinds of statements that present different views of the City:

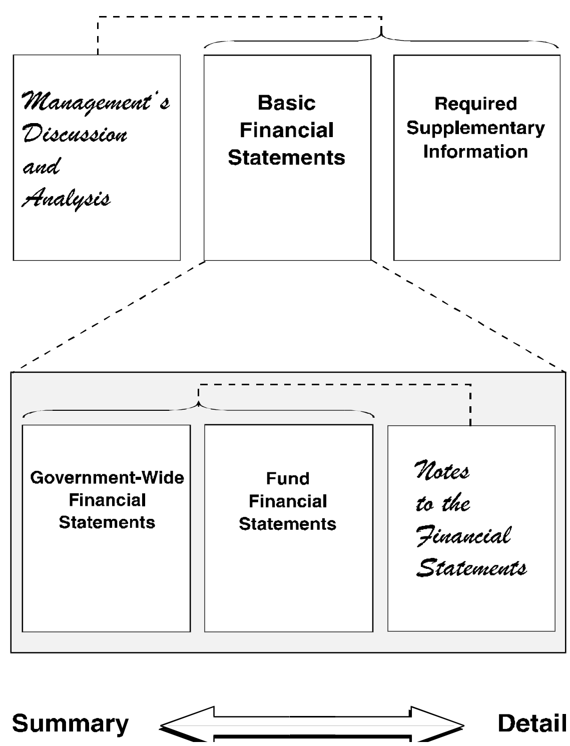
- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's overall financial status.

- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the City's operations in more detail than the government-wide statement*s*.

- *The governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.

- *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the government operates *like businesses*, such as water services.

Figure A-1, Required Components of the City's Annual Financial Report



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-2. Major Features of the City's Government-wide and Fund Financial Statements

		Fund Statements	
Type of Statements	Government-wide	Governmental Funds	Proprietary Funds
Scope	Entire City's government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary	Activities the City operates similar to private businesses: water
Required financial statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditu & Changes in Fund Balances	• Statement of Net Position • Statement of Revenues, Expenses & Changes in Net Position •Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenues and expenses during year, regardless of when cash is received or paid

Government-Wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net Position—the difference between the City's assets plus deferred outflows and liabilities plus deferred inflows—is one way to measure the City's financial health or *position*.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the City, one needs to consider additional nonfinancial factors such as changes in the City's tax base.

The government-wide financial statements of the City include the *Governmental Activities*. Most of the City's basic services are included here, such as public safety, public works and general administration. Property taxes, franchise fees and charges for services finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant *funds*—not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City has the following kinds of funds:

- *Governmental funds*—Most of the City's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Proprietary funds*—Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. The proprietary fund consists of the City water works fund.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

The City's combined net position was $15.2 million at September 30, 2020. (See Table A-1).

Table A-1
City of Garden Ridge Net Position
(In thousands dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2020	2019	2020	2019	2020	2019	2020-2019
Assets							
Current Assets	$ 3,957.1	$ 2,947.0	$ 2,464.0	$ 2,039.8	$ 6,421.0	$ 4,986.8	28.8%
Restricted and Other	114.9	415.7	(114.9)	150.8	-	566.5	-100.0%
Capital Assets (net)	10,951.8	11,390.5	12,646.4	13,181.0	23,598.2	24,571.5	-4.0%
Total Assets	15,023.8	14,753.2	14,995.5	15,371.6	30,019.3	30,124.8	-0.4%
Total Deferred Outflows of Resources	138.5	241.2	79.0	106.2	217.5	347.4	-37.4%
Liabilities							
Current Liabilities	1,087.6	1,132.8	939.9	778.3	2,027.6	1,911.1	6.1%
Long-term Liabilities	6,417.8	7,110.0	6,465.9	6,995.6	12,883.8	14,105.6	-8.7%
Total Liabilities	7,505.6	8,242.8	7,405.9	7,773.9	14,911.4	16,016.7	-6.9%
Deferred Inflows of Resources	92.1	30.5	21.6	6.1	113.6	36.6	210.4%
Net Position							
Invested in Capital Assets	4,342.7	4,245.5	5,825.8	5,884.6	10,168.4	10,130.1	0.4%
Restricted	358.6	348.8	-	146.3	358.6	495.1	-27.6%
Unrestricted	2,863.3	2,126.6	1,821.4	1,667.0	4,684.7	3,793.6	23.5%
Total Net Position	$ 7,564.6	$ 6,720.9	$ 7,647.0	$ 7,697.9	$ 15,211.6	$ 14,418.8	5.5%

Changes in Net Position

The City's total governmental revenues were $4.2 million, of which 77.9% of the City's revenue came from taxes compared to 80.8% in the prior year. A total of 12.6% of the revenues are from those who directly received the service. The total cost of all governmental programs and services was $3.3 million and charges for these services were $524.8 thousand. Table A-2 reports the summarized changes in net position.

Table A-2
Changes in City of Garden Ridge's Net Position
(In thousands dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2020	2019	2020	2019	2020	2019	2020-2019
Program Revenues:							
Charges for Services	$ 524.8	$ 538.2	$ 1,863.6	$ 1,653.5	$ 2,388.3	$ 2,191.7	9.0%
Operating/Capital Grants	277.8	48.8	-	-	277.8	48.8	469.3%
General Revenues:							
Property Taxes	2,417.5	2,289.1	-	-	2,417.5	2,289.1	5.6%
Tax Franchise	497.2	499.9	-	-	497.2	499.9	-0.5%
Sales Taxes	355.6	270.0	-	-	355.6	270.0	31.7%
Investment Earnings	35.8	65.6	21.0	30.7	56.8	96.3	-41.0%
Other	82.8	74.1	1.8	0.8	84.5	74.9	12.8%
Total Revenues	4,191.5	3,785.7	1,886.3	1,685.0	6,077.8	5,470.7	11.1%
General Government	786.1	713.6	-	-	786.1	713.6	10.2%
Police Protection	1,250.1	1,312.7	-	-	1,250.1	1,312.7	-4.8%
Municipal Court	91.2	82.6	-	-	91.2	82.6	10.4%
Public Facilities	1,023.3	1,135.0	-	-	1,023.3	1,135.0	-9.8%
Debt Service	191.9	189.0	-	-	191.9	189.0	1.5%
Water	-	-	1,942.4	1,555.2	1,942.4	1,555.2	24.9%
Total Expenses	3,342.5	3,432.9	1,942.4	1,555.2	5,284.9	4,988.1	6.0%
Transfers	(5.2)	(221.5)	5.2	221.5	-	-	0.0%
Increase (Decrease) in Net Position	$ 843.7	$ 131.1	$ (50.8)	$ 351.3	$ 792.8	$ 482.6	64.3%

Governmental Activities

Property tax rates decreased slightly to $0.321106 per $100 of assessed value. An increase in the valuation of taxable property lead to a 5.6% increase in tax revenues to $2.4 million.

Table A-3 presents the cost of each of the City's largest functions, as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.

- The net cost of all *governmental* activities this year was $2.6 million.
- The amount that taxpayers paid for these activities through taxes was $3.3 million.
- $524.8 thousand of the cost was paid by those who directly benefited from the programs.

Table A-3
Net Cost of Selected City Functions
(in thousands of dollars)

	Total Cost of Services			Net Cost of Services		Total Percentage Change
	2020	2019	% Change	2020	2019	2020-2019
General Administration	$ 786.1	$ 713.6	10.2%	$ 241.7	$ 425.6	-43.2%
Police Protection	1,250.1	1,312.7	-4.8%	1,097.1	1,157.6	-5.2%
Municipal Court	91.2	82.6	10.4%	91.2	82.6	10.4%
Public Facilities	1,023.3	1,135.0	-9.8%	918.2	991.1	-7.4%
Debt Service	191.9	189.0	1.5%	191.9	189.0	1.5%
Water Services	1,942.4	1,555.2	24.9%	78.7	(98.4)	-180.0%

Business-Type Activities
Revenues of the City's business-type activities were $1.9 million, and expenses were $1.9 million.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Revenue from governmental fund types totaled $4.1 million, an increase of 7.9%.

General Fund Budgetary Highlights
Over the course of the year, the City revised its budget to increase revenues and expenditures. Actual expenditures were $187 thousand less than the final budgeted amounts. All major expenditure divisions had a positive variance, with the exception of Debt Service. Total revenues were $388 thousand more than final budgeted amounts. The majority of the increase in revenues was related to a COVID related grant received from the State of Texas. The City increased the overall fund balance by $739 thousand more than expected from the final budget.

The City had 10.9 months of operating expenditures in the unassigned fund balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets
At the end of 2020, the City had invested $36.5 million in a broad range of capital assets, including land, equipment, buildings, and vehicles. (See Table A-4.). More detailed information about the City's capital assets is presented in the notes to the financial statements.

Table A-4
City's Capital Assets
(In thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2020	2019	2020	2019	2020	2019	2020-2019
Land	$ 481.9	$ 481.9	$ 140.0	$ 140.0	$ 621.9	$ 621.9	0.0%
Water Rights	-	-	454.1	454.1	454.1	454.1	0.0%
Buildings and Improvements	3,818.9	3,819.0	94.2	94.2	3,913.1	3,913.2	0.0%
Other Improvements	-	-	17,087.3	13,455.3	17,087.3	13,455.3	27.0%
Equipment	969.8	873.9	866.3	866.3	1,836.1	1,740.2	5.5%
Infrastructure	12,612.3	12,612.3	-	-	12,612.3	12,612.3	0.0%
Construction in Progress	-	-	-	3,632.0	-	3,632.0	-100.0%
Totals at Historical Cost	17,883.0	17,787.1	18,641.9	18,641.9	36,524.9	36,429.0	0.3%
Total Accumulated Depreciation	(6,931.2)	(6,396.7)	(5,995.5)	(5,460.9)	(12,926.8)	(11,857.5)	9.0%
Net Capital Assets	$ 10,951.8	$ 11,390.4	$ 12,646.4	$ 13,181.0	$ 23,598.2	$ 24,571.4	-4.0%

Long Term Debt
At year-end the City had $13.5 million in bonds and leases outstanding as shown in Table A-5. More detailed information about the City's debt is presented in the notes to the financial statements.

Table A-5
City's Long Term Debt
(In thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2020	2019	2020	2019	2020	2019	2020-2019
Bonds and Lease Payable	$ 6,653.8	$ 7,198.6	$ 6,877.8	$ 7,358.7	$ 13,531.5	$ 14,557.3	-7.0%
Total Bonds & Lease Payable	$ 6,653.8	$ 7,198.6	$ 6,877.8	$ 7,358.7	$ 13,531.5	$ 14,557.3	-7.0%

ECONOMIC FACTORS, NEXT YEAR'S BUDGETS AND RATES

- The 2021 Taxable Value for the City of Garden Ridge increased $37,548,165 over the City's 2020 Taxable Value.
- The City's adopted a tax rate of $0.321106 which is the same as the fiscal year 2020 tax rate.
- General Fund Revenues for the 2021 Fiscal Year are expected to increase by $26 thousand compared to 2020 actual revenues. Increase is predominately due to an increase in Ad Valorem Tax.
- The City of Garden Ridge should continue to see development interest and activity along F.M. 2252.
- The City's budgeted general fund balance for 2021 is not expected to change appreciably by the close of the fiscal year.

Other significant items planned for next year:

- Rewriting of the City's zoning and subdivision ordinances to align with the City's Master Land Use Plan and legislative changes will continue and are expected to be completed during the 2021 Fiscal Year.
- An Advanced Metering Infrastructure System (AMI) and Meter Data Management System (MDMS) will be installed during the 2021 Fiscal Year to replace the City's current Automatic Meter Reading System (AMR).
- The City will see installation of infrastructure for a wastewater system (pump and haul system) along F.M. during the 2021 Fiscal Year.
- Fiscal Year 2021 Reserves will pay for the AMI and MDMS system and wastewater system.
- Enhancements to Paul Davis Park will continue in 2021.
- The installation of touchless plumbing devices will be installed at all City facilities during the 2021 Fiscal Year as well as touchless entry systems in facilities where possible. These expenditures are made possible through the Corona Virus Relief Funds received from the federal government during the 2020 Fiscal Year.
- Mayor and City Council stipend will begin in Fiscal Year 2021.
- Leadership and employee training will continue during the 2021 Fiscal Year.
- During Fiscal Year 2021, all employees, other than department heads, will receive a 1.3% cost of living increase and will be eligible for additional performance awards.
- Department Heads receive a 3% salary increase and are not eligible for pay for performance award.
- A Step Salary System for salary uniformity will be developed and implemented for all City employees during 2021 Fiscal Year.
- City employee health and dental insurance rates increased in Fiscal Year 2021.

- The City will continue to enhance communications with citizens.
- The City will continue all existing services, as well as enhance existing services where possible.
- The City will continue a strong focus on the health and safety of City employees to ensure continuity of services during the Covid-19 health emergency.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide Garden Ridge citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Administrator by phone 210-651-6632.

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CITY OF
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BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government – wide financial statements
- Fund financial statements:
  - Governmental funds
  - Proprietary fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

CITY OF GARDEN RIDGE, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 3,571,224	$ 2,248,963	$ 5,820,187
Receivables:			
Taxes (Net of Uncollectible)	54,705	-	54,705
Other	326,383	214,754	541,137
Prepaid Items	4,782	289	5,071
Internal Balance	114,881	(114,881)	-
Capital Assets:			
Land	481,923	139,954	621,877
Water Rights	-	454,144	454,144
Buildings and Improvements	3,818,958	94,183	3,913,141
Water Lines and Extensions	-	17,087,317	17,087,317
Equipment and Vehicles	969,798	866,319	1,836,117
Infrastructure	12,612,341	-	12,612,341
Accumulated Depreciation	(6,931,224)	(5,995,537)	(12,926,761)
TOTAL ASSETS	15,023,771	14,995,505	30,019,276
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on Debt Refunding	44,691	57,140	101,831
Deferred Pension Related Outflows	83,297	19,539	102,836
Deferred Other Post-Employment Benefit Related Outflows	10,469	2,456	12,925
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 138,457	$ 79,135	$ 217,592

See accompanying notes to basic financial statements.

CITY OF GARDEN RIDGE, TEXAS
STATEMENT OF NET POSITION (CONT.)
SEPTEMBER 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 159,308	$ 189,234	$ 348,542
Accrued Liabilities	61,608	14,267	75,875
Accrued Interest Payable	18,294	18,867	37,161
Vacation Leave Payable	121,311	24,362	145,673
Customer Deposits	148,323	200,947	349,270
Noncurrent Liabilities:			
Due within One Year	578,799	492,270	1,071,069
Due in more than One Year	6,074,974	6,385,499	12,460,473
Net Pension Liability	263,287	61,759	325,046
Other Post-Employment Benefit Liability	79,655	18,685	98,340
TOTAL LIABILITIES	7,505,559	7,405,890	14,911,449
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Related Inflows	89,102	20,901	110,003
Deferred Other Post Employment Benefits Inflows	2,996	703	3,699
TOTAL DEFERRED INFLOWS OF RESOURCES	92,098	21,604	113,702
NET POSITION			
Net Investment in Capital Assets	4,342,714	5,825,751	10,168,465
Restricted for:			
Child Safety	30,043	-	30,043
Court Security/Technology	4,681	-	4,681
Debt Service	36,369	-	36,369
Donations	7,042	-	7,042
Public, Educational, & Governmental (PEG) Capital Fees	43,856	-	43,856
Police Asset Forfeiture	236,599	-	236,599
Unrestricted	2,863,267	1,821,395	4,684,662
TOTAL NET POSITION	$ 7,564,571	$ 7,647,146	$ 15,211,717

See accompanying notes to basic financial statements.

CITY OF GARDEN RIDGE, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

		Program Revenues		
Functions and Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General Administration	$ 786,100	$ 316,143	$ 228,300	$ -
Police Protection	1,250,096	112,301	40,713	-
Municipal Court	91,198	19	-	-
Public Facilities	1,023,324	96,295	8,797	-
Interest on Long-term Debt	191,911	-	-	-
Total Governmental Activities	3,342,629	524,758	277,810	-
Business-Type Activities:				
Water Utility	1,942,376	1,863,673	-	-
Total Business-Type Activities	1,942,376	1,863,673	-	-
Total Primary Government	$ 5,285,005	$ 2,388,431	$ 277,810	$ -

General Revenues:
Taxes:
General Property Taxes
Franchise Taxes
Sales Taxes
Interest and Investment Earnings
Miscellaneous
Total General Revenues

Transfers

Change in Net Position

Net Position Beginning of Year

Net Position at End of Year

See accompanying notes to basic financial statements.

Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (241,657)	$ -	$ (241,657)
(1,097,082)	-	(1,097,082)
(91,179)	-	(91,179)
(918,232)	-	(918,232)
(191,911)	-	(191,911)
(2,540,061)	-	(2,540,061)
-	(78,703)	(78,703)
-	(78,703)	(78,703)
(2,540,061)	(78,703)	(2,618,764)
2,417,465	-	2,417,465
497,241	-	497,241
355,616	-	355,616
35,838	20,984	56,822
82,761	1,756	84,517
3,388,921	22,740	3,411,661
(5,166)	5,166	-
843,694	(50,797)	792,897
6,720,877	7,697,943	14,418,820
$ 7,564,571	$ 7,647,146	$ 15,211,717

CITY OF GARDEN RIDGE, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	Major Funds		
	General	Debt Service	Capital Projects Fund
ASSETS			
Cash and Cash Equivalents	$ 2,927,425	$ 38,321	368,880
Receivables:			
Taxes (Net of Uncollectible)	38,363	16,342	-
Other	326,383	-	-
Due from Other Funds	114,881	-	-
Prepaid Items	4,782	-	-
TOTAL ASSETS	$ 3,411,834	$ 54,663	$ 368,880
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & FUND BALANCES			
Liabilities:			
Accounts Payable	$ 159,308	$ -	$ 139,323
Accrued Expenditures	61,609	-	-
Deposits	9,000	-	-
Total Liabilities	229,917	-	139,323
Deferred Inflows of Resources:			
Unavailable Property Tax Revenue	39,016	16,624	-
Total Deferred Inflows of Resources	39,016	16,624	-
Fund Balances:			
Non-Spendable:			
Prepaid Items	4,782	-	-
Restricted for:			
Child Safety	30,043	-	-
Court Security	4,681	-	-
Debt Service	-	38,039	-
Donations	7,042	-	-
PEG Capital Fees	43,856	-	-
Police Asset Forfeiture	-	-	-
Assigned for:			
Capital Projects	-	-	229,557
Unassigned:	3,052,497	-	-
Total Fund Balances	3,142,901	38,039	229,557
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & FUND BALANCES	$ 3,411,834	$ 54,663	$ 368,880

See accompanying notes to basic financial statements.

Nonmajor	
Asset Seizure	Total Governmental Funds
$ 236,599	$ 3,571,225
-	54,705
-	326,383
-	114,881
-	4,782
$ 236,599	$ 4,071,976
$ -	$ 298,631
-	61,609
-	9,000
-	369,240
-	55,640
-	55,640
-	4,782
-	30,043
-	4,681
-	38,039
-	7,042
-	43,856
236,599	236,599
-	229,557
-	3,052,497
236,599	3,647,096
$ 236,599	$ 4,071,976

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CITY OF GARDEN RIDGE, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS		$ 3,647,096
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		10,951,796
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the funds.		55,640
Accrued vacation leave payable is not due and payable in the current period and, therefore, not reported in the funds.		(121,311)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, not reported in the funds:		
Bonds Payable and Capital Leases		(6,653,773)
Losses on debt refundings do not consume current financial resources and are not reported in the funds.		44,691
Net pension liabilities (and related deferred inflows and outflows of resources) do not consume current financial resources and are not reported in the funds.		
Net Pension Liability	(263,287)	
Pension Related Deferred Outflows(Inflows)	(5,805)	(269,092)
Other Post-Employment Benefit Liabilities (and related deferred inflows and outflows of resources) do not consume financial resources are not repored in the governmental funds:		
Other Post-Employment Benefit Liability	(79,655)	
Other Post-Employment Benefit Related Deferred Outflows/Inflows	7,473	(72,182)
Accrued interest payable on long-term bonds is not due and payable in the current period and, therefore, not reported in the funds.		(18,294)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		$ 7,564,571

See accompanying notes to basic financial statements.

CITY OF GARDEN RIDGE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS
FOR YEAR ENDED SEPTEMBER 30, 2020

	Major Funds		
	General	Debt Service	Capital Projects Fund
REVENUES			
Taxes	$ 2,040,888	$ 728,865	$ -
Franchise Fees	497,241	-	-
Licenses and Permits	206,063	-	-
Charges for Services	204,040	-	-
Fines and Forfeits	112,301	-	-
Grants and Donations	236,244	-	-
Miscellaneous	78,969	1,400	2,260
TOTAL REVENUES	3,375,746	730,265	2,260
EXPENDITURES			
Current:			
General Administration	629,775	-	-
Municipal Court	82,861	-	-
Police Protection	1,148,537	-	-
Public Facilities	627,105	-	-
Capital Outlay	165,439	-	287
Debt Service:			
Interest and Agent Fees	2,088	214,924	-
Principal	36,841	508,800	-
TOTAL EXPENDITURES	2,692,646	723,724	287
Excess (Deficiency) of Revenues Over (Under) Expenditures	683,100	6,541	1,973
OTHER FINANCING SOURCES (USES)			
Proceeds from Capital Leases	33,113	-	-
Proceeds from Sale of Equipment	38,378	-	-
Transfers In (Out)	-	-	(5,166)
TOTAL OTHER FINANCING SOURCES (USES)	71,491	-	(5,166)
Net Change in Fund Balances	754,591	6,541	(3,193)
Fund Balances - October 1	2,388,310	31,498	232,750
Fund Balances - September 30	$ 3,142,901	$ 38,039	$ 229,557

See accompanying notes to basic financial statements.

Nonmajor Asset Seizure	Total Governmental Funds
$ -	$ 2,769,753
-	497,241
-	206,063
-	204,040
37,584	149,885
-	236,244
5,074	87,703
42,658	4,150,929
-	629,775
-	82,861
-	1,148,537
-	627,105
42,208	207,934
-	217,012
-	545,641
42,208	3,458,865
450	692,064
-	33,113
-	38,378
-	(5,166)
-	66,325
450	758,389
236,149	2,888,707
$ 236,599	$ 3,647,096

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CITY OF GARDEN RIDGE, TEXAS
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS		$ 758,389
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Outlay	137,489	
Net Book Value of Disposed Capital Assets	(1,145)	
Depreciation	(575,036)	(438,692)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		3,327
The issuance of long-term debt (e.g. bonds and capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the net effect of premiums, discounts, and similar items when debt is first issued, where as these amounts are amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Proceeds from Capital Lease	(33,113)	
Principal Payments on Bonds	508,800	
Amortization of Premium on Bonds	32,282	
Principal Portion of Capital Lease Payments	36,840	
Amortization of Book Losses on Debt Refundings	(8,939)	535,870
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Accrued Interest	1,669	
Compensated Absences	3,639	5,308
Governmental funds report required contributions to employee pensions as expenditures. However, in the Statement of Activities the cost of the expense is recorded based on the actuarially determined cost of the plan. This is the amount that actuarially determined pension expense exceeded contributions.		(11,562)
Governmental funds report required contributions to OPEB as expenditures. However, in the Statement of Activities the cost of the expense is recorded based on the actuarially determined cost of the plan. This is the amount that actuarially determined OPEB expense exceeded contributions.		(8,946)
CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES		$ 843,694

See accompanying notes to basic financial statements.

CITY OF GARDEN RIDGE, TEXAS
STATEMENT OF NET POSITION – PROPRIETARY FUND
SEPTEMBER 30, 2020

ASSETS	
Current Assets:	
Cash and Cash Equivalents	$ 2,248,963
Accounts Receivable - Customers	214,754
Prepaid Items	289
Total Current Assets	2,464,006
Capital Assets:	
Land	139,954
Water Rights	454,144
Buildings	94,183
Water Lines, Wells & Tanks	17,087,317
Vehicles & Equipment	866,319
Accumulated Depreciation	(5,995,537)
Total Capital Assets, Net of Depreciation	12,646,380
TOTAL ASSETS	15,110,386
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Debt Refunding	57,140
Deferred Pension Related Outflows	19,539
Deferred Other Post-Employment Benefit Related Outflows	2,456
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 79,135

See accompanying notes to basic financial statements.

CITY OF GARDEN RIDGE, TEXAS
STATEMENT OF NET POSITION – PROPRIETARY FUND (CONT.)
SEPTEMBER 30, 2020

LIABILITIES	
Current Liabilities:	
Accounts Payable	$ 189,234
Accrued Liabilities	14,267
Accrued Interest Payable	18,867
Vacation Leave Payable	24,362
Customer Deposits	200,947
Due to Other Funds	114,881
Due Within One Year	492,270
Total Current Liabilities	1,054,828
Noncurrent Liabilities:	
Due in More Than One Year	6,385,499
Net Pension Liability	61,759
Other Post-Employment Benefit Liability	18,685
Total Noncurrent Liabilities	6,465,943
TOTAL LIABILITIES	7,520,771
DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Related Inflows	20,901
Deferred OPEB Related Inflows	703
TOTAL DEFERRED INFLOWS OF RESOURCES	21,604
NET POSITION	
Net Investment in Capital Assets	5,825,751
Unrestricted	1,821,395
TOTAL NET POSITION	$ 7,647,146

See accompanying notes to basic financial statements.

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CITY OF GARDEN RIDGE, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

OPERATING REVENUE	
Water Sales	$ 1,752,249
Meter Installation Fees	25,175
Other	88,005
TOTAL OPERATING REVENUE	1,865,429
OPERATING EXPENSES	
Personnel Costs	386,535
Plant Operations and Maintenance	371,796
General and Administrative	455,246
Depreciation	534,622
TOTAL OPERATING EXPENSES	1,748,199
OPERATING INCOME (LOSS)	117,230
NONOPERATING INCOME (EXPENSES)	
Interest Income	20,984
Interest Expense	(194,177)
TOTAL NONOPERATING INCOME (EXPENSES)	(173,193)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(55,963)
Transfers In (Out)	5,166
CHANGE IN NET POSITION	(50,797)
NET POSITION AT BEGINNING OF YEAR	7,697,943
TOTAL NET POSITION AT END OF YEAR	$ 7,647,146

See accompanying notes to basic financial statements.

CITY OF GARDEN RIDGE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 1,946,764
Cash paid to suppliers for goods and services	(682,623)
Cash paid to employees for services and benefits	(384,741)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	879,400
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Net Customer Deposits Received (Returned)	5,150
Interfund Receivables/Payables and Transfers	124,537
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	129,686
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES	
Principal Payments on Debt	(480,934)
Interest Paid for Financing Activities	(190,195)
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	(671,129)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income and Other Income	20,984
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	20,984
NET INCREASE (DECREASE) IN CASH	358,941
CASH AND CASH EQUIVALENTS AT OCTOBER 1:	
Cash and Cash Equivalents	1,743,712
Restricted Cash and Cash Equivalents	146,310
	1,890,022
CASH AND CASH EQUIVALENTS AT SEPTEMBER 30:	
Cash and Cash Equivalents	2,248,963
Restricted Cash and Cash Equivalents	-
	$ 2,248,963

See accompanying notes to basic financial statements.

CITY OF GARDEN RIDGE, TEXAS
STATEMENT OF CASH FLOWS (CONT.)
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	$ 117,230
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	534,622
Change in Assets and Liabilities:	
Decrease (Increase) in Accounts Receivable	81,335
Increase (Decrease) in Accounts Payable & Accrued Liabilities	144,708
Increase (Decrease) in Vacation Payable	1,605
Increase (Decrease) in Pension Liability	(257)
Increase (Decrease) in Other Post-Employment Benefit Liabilities	446
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 879,400

See accompanying notes to basic financial statements.

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CITY OF GARDEN RIDGE

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

A. THE FINANCIAL REPORTING ENTITY

In evaluating how to define the government for financial purposes, management has considered all potential component units. The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. Based on the foregoing criteria, there were no component units identified that would require inclusion in this report.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The **government-wide financial statements** include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the City. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

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

Separate **fund financial statements** are provided for governmental funds and proprietary funds. The General Fund, Debt Service Fund and Capital Projects Fund meet the criteria of a ***major governmental fund***. The City's other governmental fund is the Seizure Fund (Special Revenue Fund). This fund is reflected in a separate column in the Balance Sheet, Statement of Revenues, Expenditures, and Changes in Fund Balances.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The **government-wide financial statements** are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Property taxes are recognized in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Governmental fund level financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as unearned revenue.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

The government reports the following major governmental funds:

The General Fund is the general operating fund of the City and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general government, public safety, public facilities, municipal court and capital acquisition.

The Debt Service Fund is used to account for all funds collected and disbursed in the retirement of governmental debt.

The Capital Projects Fund is used to account for the proceeds from bond issues and other resources specifically designated for capital expenditures.

The City’s non-major governmental fund is the Asset Seizure Fund (a special revenue fund).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONT.)

Proprietary fund level financial statements are used to account for activities similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position and cash flows. The City's Proprietary Fund is the Water-Works Fund (used to account for the provision of water services to residents). The Proprietary Fund is accounted for using the accrual basis of accounting as follows:

1. Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.

2. Current-year contributions, administrative expenses and benefit payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

D. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash deposits and investments with a maturity date within three (3) months of the date acquired by the City.

E. INVESTMENTS

State statutes authorize the City to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d); or, (e). Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations. The City has all its monies in interest bearing checking accounts, savings accounts, money market accounts, or investments in TexPool. Earnings from these investments are added to each account monthly or quarterly. Investments are carried at fair value in accordance with GASB 31.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

F. ACCOUNTS RECEIVABLE

Property taxes are levied based on taxable value at January 1 prior to September 30 and become due October 1 and past due after the following January 31. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the City. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as unearned revenue in the fund statements. Receivables are shown net of an allowance for uncollectible.

G. PREPAID ITEMS

Payments made for goods and services in advance are recorded as prepaid items on the balance sheet.

H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

I. RESTRICTED ASSETS

Certain deposits and payments of Proprietary Fund, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by agreements. Funds are also segregated to provide for capital projects and debt services as provided under contractual agreements and bond indenture agreements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

J. CAPITAL ASSETS

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the applicable governmental or business type activities column in the government-wide financial statements. Capital assets such as equipment are defined as assets with a cost of $5,000 or more. Infrastructure assets include City-owned streets, sidewalks, curbs and bridges. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The Costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest has not been capitalized during the construction period on property plant and equipment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

ASSET	YEARS
Buildings and Improvements	20 to 40 years
Improvements Other than Buildings	20 to 40 years
Utility System in Service	10 to 50 years
Machinery and Equipment	3 to 10 years

K. COMPENSATED ABSENCES

On March 16, 2019, the Council approved a new policy. The City converted vacation and sick hours to PTO (Personal Time Off). Employees are permitted to accrue and maintain a maximum of 288 hours of PTO balance. Once the maximum PTO is reached, the accrual ceases until the balance falls below the maximum PTO balance of 288 hours. Employees earn vacation leave at a rate of 4.6 hours per bi-weekly pay period after completion of probationary period. Vacation leave rates increase periodically based on the longevity of employment. Upon termination of service, a full time employee who has completed 12 months of continuous service and leaves the city in good standing, shall be paid up to 208 hours for any unused PTO.

Vested or accumulated PTO that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated PTO of the Enterprise Fund is recorded as an expense and liability of that fund as the benefits accrue to employees. Accumulated PTO pay at September 30, 2020, of $121,311 and $24,362 has been recorded in accrued liabilities of the Governmental Activities and the Proprietary Fund, respectively.

Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

L. UNEARNED REVENUE

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Grant and reimbursement revenues received in advance of expenses/expenditures are reflected as unearned revenue.

M. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category: deferred loss on debt refunding reported in the government-wide statement of net position and deferred pension and OPEB related outflows reported on the government-wide and proprietary statements. A deferred loss on refunding results from the difference in carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred pension and OPEB related outflows result from contributions made after the measurement date and changes in assumptions.

Deferred inflows of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. Unavailable revenue is reported only in the governmental funds balance sheet under a modified accrual basis of reporting. Unavailable revenues from property tax revenues are recognized when they become both measurable and available in the fund statements. Available means when due, or past due, and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Property tax revenues not expected to be available for the current period are reflected as unavailable revenue as an inflow of resource in the period the amounts become available. The deferred pension related inflows result from differences between expected and actual experiences and differences in between expected and actual investment return.

N. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities or proprietary fund type statement of net position. On new bond issues, bond premiums and discounts are deferred and amortized over the life of the bond. Bond issuance costs are expensed when incurred.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

O. FUND EQUITY

Fund balances in governmental funds are classified as follows:

Nonspendable – Represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid items) or legally required to remain intact.

Restricted – Represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed – Represents amounts that can only be used for a specific purpose determined by a formal action of the government's highest level of decision making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned – Represents amounts which the City intends to use for a specific purpose but do not meet the criteria of restricted or committed. The City Council may make assignments through formal documentation in the minutes. The City Council authorized (by way of policy) the City Administrator to also make assignments. The City Administrator's assignments do not require formal action; however, the City Administrator has not assigned any funds at this time.

Unassigned – Represents the residual balance that may be spent on any other purpose of the City.

When an expenditure is incurred for a purpose in which multiple classifications are available, the City considers restricted balances spent first, committed second, assigned third, and unassigned fourth.

P. NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Q. INTERFUND TRANSACTIONS

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

R. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise. For the City, those revenues are charges for water services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity. Revenues and expenses not meeting these definitions are reported as non-operating.

S. PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. OTHER POST-EMPLOYMENT BENEFIT (OPEB) LIABILITY

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions, and OPEB expense, information about the Total OPEB Liability of the Texas Municipal Retirement System (TMRS) and additions to/deletions from TMRS' Total OPEB Liability have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms.

U. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

V. RECLASSIFICATIONS

Certain reclassifications have been made to the prior periods presented to conform to the current presentation. These reclassifications had no effect on fund equity.

NOTE 2 – DEPOSIT AND INVESTMENTS

The City's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the City's agent bank approved pledge securities in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

1. Cash and Cash Equivalents

   All cash deposits held in the bank were secured through FDIC or pledged securities at September 30, 2020.

2. Investments

   The City is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

   The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the City adhered to the requirements of the Act. Additionally, investment practices of the City were in accordance with local policies.

   The Act determines the types of investments which are allowable for the City. These include, with certain restrictions, (1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas (2) certificates of deposit, (3) certain municipal securities, (4) securities lending program, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) commercial paper.

NOTE 2 – DEPOSIT AND INVESTMENTS (CONT.)

2. Investments (Continued)

The City's investments as of September 30, 2020 were at Texpool (an AAAm rated, 2a7-like, public funds external investment pool). The investment is reported at share price which approximates fair value. The amount invested with Texpool as of September 30, 2020 is $238,341. During the period, the City did not invest in any investments which were not held at September 30, 2020.

Fair Value Measurement is measured by the City using the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the City was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the City was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the City's name.

At year end, the City was not exposed to custodial credit risk.

c. Concentration of Credit Risk

The risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the City was not exposed to a concentration of credit risk.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONT.)

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year-end, the City was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the City was not exposed to foreign currency risk.

4. Investment Accounting Policy

The City's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

5. Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAAm or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares. The City is invested in TexPool which has an AAAm rating by Standard & Poor's.

NOTE 3 – RECEIVABLES

Receivables as of year-end for the government's individual major funds and the enterprise funds, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds			
	General	Debt Service	Proprietary Fund	Total
Receivables:				
Property Taxes	$ 84,517	$ 36,010	$ -	$ 120,527
Less Allowance for Uncollectibles	(46,154)	(19,668)	(12,000)	(77,822)
Sales Taxes	63,427	-	-	63,427
Franchise Taxes	16,195	-	-	16,195
Other	-	-	-	-
Customer Accounts	246,761	-	226,754	473,515
Net Total Receivables	$ 364,746	$ 16,342	$ 214,754	$ 595,842

NOTE 4 – PROPERTY TAX CALENDAR

The City's property tax is levied and becomes collectible each October 1 based on the assessed values listed as of the prior January 1, which is the date a lien attaches to all taxable property in the City. Assessed values are established by the Comal County Appraisal District at 100% of estimated market value. Assessed values are reduced by lawful exemptions to arrive at taxable values. A revaluation of all property is required to be completed every four (4) years. The total taxable value as of January 1, 2019, upon which the fiscal 2019 levy was based, was $750,704,193 (i.e., market value less exemptions).

The estimated market value was $892,676,903, making the taxable value 84.1% of the estimated market value. Property taxes are recorded as receivables and unearned revenues at the time the taxes are assessed. In governmental funds, revenues are recognized as the related Ad Valorem taxes are collected. Additional amounts estimated to be collectible in the time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with generally accepted accounting principles have been recognized as revenue. In the government-wide financial statements, the entire levy is recognized as revenue, net of estimated uncollectible amounts (if any), at the levy date.

The City is permitted by the Constitution of the State of Texas to levy taxes up to $2.50 per $100 of taxable assessed valuation for all governmental purposes. Pursuant to a decision of the Attorney General of the State of Texas, up to $1.50 per $100 of assessed valuation may be used for the payment of long-term debt. The combined tax rate to finance general governmental services, including the payment of principal and interest on long-term debt, for the year ended September 30, 2020, was $0.321106 per $100 of assessed value, which means that the City has a tax margin of $2.178894 for each $100 value and could increase its annual tax levy by approximately $16.4 million based upon the present assessed valuation of $750,704,193 before the limit is reached. However, the City may not adopt a tax rate that exceeds the tax rate calculated in accordance with the Texas Property Tax Code by more than three percent (3.5%) without holding a public hearing. The Property Tax Code subjects an increase in the effective tax rate to a referendum election, if petitioned by registered voters, when the effective tax rate increase is more than eight percent (8%) of the previous year's effective tax rate.

NOTE 5 – INTERFUND RECEIVABLE/PAYABLE

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds had not been paid or received as of September 30, 2020, balances of interfund amounts receivable or payable have been recorded as follows:

	Due From	Due To	Purpose
General Fund:			
Proprietary Fund	$ 114,881	$ -	Waste Water Planning
	114,881	-	
Proprietary Fund:			
General Fund	-	114,881	Waste Water Planning
	-	114,881	
	$ 114,881	$ 114,881	

NOTE 6 – CAPITAL ASSETS

Governmental capital asset activity for the year ended September 30, 2020, was as follows:

	Balances At October 1, 2019	Additions/ Transfer In	Disposals/ Transfer Out	Balances At September 30, 2020
Governmental Activities				
Land	$ 481,923	$ -	$ -	$ 481,923
Buildings & Improvements	3,818,958	-	-	3,818,958
Equipment & Vehicles	873,933	137,489	(41,624)	969,798
Infrastructure	12,612,341	-	-	12,612,341
	17,787,155	137,489	(41,624)	17,883,020
Less Accumulated Depreciation				
Buildings & Improvements	(1,652,970)	(129,364)	-	(1,782,334)
Equipment & Vehicles	(470,349)	(112,915)	40,479	(542,785)
Infrastructure	(4,273,348)	(332,757)	-	(4,606,105)
	(6,396,667)	(575,036)	40,479	(6,931,224)
Government Capital Assets, Net	$ 11,390,488	$ (437,547)	$ (1,145)	$ 10,951,796

NOTE 6 – CAPITAL ASSETS (CONT.)

Business-type capital asset activity for the year ended September 30, 2020, was as follows:

	Balances At October 1, 2019	Additions/ Transfer In	Disposals/ Transfer Out	Balances At September 30, 2020
Business-Type Activities				
Land	$ 139,954	$ -	$ -	$ 139,954
Buildings & Improvements	94,183	-	-	94,183
Water Rights	454,144	-	-	454,144
Water Lines & Extensions	13,455,274	-	3,632,043	17,087,317
Equipment & Vehicles	866,319	-	-	866,319
Construction in Progress	3,632,043	-	(3,632,043)	-
	18,641,917	-	-	18,641,917
Less Accumulated Depreciation				
Buildings & Improvements	(70,758)	(1,925)	-	(72,683)
Water Lines & Extensions	(4,738,511)	(464,467)	-	(5,202,978)
Equipment & Vehicles	(651,646)	(68,230)	-	(719,876)
	(5,460,915)	(534,622)	-	(5,995,537)
Business-Type Capital Assets, Net	$ 13,181,002	$ (534,622)	$ -	$ 12,646,380

Land, Water Rights, and Construction in Progress are not depreciated.

Depreciation expense was charged to the governmental functions as follows:

Administration	$ 116,456
Police Protection	57,725
Public Facilities	400,855
Total Depreciation Expense - Governmental Activities	$ 575,036

NOTE 7 – TRANSFERS

Interfund transfers during the year ending September 30, 2020 were as follows:

Transfers From	Transfers To	Amount	Purpose
Capital Projects Fund	Water Fund	5,166	Transfer of Capital Assets

NOTE 8 – LONG-TERM DEBT

At September 30, 2020, the City's long-term bonded debt consisted of the following:

Governmental Activities:	Range of Interest Rates	Original Amount
Certificates of Obligations Series 2012	2.000%-3.250%	3,351,600
Certificates of Obligations Series 2012	2.000%-3.000%	1,925,000
Certificates of Obligations Series 2015	2.000%-4.000%	3,639,500

Business Activities:	Range of Interest Rates	Original Amount
Certificates of Obligations Series 2012	2.000%-3.250%	2,633,400
Certificates of Obligations Series 2015	2.000%-4.000%	2,635,500
General Obligation Refunding Bonds, Series 2017	3.000%-4.000%	2,620,000

Changes in the City's long-term debt during the fiscal year ended September 30, 2020 is as follows:

Governmental Activities:	Balance 10/1/19	Additions	Retirements	Balance Outstanding 9/30/20	Due in One Year
2012 Series	$ 2,595,600	$ -	$ (168,000)	$ 2,427,600	$ 170,800
2012 Series	1,010,000	-	(190,000)	820,000	195,000
2015 Series	3,146,500	-	(150,800)	2,995,700	153,700
Capital Lease	53,118	33,113	(36,840)	49,391	27,017
Premiums	393,364	-	(32,282)	361,082	32,282
	$ 7,198,582	$ 33,113	$ (577,922)	$ 6,653,773	$ 578,799

Business-Type Activities:	Balance 10/1/19	Additions	Retirements	Balance Outstanding 9/30/20	Due in One Year
2012 Series	$ 2,039,400	$ -	$ (132,000)	$ 1,907,400	$ 134,200
2015 Series	2,278,500	-	(109,200)	2,169,300	111,300
2017 Series	2,580,000	-	(200,000)	2,380,000	205,000
Capital Lease	21,615	-	(5,028)	16,587	5,262
Premiums	439,189	-	(34,707)	404,482	36,508
	$ 7,358,704	$ -	$ (480,935)	$ 6,877,769	$ 492,270

A. General Obligation Bonds

These bonds are supported by a pledge of the City's faith and credit. The related bond ordinances require a levy and collection of a tax without limitation as to rate or amount on all property subject to taxation by the City sufficient in amount to pay the principal and interest on such bonds as they shall become due. The ordinances also require that a sinking fund be created and administered by the City solely for the purpose of paying principal and interest when due. Specific sinking fund reserve requirements for the City's general obligation bonds are being followed. There were no private placement Certificate of Obligation.

NOTE 8 – LONG-TERM DEBT (CONT.)

A. General Obligation Bonds (Cont.)

On October 10, 2012, the City issued $5,985,000 Certificates of Obligations Series 2012 pursuant to the constitution and general laws of the State of Texas, particularly, Subchapter C of Chapter 271 of the Texas Local Government Code, as amended, and in ordinance adopted by the City Council. The certificates constitute direct and general obligations of the City payable from ad valorem taxes levied against all property within the city, as well as pledged revenue of up to $1,000 of the surplus revenues from the Proprietary Fund. The certificates were issued for the purpose of paying contractual obligations of the City for the construction of city street and drainage improvements; and improvements and extensions of the City's water system.

On October 10, 2012, the City issued $1,925,000 Certificates of Obligations Series 2012 pursuant to the constitution and general laws of the State of Texas, particularly, Subchapter C of Chapter 271 of the Texas Local Government Code, as amended, and in ordinance adopted by the City Council. The certificates constitute direct and general obligations of the City payable from ad valorem taxes levied against all payable property within the city. The certificates were issued to advance refund the remaining bonds outstanding of the Certificates of Obligations Series 2002 and $1,335,000 of the Certificates of Obligations Series 2005. The refunding saved the City a total of $188,521 with a net present value of $173,073.

On July 9, 2015, the City issued $6,275,000 Certificates of Obligations Series 2015 pursuant to the constitution and general laws of the State of Texas, particularly, Subchapter C of Chapter 271 of the Texas Local Government Code, as amended, and in ordinance adopted by the City Council. The certificates constitute direct and general obligations of the City payable from ad valorem taxes levied against all property within the city, as well as pledged revenue of up to $1,000 of the surplus revenues from the Proprietary Fund. The certificates were issued for the purpose of paying contractual obligations of the City for the construction of city street and drainage improvements; improvements and extensions of the City's water system; renovation of the City's community/civic center; and park improvements.

On October 4, 2017, the City issued $2,620,000 General Obligation Refunding Bonds, Series 2017 pursuant to the constitution and general laws of the State of Texas, particularly, Subchapter C of Chapter 271 of the Texas Local Government Code, as amended, and in ordinance adopted by the City Council. The certificates constitute direct and general obligations of the City payable from ad valorem taxes levied against all property within the city. The certificates were issued to advance refund $2,620,000 of the Certificates of Obligations Series 2012. The refunding saved the City a total of $209,902 with a net present value of $182,669.

B. Debt Amortization

Advance refundings of debt result in differences between the carrying amount of refunded obligations and the payments to defease the debt. These differences are recorded on the Statement of Net Position and amortized over the life of the shorter of the new or refunded obligations. As of September 30, 2020, the City reported $101,831 in deferred refunding losses that will be amortized in future periods.

NOTE 8 – LONG-TERM DEBT (CONT.)

B. Debt Amortization (Cont.)

Requirements to amortize all long-term bond debt over the remaining lives are as follows:

Governmental Activities:

Fiscal Year Ending September 30	Principal	Interest	Total
2021	$ 519,500	$ 200,761	$ 720,261
2022	530,900	186,848	717,748
2023	487,300	172,503	659,803
2024	498,000	157,723	655,723
2025	509,400	142,612	652,012
2026-2030	2,033,000	501,767	2,534,767
2031-2035	1,665,200	138,687	1,803,887
	$ 6,243,300	$ 1,500,901	$ 7,744,201

Business -Type Activities:

Fiscal Year Ending September 30	Principal	Interest	Total
2021	$ 450,500	$ 211,453	$ 661,953
2022	469,100	198,341	667,441
2023	482,700	184,410	667,110
2024	492,000	169,790	661,790
2025	505,600	154,826	660,426
2026-2030	2,822,000	500,928	3,322,928
2031-2035	1,234,800	101,375	1,336,175
	$ 6,456,700	$ 1,521,123	$ 7,977,823

Requirements to amortize capital leases over the remaining lives are as follows:

Year Ending September 30,	Governmental Activities	Business-Type Activities
2021	$ 29,832	$ 5,973
2022	17,676	5,973
2023	5,973	5,973
	53,481	17,919
Less: Amount Representing Interest	(4,090)	(1,332)
	$ 49,391	$ 16,587

NOTE 8 – LONG-TERM DEBT (CONT.)

B. Debt Amortization (Cont.)

The City leased capital assets for governmental and business type activities in the amount of $93,654 and $26,378, respectively. Accumulated depreciation on the capital assets leased for governmental and business-type activities was $15,511 and $7,851, respectively, as of September 30, 2020.

NOTE 9 – EMPLOYEES' RETIREMENT SYSTEM

A. Plan Description

The City participates as one of over 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the state of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the system with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

All eligible employees of the City are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

	2019	2018
Inactive Employees or Beneficiaries Currently Receiving Benefits	16	16
Inactive Employees Entitled to but Not Yet Receiving Benefits	24	23
Active employees	29	27
	69	66

NOTE 9 – EMPLOYEES' RETIREMENT SYSTEM (CONT.)

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 5% of their annual gross earnings during the fiscal year. The contribution rates for the City were 7.39% and 7.76% in calendar years 2020 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2020 were $127,515 and were equal to the required contributions.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

E. Actuarial Assumptions

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall Payroll Growth	3.0% per year
Investment Rate of Return*	6.75%

* Presented net of pension plan investment expense, including inflation

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

NOTE 9 – EMPLOYEES' RETIREMENT SYSTEM (CONT.)

E. Actuarial Assumptions (Cont.)

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2109 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of returns for each major asset class in the fiscal year 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.00%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	7.75%
Private Equity	10.00%	7.75%
	100.00%	

F. Discount Rate

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

NOTE 9 – EMPLOYEES' RETIREMENT SYSTEM (CONT.)

G. Changes in the Net Pension Liability

The below schedule presents the changes in the Net Pension Liability as of December 31, 2019:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2018	$ 3,103,240	$ 2,585,412	$ 517,828
Changes for the year:			
Service Cost	183,285	-	183,285
Interest	213,010	-	213,010
Change of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	2,430	-	2,430
Changes of Assumptions	20,376	-	20,376
Contributions - Employer	-	130,010	(130,010)
Contributions - Employee	-	83,768	(83,768)
Net Investment Income	-	400,432	(400,432)
Benefit Payments, Including Refunds of Employee Contributions	(78,367)	(78,367)	-
Administrative Expense	-	(2,259)	2,259
Other Changes	-	(68)	68
Net Changes	340,734	533,516	(192,782)
Balance at December 31, 2019	$ 3,443,974	$ 3,118,928	$ 325,046

Sensitivity of the net pension liability (asset) to changes in the discount rate:

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage point higher (7.75%) than the current rate:

	Discount Rate 5.75%	Discount Rate 6.75%	Discount Rate 7.75%
Net Pension Liability	$ 821,663	$ 325,046	$ (82,747)

NOTE 9 – EMPLOYEES' RETIREMENT SYSTEM (CONT.)

H. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

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

For the year ended September 30, 2020, the City recognized pension expense of $127,515. Also as of September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	$ -	$ 17,273
Changes in Actuarial Assumptions	15,014	-
Differences Between Projected and Actual Investment Earnings	-	92,730
Contributions Subsequent to the Measurement Date	87,822	-
	$ 102,836	$ 110,003

Deferred outflows of resources in the amount of $87,822 is related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the plan year ending December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year ended December 31,	
2020	$ (27,752)
2021	(29,165)
2022	7,112
2023	(45,184)
	$ (94,989)

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONT.)

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for $7,500; this coverage is an "other post-employment benefit", or OPEB. Membership in the plan December 31, 2018, the valuation and measurement date, consisted of:

	2019	2018
Inactive Employees or Beneficiaries Currently Receiving Benefits	14	14
Inactive Employees Entitled to but Not Yet Receiving Benefits	4	3
Active Employees	29	27
	47	44

The SDBF required contribution rates, based on these assumptions, are as follows:

For the Plan Year Ended December 31,	Total SDBF Contribution Rate	Retiree Portion to SDBF Contribution Rate
2020	0.19%	0.03%
2019	0.18%	0.03%

These contribution rates are based on actuarial assumptions developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2014 to December 31, 20184. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. For calculating the OPEB liability and the OPEB contribution rates, the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements. Based on the size of the city, rates are multiplied by an additional factor of 100.0%. The assumptions are summarized below:

Notes to Schedule of Contributions

Valuation Date:
Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen (13) months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 Years
Asset Valuation Method	10 Year Smoothed Market; 15% Soft Corridor
Inflation	2.50%
Salary Increases	3.50% to 10.50% Including Inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018.
Mortality	Post retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes	There were no benefit changes during the year.

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONT.)

The City's Total OPEB Liability (TOL), based on the actuarial factors, as of December 31, 2019 was calculated as follows:

	Total OPEB Liability
Balance at December 31, 2018	$ 77,725
Changes for the year:	
Service Cost	5,026
Interest	2,967
Change of Benefit Terms	-
Difference Between Expected and Actual Experience	(2,683)
Changes of Assumptions or Other Inputs	15,808
Benefit Payments	(503)
Net Changes	20,615
Balance at December 31, 2019	$ 98,340

There is no separate trust maintained to fund this Total OPEB Liability. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

The following presents the TOL of the City, calculated using the discount rate of 2.75% as well as what the City's TOL would be if it were calculated using a discount rate that is 1-percentage point lower (1.75%) and 1-percentage point higher (3.75%) than the current rate:

	Discount Rate 1.75%	Discount Rate 2.75%	Discount Rate 3.75%
Total OPEB Liability	$ 119,569	$ 98,340	$ 81,831

For the year ended September 30, 2020, the City recognized OPEB expense of $3,616. Also as of September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ -	$ 3,669
Changes in Actuarial Assumptions	12,450	-
Contributions Subsequent to the Measurement Date	475	-
	$ 12,925	$ 3,669

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONT.)

Deferred outflows of resources in the amount of $475 is related to OPEB benefits resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the total OPEB liability for the plan year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended December 31,		
2020	$	2,016
2021		2,016
2022		1,937
2023		1,042
2024		1,770
	$	8,781

NOTE 11 – RISK MANAGEMENT

The City of Garden Ridge, Texas, is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To cover this risk the City contracts with the Texas Municipal League (TML) to provide insurance coverage for Property/Casualty and Worker's Compensation. TML is a multi-employer group that provides for a combination of modified self-insurance and stop-loss coverage. Contributions are set annually by TML. Liability by the City is generally limited to the contributed amounts. Annual contributions for the year ended September 30, 2020, were $87,529.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Litigation

The City is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the City's liability in these cases, if decided adversely to the City, will not have a material effect on the City's financial position.

Commitments – Maintenance Yard

The City entered into a communications facility license agreement with New Cingular Wireless PCS, LLC and T-Mobile USA, Inc. for the use of land at the City's maintenance yard for construction of a cell tower. Future minimum rental revenues under the lease for the next three years are as follows:

Years Ending September 30,		
2021	$	47,760
2022		51,720
	$	99,480

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CITY OF GARDEN RIDGE

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund
- Schedule of Changes – Net Pension Liability and Related Ratios
- Schedule of Employer Contributions
- Schedule of Changes – Total Other Post-Employment Benefit Liability and Related Ratios

CITY OF GARDEN RIDGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		**Actual**	Variance
	Original	Final	**Amounts**	Favorable (Unfavorable)
REVENUES				
Taxes:				
Ad Valorem	$ 1,631,559	$ 1,657,800	**$ 1,685,272**	$ 27,472
Sales	230,000	294,500	**355,616**	61,116
Total Taxes	1,861,559	1,952,300	**2,040,888**	88,588
Franchise Fees:				
Cable	58,000	62,000	**60,364**	(1,636)
Electric	325,000	325,000	**337,201**	12,201
Gas	15,000	19,219	**19,219**	-
Telephone	34,000	13,318	**14,426**	1,108
Water	64,800	65,800	**66,031**	231
Total Franchise Fees	496,800	485,337	**497,241**	11,904
Licenses and Permits:				
Building & Electrical	130,000	160,050	**203,443**	43,393
Other	2,200	3,020	**2,620**	(400)
Total Licenses and Permits	132,200	163,070	**206,063**	42,993
Charges for Services:				
Rental Fees	122,080	111,180	**106,635**	(4,545)
Planning & Variance	1,000	1,300	**2,650**	1,350
Garbage Collection	86,012	88,100	**91,646**	3,546
Pet Registration	3,700	3,500	**3,109**	(391)
Total Charges for Services	212,792	204,080	**204,040**	(40)
Fines and Forfeitures:				
Court Fines	129,000	91,203	**102,605**	11,402
Warrant Fees & Fines	-	8,110	**9,696**	1,586
Total Fines and Forfeitures	$ 129,000	$ 99,313	**$ 112,301**	$ 12,988

CITY OF GARDEN RIDGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL – GENERAL FUND (CONT.)
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts			Variance
	Original	Final	**Actual Amounts**	Favorable (Unfavorable)
REVENUES (CONT.)				
Grants and Contributions:				
Grants	$ -	$ -	**$ 226,655**	$ 226,655
Contributions	-	7,824	**9,589**	1,765
Total Grants and Contributions	-	7,824	**236,244**	228,420
Other Sources:				
Interest	52,000	28,000	**29,403**	1,403
Miscellaneous	45,900	47,415	**49,565**	2,150
Total Other Sources	97,900	75,415	**78,968**	3,553
TOTAL REVENUES	**2,930,251**	**2,987,339**	**3,375,745**	**388,406**
EXPENDITURES				
General Administration:				
Personnel	278,925	264,591	**260,759**	3,832
Contract Fees	220,230	190,301	**167,707**	22,594
Administrative	206,542	184,836	**183,005**	1,831
Capital Outlay	45,000	158,100	**69,773**	88,327
Farmer's Market	-	-	**6,499**	(6,499)
Insurance	11,300	11,804	**11,805**	(1)
Total General Administration	761,997	809,632	**699,548**	110,084
Municipal Court:				
Personnel	59,416	59,755	**59,272**	483
Contract Fees	9,600	9,600	**9,600**	-
Operations & Maintenance	16,570	17,510	**13,989**	3,521
Total Municipal Court	85,586	86,865	**82,861**	4,004
Police Protection:				
Personnel	1,145,713	1,026,391	**1,026,651**	(260)
Operations & Maintenance	118,873	105,357	**100,399**	4,958
Capital Outlay	-	33,113	**33,113**	-
Insurance	18,682	15,862	**15,862**	-
Leases	5,636	5,680	**5,625**	55
Total Police Protection	$ 1,288,904	$ 1,186,403	**$ 1,181,650**	$ 4,753

CITY OF GARDEN RIDGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL – GENERAL FUND (CONT.)
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		**Actual**	Variance
	Original	Final	**Amounts**	Favorable (Unfavorable)
EXPENDITURES (CONT.)				
Public Facilities:				
Personnel	$ 426,004	$ 417,137	**$ 410,858**	$ 6,279
Contract Fees	2,600	1,700	**1,429**	271
Operations & Maintenance	64,141	70,602	**54,293**	16,309
Streets and Drainage	13,100	10,000	**6,399**	3,601
Insurance	4,865	4,592	**4,592**	-
Animal Control & Park	141,340	110,859	**87,077**	23,782
Library	11,650	13,626	**15,845**	(2,219)
Community Center	59,734	53,017	**46,612**	6,405
Capital Outlay	28,000	82,454	**62,552**	19,902
Total Public Facilities	751,434	763,987	**689,657**	74,330
Debt Service:				
Principal	35,200	33,159	**36,841**	(3,682)
Interest and Agent Fees	-	-	**2,088**	(2,088)
Total Debt Service	35,200	33,159	**38,929**	(5,770)
TOTAL EXPENDITURES	2,923,121	2,880,046	**2,692,645**	187,401
Excess (Deficiency) Over (Under) Expenditures	7,130	107,293	**683,100**	575,807
OTHER FINANCING SOURCES (USES)				
Capital Lease Proceeds	-	33,113	**33,113**	-
Proceeds from Sale of Assets	3,000	38,378	**38,378**	-
TOTAL OTHER FINANCING SOURCES (USES)	3,000	71,491	**71,491**	-
Net Change in Fund Balance	10,130	178,784	**754,591**	575,807
Fund Balance - October 1	2,388,310	2,388,310	**2,388,310**	-
Fund Balance - September 30	$ 2,398,440	$ 2,567,094	**$ 3,142,901**	$ 575,807

CITY OF GARDEN RIDGE, TEXAS
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL – GENERAL FUND
SEPTEMBER 30, 2020

Budgetary Information – The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The City maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council and as such is a good management control device. The following are the funds which have legally adopted annual budgets: General Fund and Debt Service Fund.

Budgetary preparation and control is exercised at the department level. Actual expenditures may not legally exceed appropriations at the fund level. As of September 30, 2020 the expenditures did not exceed appropriations in total in the General Fund.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances lapse at year-end and do not constitute expenditures or liabilities because the commitments must be re-appropriated and honored during the subsequent year.

CITY OF GARDEN RIDGE, TEXAS
SCHEDULE OF CHANGES - NET PENSION LIABILITY AND RELATED RATIOS
LAST FIVE CALENDAR YEARS

Total Pension Liability	2015	2016	2017	2018	2019
Service Cost	$ 156,540	$ 160,212	$ 174,081	$ 179,361	$ 183,285
Interest (on the Total Pension Liability)	143,776	159,773	173,326	194,988	213,010
Changes of Benefit Terms	-	-	-	-	-
Difference between Expected and Actual Experience	26,730	(57,945)	27,159	(39,457)	2,430
Change of Assumptions	52,564	-	-	-	20,376
Benefit Payments, Including Refunds of Employee Contributions	(51,596)	(85,152)	(51,233)	(61,351)	(78,367)
Net Change in Total Pension Liability	328,014	176,888	323,333	273,541	340,734
Total Pension Liability - Beginning	2,001,464	2,329,478	2,506,366	2,829,699	3,103,240
Total Pension Liability - Ending	$ 2,329,478	$ 2,506,366	$ 2,829,699	$ 3,103,240	$ 3,443,974

Plan Fiduciary Net Position	2015	2016	2017	2018	2019
Contributions - Employer	$ 109,610	$ 140,678	$ 126,816	$ 125,554	$ 130,010
Contributions - Employee	71,675	70,640	77,232	80,072	83,768
Net Investment Income	2,508	123,795	288,406	(75,519)	400,431
Benefit Payments, Including Refunds of Employee Contributions	(51,596)	(85,152)	(51,233)	(61,351)	(78,367)
Administrative Expense	(1,527)	(1,397)	(1,493)	(1,458)	(2,258)
Other	(75)	(75)	(76)	(77)	(68)
Net Change in Plan Fiduciary Net Position	130,595	248,489	439,652	67,221	533,516
Plan Fiduciary Net Position - Beginning	1,699,455	1,830,050	2,078,539	2,518,191	2,585,412
Plan Fiduciary Net Position - Ending	$ 1,830,050	$ 2,078,539	$ 2,518,191	$ 2,585,412	$ 3,118,928
Net Pension Liability - Ending	$ 499,428	$ 427,827	$ 311,508	$ 517,828	$ 325,046
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	78.56%	82.93%	88.99%	83.31%	90.56%
Covered Payroll	$ 1,433,517	$ 1,412,801	$ 1,544,639	$ 1,601,438	$ 1,675,361
Net Pension Liability as a Percentage of Employee Payroll	34.84%	30.28%	20.17%	32.34%	19.40%

Note: The schedule above reflects the changes in the net pension liability for the current year and the previous three years. GASB Statement No. 68 requires 10 years of data to be provided in this schedule. The City will build this schedule over the 10-year period beginning December 31, 2014 as data becomes available.

CITY OF GARDEN RIDGE, TEXAS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
SEPTEMBER 30, 2020
LAST FIVE FISCAL YEARS

	2016	2017	2018	2019	2020
Actuarially Determined Contribution	$ 104,953	$ 120,506	$ 126,771	$ 128,111	$ 127,515
Contributions in Relation to the Actuarially Determined Contribution	139,953	120,506	126,771	128,111	127,515
Contribution Deficiency (Excess)	$ (35,000)	$ -	$ -	$ -	$ -
Covered Payroll	$ 1,394,604	$ 1,502,505	$ 1,599,220	$ 1,646,472	$ 1,653,345
Contributions as a Percentage of Covered Payroll	10.04%	8.02%	7.93%	7.78%	7.71%

Note: The schedule above reflects the changes in the net pension liability for the current year and the previous three years. GASB Statement No. 68 requires 10 fiscal years of data to be provided in this schedule. The City will build this schedule over the 10-year period beginning September 30, 2015 as data becomes available.

NOTES TO SCHEDULE OF CONTRIBUTIONS

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen (13) months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 Years
Asset Valuation Method	10 Year Smoothed Market; 15% Soft Corridor
Inflation	2.50%
Salary Increases	3.50% to 10.50% Including Inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018.
Mortality	Post retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes	There were no benefit changes during the year.

CITY OF GARDEN RIDGE, TEXAS
SCHEDULE OF CHANGES –OTHER POST EMPLOYMENT BENEFIT
LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2020
LAST TWO CALENDAR YEARS

Total OPEB Liability	2018	2019
Service Cost	$ 4,964	$ 5,026
Interest (on the Total OPEB Liability)	2,676	2,967
Changes of Benefit Terms	-	
Difference between Expected and Actual Experience	(2,234)	(2,683)
Change of Assumptions	(5,795)	15,808
Benefit Payments	(480)	(503)
Net Change in Total OPEB Liability	(869)	20,615
Total OPEB Liability - Beginning	78,594	77,725
Total OPEB Liability - Ending	$ 77,725	$ 98,340
Covered Employee Payroll	$ 1,601,438	$ 1,675,361
Net OPEB Liability as a Percentage of Covered Payroll	4.85%	5.87%

Note: The schedule above reflects the changes in the net pension liability for the current year. GASB Statement No. 75 requires 10 years of data to be provided in this schedule. The City will build this schedule over the 10-year period beginning December 31, 2018 as data becomes available.

NOTES TO SCHEDULE OF CHANGES

No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Methods and Assumptions Used to Determine Contribution Rate

Inflation	2.50%
Salary Increases	3.50% to 10.50% Including Inflation
Discount Rate	2.75% (Based on Fidelity Index's 20-Year Municipal GO AA Index)
Administrative Expenses	All administrative expenses are paid thru the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality Rates - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality Rates - Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year se-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and female, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

SUPPLEMENTARY INFORMATION

Supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedule include:

- Comparative Statements – General Fund
- Comparative Statements – Debt Service Fund
- Comparative Statements – Capital Projects Fund
- Comparative Statements – Nonmajor Fund
- Comparative Statements – Proprietary Funds

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE BALANCE SHEETS
GENERAL FUND
SEPTEMBER 30, 2020 AND 2019

	2020	2019
ASSETS		
Cash and Cash Equivalents	**$ 2,927,425**	$ 2,471,581
Taxes Receivable (Net of Uncollectible of $46,153 and $42,848, respectively)	**38,363**	36,049
Due From Other Funds	**114,881**	-
Other Receivables	**326,383**	150,422
Prepaid Items	**4,782**	4,984
TOTAL ASSETS	**$ 3,411,834**	$ 2,663,036
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & FUND BALANCE		
Liabilities:		
Accounts Payable	**$ 159,308**	$ 143,587
Accrued Expenditures	**61,609**	56,992
Unearned Revenue	**-**	24,700
Due to Other Funds	**-**	4,490
Deposits	**9,000**	9,000
Total Liabilities	**229,917**	238,769
Deferred Inflows of Resources:		
Unavailable Property Tax Revenue	**39,016**	35,957
Total Deferred Inflows of Resources:	**39,016**	35,957
Fund Balance:		
Non-Spendable:		
Prepaid Items	**4,782**	4,984
Restricted:		
Child Safety	**30,043**	36,526
Court Security	**4,681**	8,803
Donations	**7,042**	6,288
PEG Capital Fees	**43,856**	33,106
Unassigned	**3,052,497**	2,298,603
Total Fund Balance	**3,142,901**	2,388,310
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & FUND BALANCE	**$ 3,411,834**	$ 2,663,036

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
REVENUES		
Taxes:		
Ad Valorem	**$ 1,685,272**	$ 1,556,664
Sales	**355,616**	269,978
Total Taxes	**2,040,888**	1,826,642
Franchise Fees:		
Cable	**60,364**	54,992
Electric	**337,201**	326,957
Gas	**19,219**	18,353
Telephone	**14,426**	34,588
Water	**66,031**	64,982
Total Franchise Fees	**497,241**	499,872
Licenses and Permits:		
Building & Electrical	**203,443**	169,832
Other	**2,620**	3,390
Total Licenses and Permits	**206,063**	173,222
Charges for Services:		
Rental Fees	**106,635**	141,818
Planning & Variance	**2,650**	1,650
Garbage Collection	**91,646**	89,546
Pet Registration	**3,109**	4,295
Total Charges for Services	**204,040**	237,309
Fines and Forfeitures:		
Court Fines	**102,605**	113,196
Warrant Fees & Fines	**9,696**	11,328
Total Fines & Forfeitures	**$ 112,301**	$ 124,524

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - (CONTINUED)
GENERAL FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
REVENUES (CONT.)		
Other Sources:		
Interest	**$ 29,403**	$ 54,658
Grants	**226,655**	-
Contributions	**9,589**	18,387
Miscellaneous	**49,565**	69,123
Total Other Sources	**315,212**	142,168
TOTAL REVENUES	**3,375,745**	3,003,737
EXPENDITURES		
General Administration:		
Personnel	**260,759**	227,926
Contract Fees	**167,707**	183,718
Administrative	**183,005**	161,978
Insurance	**11,805**	10,656
Farmer's Market	**6,499**	-
Capital Outlay	**69,773**	174,459
Total General Administration	**699,548**	758,737
Municipal Court:		
Personnel	**59,272**	57,267
Contract Fees	**9,600**	9,600
Operations & Maintenance	**13,989**	11,882
Total Municipal Court	**82,861**	78,749
Public Safety:		
Personnel	**1,026,651**	1,051,688
Operations & Maintenance	**100,399**	95,202
Capital Outlay	**33,113**	34,163
Insurance	**15,862**	17,791
Lease Payments	**5,625**	5,417
Total Public Safety	**$ 1,181,650**	$ 1,204,261

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - (CONTINUED)
GENERAL FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
EXPENDITURES (CONT.)		
Public Facilities:		
Personnel	**$ 410,858**	$ 397,623
Contract Fees	**1,429**	2,536
Operations & Maintenance	**54,293**	71,572
Streets and Drainage	**6,399**	4,828
Insurance	**4,592**	2,633
Animal Control & Park	**87,077**	109,765
Library	**15,845**	21,294
Community Center	**46,612**	59,564
Capital Outlay	**62,552**	123,910
Total Public Facilities	**689,657**	793,725
Debt Service:		
Principal	**36,841**	30,367
Interest and Agent Fees	**2,088**	1,662
Total Debt Service	**38,929**	32,029
TOTAL EXPENDITURES	**2,692,645**	2,867,501
Excess (Deficiency) Over (Under) Expenditures	**683,100**	136,236
OTHER FINANCING SOURCES (USES)		
Proceeds from Capital Lease	**33,113**	34,163
Proceeds from Sale of Equipment	**38,378**	4,225
TOTAL OTHER FINANCING SOURCES (USES)	**71,491**	38,388
Net Change in Fund Balance	**754,591**	174,624
Fund Balance - October 1	**2,388,310**	2,213,686
Fund Balance - September 30	**$ 3,142,901**	$ 2,388,310

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE BALANCE SHEETS
DEBT SERVICE FUND
SEPTEMBER 30, 2020 AND 2019

	2020	2019
ASSETS		
Cash	$ 38,321	$ 27,856
Taxes Receivable	16,342	16,398
Other Receivable	-	3,598
TOTAL ASSETS	$ 54,663	$ 47,852
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & FUND BALANCES		
Liabilities:		
Due to Other Funds	$ -	$ -
Total Liabilities	-	-
Deferred Inflows of Resources:		
Unavailable Property Tax Revenues	16,624	16,354
Total Deferred Inflows of Resources	16,624	16,354
Fund Balance:		
Restricted	38,039	31,498
Total Fund Balance:	38,039	31,498
TOTAL LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 54,663	$ 47,852

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
DEBT SERVICE FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
REVENUES		
Ad Valorem Tax	**$ 728,865**	$ 731,026
Interest	**1,400**	951
TOTAL REVENUES	**730,265**	731,977
EXPENDITURES		
Bond Interest and Fiscal Charges	**214,924**	229,422
Bond Principal	**508,800**	490,300
TOTAL EXPENDITURES	**723,724**	719,722
Excess (Deficiency) of Revenues Over (Under) Expenditures	**6,541**	12,255
Net Change in Fund Balance	**6,541**	12,255
Fund Balance - October 1	**31,498**	19,243
Fund Balance - September 30	**$ 38,039**	$ 31,498

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE BALANCE SHEETS
CAPITAL PROJECTS FUND
SEPTEMBER 30, 2020 AND 2019

	2020	2019
ASSETS		
Cash and Investments	**$ 368,880**	$ 420,150
TOTAL ASSETS	**$ 368,880**	$ 420,150
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	**$ 139,323**	$ 187,400
Total Liabilities	**139,323**	187,400
Fund Balance:		
Assigned	**229,557**	232,750
Total Fund Balance	**229,557**	232,750
TOTAL LIABILITIES AND FUND BALANCE	**$ 368,880**	$ 420,150

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
CAPITAL PROJECTS FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
REVENUES		
Interest	**$ 2,260**	$ 8,017
TOTAL REVENUES	**2,260**	8,017
EXPENDITURES		
Capital Projects	**287**	154,491
TOTAL EXPENDITURES	**287**	154,491
Excess (Deficiency) of Revenues Over (Under) Expenditures	**1,973**	(146,474)
OTHER FINANCING SOURCES (USES)		
Transfers In (Out)	**(5,166)**	(50,714)
TOTAL OTHER FINANCING SOURCES SOURCES (USES)	**(5,166)**	(50,714)
Net Change in Fund Balance	**(3,193)**	(197,188)
Fund Balance - October 1	**232,750**	429,938
Fund Balance - September 30	**$ 229,557**	$ 232,750

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE BALANCE SHEETS
NONMAJOR FUNDS – ASSET SEIZURE
SEPTEMBER 30, 2020 AND 2019

	2020	2019
ASSETS		
Cash and Investments	**$ 236,599**	$ 236,149
TOTAL ASSETS	**$ 236,599**	$ 236,149
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	**$ -**	$ -
Total Liabilities	**-**	-
Fund Balance:		
Restricted	**236,599**	236,149
Total Fund Balance	**236,599**	236,149
TOTAL LIABILITIES AND FUND BALANCE	**$ 236,599**	$ 236,149

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
NONMAJOR FUNDS – ASSET SEIZURE
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
REVENUES		
Fines and Forfeits	**$ 37,584**	$ 25,623
Interest	**5,074**	10,018
TOTAL REVENUES	**42,658**	35,641
EXPENDITURES		
Capital Outlay	**42,208**	76,171
TOTAL EXPENDITURES	**42,208**	76,171
Net Change in Fund Balance	**450**	(40,530)
Fund Balance - October 1	**236,149**	276,679
Fund Balance - September 30	**$ 236,599**	$ 236,149

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF NET POSITION
WATER FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
ASSETS		
Current Assets:		
Cash and Cash Equivalents	**$ 2,248,963**	$ 1,743,712
Accounts Receivable - Customers	**214,754**	296,089
Prepaid Items	**289**	-
Due from Other Funds	**-**	4,490
Total Current Assets	**2,464,006**	2,044,291
Other Assets:		
Restricted Cash and Investments	**-**	146,310
Total Other Assets	**-**	146,310
Capital Assets:		
Land	**139,954**	139,954
Water Rights	**454,144**	454,144
Buildings	**94,183**	94,183
Water Lines, Wells & Tanks	**17,087,317**	13,455,274
Vehicles & Equipment	**866,319**	866,319
Construction in Progress	**-**	3,632,043
Accumulated Depreciation	**(5,995,537)**	(5,460,915)
Total Capital Assets, Net of Depreciation	**12,646,380**	13,181,002
TOTAL ASSETS	**15,110,386**	15,371,603
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Loss on Debt Refunding	**57,140**	62,335
Deferred Pension Related Outflows	**19,539**	43,600
Deferred Other Post-Employment Benefit Related Outflows	**2,456**	360
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**$ 79,135**	$ 106,295

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF NET POSITION (CONT.)
WATER FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

LIABILITIES	**2020**	2019
Current Liabilities:		
Accounts Payable	**$ 189,234**	$ 43,361
Accrued Liabilities	**14,267**	15,432
Accrued Interest	**18,867**	20,080
Due to Other Funds	**114,881**	-
Vacation Leave Payable	**24,362**	22,757
Customer Deposits	**200,947**	195,797
Due Within One Year	**492,270**	480,914
Noncurrent Liabilities:		
Due In More Than One Year	**6,385,499**	6,877,790
Net Pension Liability	**61,759**	101,652
Other Post-Employment Benefit Liability	**18,685**	16,119
TOTAL LIABILITIES	**7,520,771**	7,773,902
DEFERRED INFLOWS OF RESOURCES		
Deferred Pension Related Inflows	**20,901**	5,326
Deferred OPEB Related Inflows	**703**	727
TOTAL DEFERRED INFLOWS OF RESOURCES	**21,604**	6,053
NET POSITION		
Investment in Capital Assets	**5,825,751**	5,884,635
Restricted Water Impact Fees	**-**	146,310
Unrestricted	**1,821,395**	1,666,998
TOTAL NET POSITION	**$ 7,647,146**	$ 7,697,943

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CITY OF
GARDEN
RIDGE

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITON – WATER FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
OPERATING REVENUE		
Water Sales	**$ 1,752,249**	$ 1,545,442
Meter Installation Fees	**25,175**	45,275
Other	**88,005**	63,665
TOTAL OPERATING REVENUE	**1,865,429**	1,654,382
OPERATING EXPENSES		
Personnel Costs	**386,535**	416,681
Plant Operations and Maintenance	**371,796**	327,365
General and Administrative	**455,246**	180,966
Depreciation	**534,622**	449,502
TOTAL OPERATING EXPENSES	**1,748,199**	1,374,514
OPERATING INCOME (LOSS)	**117,230**	279,868
NONOPERATING INCOME (EXPENSES)		
Interest Income	**20,984**	30,676
Interest Expense	**(194,177)**	(180,707)
TOTAL NONOPERATING INCOME (EXPENSES)	**(173,193)**	(150,031)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	**(55,963)**	129,837
Transfers In (Out)	**5,166**	221,473
CHANGE IN NET POSITION	**(50,797)**	351,310
NET POSITION AT BEGINNING OF YEAR	**7,697,943**	7,346,633
TOTAL NET POSITION AT END OF YEAR	**$ 7,647,146**	$ 7,697,943

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF CASH FLOWS
WATER FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	**$ 1,946,764**	$ 1,528,822
Cash paid to suppliers for goods and services	**(682,623)**	(504,215)
Cash paid to employees for services and benefits	**(384,741)**	(402,102)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	**879,400**	622,505
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Net Customer Deposits Received (Returned)	**5,150**	4,467
Interfund Receivables/Payables and Transfers	**124,536**	221,458
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	**129,686**	225,925
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES		
Capital Acquisition	**-**	(137,450)
Principal Payments on Debt	**(480,934)**	(486,256)
Interest Paid for Financing Activities	**(190,195)**	(195,081)
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	**(671,129)**	(818,787)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Income and Other Income	**20,984**	30,676
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	**20,984**	30,676
NET INCREASE (DECREASE) IN CASH	**358,941**	60,319
CASH AND CASH EQUIVALENTS AT OCTOBER 1:		
Cash and Cash Equivalents	**1,743,712**	1,684,603
Restricted Cash and Cash Equivalents	**146,310**	145,100
	1,890,022	1,829,703
CASH AND CASH EQUIVALENTS AT SEPTEMBER 30:		
Cash and Cash Equivalents	**2,248,963**	1,743,712
Restricted Cash and Cash Equivalents	**-**	146,310
	$ 2,248,963	$ 1,890,022

CITY OF GARDEN RIDGE, TEXAS
COMPARATIVE STATEMENTS OF CASH FLOWS (CONT.)
WATER FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	**$ 117,230**	$ 279,868
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	**534,622**	449,502
Change in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	**81,335**	(125,560)
Decrease (Increase) in Prepaid Items	**(289)**	-
Increase (Decrease) in Accounts Payable & Accrued Liabilities	**144,708**	3,389
Increase (Decrease) in Vacation Payable	**1,605**	5,011
Increase (Decrease) in Pension Liabilites and related Deferred Inflows and Outflows of Resources	**(257)**	8,900
Increase (Decrease) in Other Post-Employment Benefit Liabilities and related Deferred Inflows and Outflows of Resources	**446**	1,395
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	**$ 879,400**	$ 622,505

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CITY OF
GARDEN
RIDGE

STATISTICAL SECTION

This part of the City of Garden Ridge's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends (Tables 1 through 4)
Net Position by Component
Change in Net Position
Fund Balances - Governmental Funds
Changes in Fund Balances - Governmental Funds

> *These schedules contain trend information to help reader understand how the City's financial performance and well-being have changed over time.*

Revenue Capacity (Tables 5 through 9)
Tax Revenues by Source - Governmental Funds
Direct and Overlapping Property Tax Rates
Principal Property Taxpayers
Property Tax Levies and Collections
Assessed Value

> *These schedules contain information to help readers assess the factors affecting the City's ability to generate its property and sales tax.*

Debt Capacity (Tables 10 through 11)
Ratios of Outstanding Debt by Type
Debt Margin Information

> *These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.*

Demographic and Economic Information (Tables 12 through 13)
Demographic and Economic Statistics
Principal Employers

> *These schedules offer demographic and economic indicators to help the reader understand how the City's financial activities take place and to help make comparisons over time and with other governments.*

CITY OF GARDEN RIDGE, TEXAS
NET POSITION, BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year			
	2011	2012	2013	2014
NET POSITION				
Governmental Activities				
Net Investment in Capital Assets	$ 3,320,483	$ 3,553,731	$ 3,461,062	$ 4,206,390
Restricted	350,485	236,676	158,793	140,910
Unrestricted	1,341,098	1,056,721	1,428,388	1,115,259
Total Governmental Activities Net Position	$ 5,012,066	$ 4,847,128	$ 5,048,243	$ 5,462,559
Business-Type Activities				
Net Investment in Capital Assets	$ 2,688,473	$ 2,981,297	$ 3,138,760	$ 2,879,943
Restricted	985,138	989,180	1,168,024	1,070,641
Unrestricted	2,572,195	2,768,462	3,158,627	3,125,132
Total Business-Type Activities Net Position	$ 6,245,806	$ 6,738,939	$ 7,465,411	$ 7,075,716
Primary Government				
Net Investment in Capital Assets	$ 6,008,956	$ 6,535,028	$ 6,599,822	$ 7,086,333
Restricted	1,166,436	1,195,922	1,326,817	1,211,551
Unrestricted	4,082,480	3,855,117	4,587,015	4,240,391
Total Primary Government Net Position	$ 11,257,872	$ 11,586,067	$ 12,513,654	$ 12,538,275

Note: Years 2011-2014 have not been restated for adoption of GASB No. 68. Years 2011 – 2017 have not been restated for adoption of GASB No. 75.

TABLE 1

Fiscal Year					
2015	2016	2017	2018	2019	2020
$ 4,134,312	$ 3,726,037	$ 3,568,188	$ 3,829,106	$ 4,245,536	$ 4,342,714
132,531	196,833	671,600	599,103	348,761	358,590
1,214,715	2,022,935	2,817,266	2,161,293	2,126,580	2,863,267
$ 5,481,558	$ 5,945,805	$ 7,057,054	$ 6,589,502	$ 6,720,877	$ 7,564,571
$ 2,802,056	$ 2,725,436	$ 4,693,957	$ 5,715,624	$ 5,884,635	$ 5,825,751
326,619	468,485	152,710	145,100	146,310	-
3,738,506	3,582,880	1,239,193	1,485,909	1,666,998	1,821,395
$ 6,867,181	$ 6,776,801	$ 6,085,860	$ 7,346,633	$ 7,697,943	$ 7,647,146
$ 6,936,368	$ 6,451,473	$ 8,262,145	$ 9,544,730	$ 10,130,171	$ 10,168,465
459,150	665,318	824,310	744,203	495,071	358,590
4,953,221	5,605,815	4,056,459	3,647,202	3,793,578	4,684,662
$ 12,348,739	$ 12,722,606	$ 13,142,914	$ 13,936,135	$ 14,418,820	$ 15,211,717

CITY OF GARDEN RIDGE, TEXAS
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year			
	2011	2012	2013	2014
Expenses				
Governmental Activities				
General Administration	$ 675,369	$ 687,622	$ 661,157	$ 706,719
Police Protection	1,054,547	1,059,925	1,040,620	1,098,517
Municipal Court	53,539	59,681	64,158	68,488
Public Facilities	475,642	490,398	514,462	582,289
Interest and Fiscal Charges	128,637	121,890	471,942	134,765
Total Governmental Activities Expense	2,387,734	2,419,516	2,752,339	2,590,778
Business-Type Activities				
Water	982,475	1,078,976	1,160,691	1,355,804
Total Primary Government Expenses	$ 3,370,209	$ 3,498,492	$ 3,913,030	$ 3,946,582
Program Revenues				
Governmental Activities				
Charges for Service:				
General Administration	$ 244,878	$ 288,138	$ 235,281	$ 248,025
Police Protection/Municipal Court	146,622	170,495	198,850	125,042
Public Facilities	67,168	85,389	104,350	103,310
Operating Grants and Contributions	27,754	49,237	60,249	27,806
Capital Grants and Contributions	-	-	-	-
Total Governmental Activities Program Revenues	486,422	593,259	598,730	504,183
Business-Type Activities				
Charges for Service:				
Water	1,418,583	1,167,466	1,687,250	1,090,452
Capital Grants and Contributions	-	-	-	306,000
Total Business-Type Activities Program Revenues	1,418,583	1,167,466	1,687,250	1,396,452
Total Primary Government Program Revenues	$ 1,905,005	$ 1,760,725	$ 2,285,980	$ 1,900,635

Note: Years 2011-2014 have not been restated for adoption of GASB No. 68. Years 2011 – 2017 have not been restated for adoption of GASB No. 75.

TABLE 2

Fiscal Year					
2015	2016	2017	2018	2019	2020
$ 752,203	$ 675,567	$ 769,406	$ 753,492	$ 713,625	$ 786,100
1,151,588	1,105,268	1,283,354	1,274,116	1,312,733	1,250,096
69,997	76,819	74,313	78,147	82,616	91,198
621,000	750,765	864,668	911,704	1,134,958	1,023,324
316,428	454,501	227,646	215,593	188,958	191,911
2,911,216	3,062,920	3,219,387	3,233,052	3,432,890	3,342,629
1,393,909	1,416,782	1,697,947	1,729,799	1,555,221	1,942,376
$ 4,305,125	$ 4,479,702	$ 4,917,334	$ 4,962,851	$ 4,988,111	$ 5,285,005
$ 220,335	$ 201,198	$ 236,988	$ 257,121	$ 281,163	$ 316,143
135,457	142,357	141,920	138,382	124,524	112,320
119,821	121,508	117,880	123,010	132,528	96,295
17,476	80,461	271,538	244,125	48,798	277,810
-	-	-	50,000	-	-
493,089	545,524	768,326	812,638	587,013	802,568
1,180,196	1,512,787	1,546,906	1,888,364	1,653,594	1,863,673
-	-	-	-	-	-
1,180,196	1,512,787	1,546,906	1,888,364	1,653,594	1,863,673
$ 1,673,285	$ 2,058,311	$ 2,315,232	$ 2,701,002	$ 2,240,607	$ 2,666,241

CITY OF GARDEN RIDGE, TEXAS
CHANGE IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS

	Fiscal Year			
	2011	2012	2013	2014
Net (Expenses) Revenue				
Governmental Activities	$ (1,826,257)	$ (2,153,609)	$ (2,086,595)	$ (2,418,127)
Business-Type Activities	88,490	526,559	40,648	(213,713)
Total Primary Government				
Net Expenses	$ (1,737,767)	$ (1,627,050)	$ (2,045,947)	$ (2,631,840)
Governmental Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes	$ 1,469,966	$ 1,494,460	$ 1,590,461	$ 1,624,027
Franchise Fees	319,006	325,347	325,817	399,499
Sales Taxes	162,379	161,559	225,031	185,567
Interest and Investment Earnings	12,238	5,555	38,352	10,744
Impact Fees	-	-	20,520	-
Miscellaneous	12,151	62,157	340,935	42,411
Transfers	-	(387,759)	9,621	801,356
Total Governmental Activities	1,975,740	1,661,319	2,550,737	3,063,604
Business-Type Activities				
Interest and Investment Earnings	19,260	16,884	13,521	6,759
Miscellaneous	-	-	-	250
Transfers	-	387,759	(9,621)	(801,356)
Total Business-Type Activities	19,260	404,643	3,900	(794,347)
Total Primary Government	$ 1,995,000	$ 2,065,962	$ 2,554,637	$ 2,269,257
Changes In Net Position				
Government Activities	$ 149,483	$ (492,290)	$ 464,142	$ 645,477
Business-Type Activities	107,750	931,202	44,548	(1,008,060)
Total Primary Government	$ 257,233	$ 438,912	$ 508,690	$ (362,583)

TABLE 2 (CONT.)

Fiscal Year					
2015	2016	2017	2018	2019	2020
$ (2,418,127)	$ (2,517,396)	$ (2,451,061)	$ (2,420,414)	$ (2,845,877)	$ (2,540,061)
40,648	96,005	(151,041)	158,565	98,373	(78,703)
$ (2,377,479)	$ (2,421,391)	$ (2,602,102)	$ (2,261,849)	$ (2,747,504)	$ (2,618,764)
$ 1,690,029	$ 1,969,253	$ 2,167,248	$ 2,227,239	$ 2,289,083	$ 2,417,465
474,813	484,549	489,752	501,558	499,872	497,241
240,237	235,009	244,991	250,201	269,978	355,616
6,244	14,919	37,819	48,514	65,644	35,838
-	16,929	-	-	-	-
25,803	62,189	68,246	78,493	74,148	82,761
-	198,795	554,254	(1,101,263)	(221,473)	(5,166)
2,437,126	2,981,643	3,562,310	2,004,742	2,977,252	3,383,755
4,870	5,932	13,461	14,505	30,676	20,984
308	6,478	893	-	788	1,756
-	(198,795)	(554,254)	1,101,263	221,473	5,166
5,178	(186,385)	(539,900)	1,115,768	252,937	27,906
$ 2,442,304	$ 2,795,258	$ 3,022,410	$ 3,120,510	$ 3,230,189	$ 3,411,661
$ 18,999	$ 464,247	$ 1,111,249	$ (415,672)	$ (415,672)	$ 843,694
(208,535)	(90,380)	(690,941)	1,274,333	1,274,333	(50,797)
$ (189,536)	$ 373,867	$ 420,308	$ 858,661	$ 858,661	$ 792,897

CITY OF GARDEN RIDGE, TEXAS
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year			
	2011	2012	2013	2014
Nonspendable Fund Balance:				
Prepaid Items	$ 1,513	$ 2,253	$ 2,706	$ 686
Restricted Fund Balance:				
Public Safety	-	-	9,041	14,935
Donations	8,613	9,107	10,410	10,785
PEG Capital Fees	-	24,809	35,653	46,387
Debt Service	203,761	297,988	136,866	52,491
Asset Forfeiture	83,209	18,581	44,706	75,333
Capital Projects Fund	-	-	-	3,051,863
Total Restricted Fund Balance	295,583	350,485	236,676	3,251,794
Assigned Fund Balance				
Capital Projects Fund	152,377	153,187	-	-
Unassigned	1,169,406	1,123,997	829,680	1,305,811
Total Governmental Funds	$ 1,618,879	$ 1,629,922	$ 1,069,062	$ 4,558,291

TABLE 3

Fiscal Year					
2015	2016	2017	2018	2019	2020
$ 312	$ 2,368	$ 4,807	$ 3,946	$ 4,984	$ 4,782
20,249	27,755	30,606	34,020	45,329	34,724
13,561	15,517	17,596	-	6,288	7,042
56,945	71,782	85,161	97,704	33,106	43,856
57,212	12,402	3,285	447,767	31,498	38,039
37,074	5,791	63,470	111,330	236,149	236,599
1,806,774	3,838,367	3,676,851	1,270,857	232,750	
1,991,815	3,971,614	3,876,969	1,961,678	585,120	360,260
-	-	-	-	-	229,557
1,255,867	1,443,699	1,691,145	1,738,413	2,298,603	3,052,497
$ 3,247,994	$ 5,417,681	$ 5,572,921	$ 3,704,037	$ 2,888,707	$ 3,647,096

CITY OF GARDEN RIDGE, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year			
	2011	2012	2013	2014
REVENUES				
Taxes	$ 1,634,958	$ 1,651,819	$ 1,818,985	$ 1,809,097
Franchise Fees	319,006	325,346	325,817	399,499
Licenses and Permits	182,447	210,250	153,738	172,677
Charges for Services	129,200	162,957	186,084	179,648
Fines and Forfeits	164,564	215,110	252,544	148,320
Grants and Donations	-	-	-	-
Other Revenue	34,102	110,485	406,171	56,690
TOTAL REVENUES	2,464,277	2,675,967	3,143,339	2,765,931
EXPENDITURES				
General Government	564,328	585,350	541,259	566,245
Municipal Court	56,176	59,359	64,272	68,710
Police Protection	970,310	1,006,232	985,112	1,034,779
Public Facilities	274,546	294,287	316,290	430,409
Capital Outlay	130,959	586,100	631,274	1,778,233
Debt Service:				
Principal	325,000	223,045	349,596	352,793
Debt Issue Costs	-	-	185,346	-
Interest and Fiscal Charges	132,415	122,593	177,237	229,619
TOTAL EXPENDITURES	2,453,734	2,876,966	3,250,386	4,460,788
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,543	(200,999)	(107,047)	(1,694,857)
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	-	5,270,962	-
Capital Lease Proceeds	-	22,898	29,905	-
Other Sources	500	5,000	-	-
Premium on Bonds	-	-	247,620	-
Payments to Escrow Agent	-	-	(1,961,832)	-
Transfers In (Out)	-	(387,759)	9,621	(801,356)
TOTAL OTHER FINANCING SOURCES (USES)	500	(359,861)	3,596,276	(801,356)
NET CHANGE IN FUND BALANCE	$ 11,043	$ (560,860)	$ 3,489,229	$(2,496,213)
Debt Service as a percentage of Noncapital Expenditures	19.7%	24.6%	25.8%	31.1%

TABLE 4

		Fiscal Year			
2015	2016	2017	2018	2019	2020
$ 1,908,884	$ 2,187,962	$ 2,403,830	$ 2,476,755	$ 2,558,336	$ 2,769,753
474,813	484,549	489,752	501,558	499,872	497,241
141,784	122,422	146,768	159,213	173,222	206,063
198,102	200,120	207,890	220,357	237,309	204,040
146,164	210,854	354,230	364,614	150,147	149,885
-	-	-	-	-	236,244
39,127	102,565	134,120	188,697	161,154	87,703
2,908,874	3,308,472	3,736,590	3,911,194	3,780,040	4,150,929
582,105	595,850	656,688	613,353	584,278	629,775
69,045	74,678	73,480	77,276	78,749	82,861
1,066,476	1,031,584	1,096,224	1,155,636	1,170,098	1,148,537
388,500	448,299	542,499	562,440	669,815	627,105
1,885,468	320,744	3,054,176	258,391	558,431	207,934
367,255	441,627	541,489	555,807	525,430	545,641
124,317	-	-	-	-	-
220,407	498,153	254,348	241,321	231,084	217,012
4,703,573	3,410,935	6,218,904	3,464,224	3,817,885	3,458,865
(1,794,699)	(102,463)	(2,482,314)	446,970	(37,845)	692,064
3,639,500	-	-	-	-	-
26,195	55,308	27,794	54,893	34,163	33,113
4,000	3,600	31,382	5,000	4,225	38,378
294,691	-	-	-	-	-
-	-	-	-	-	-
-	198,795	554,254	(1,101,263)	(221,473)	(5,166)
3,964,386	257,703	613,430	(1,041,370)	(183,085)	66,325
$ 2,169,687	$ 155,240	$ (1,868,884)	$ (594,400)	$ (220,930)	$ 758,389
19.7%	30.4%	25.1%	24.9%	24.9%	23.5%

CITY OF GARDEN RIDGE, TEXAS
TAX REVENUE BY SOURCE – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

TABLE 5

Fiscal Year	Property	Sales & Use	Franchise	Total Revenue
2020	$ 2,414,137	$ 355,616	$ 497,241	$ 3,266,994
2019	2,288,358	269,978	499,872	3,058,208
2018	2,226,554	250,201	501,558	2,978,313
2017	2,158,839	244,991	489,752	2,893,582
2016	1,952,953	235,009	484,549	2,672,511
2015	1,668,647	240,237	474,813	2,383,697
2014	1,623,529	185,568	399,499	2,208,596
2013	1,593,954	225,031	325,817	2,144,802
2012	1,490,260	161,559	325,346	1,977,165
2011	1,472,579	162,254	319,006	1,953,839

CITY OF GARDEN RIDGE, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 6

	City Direct Rates			Overlapping Rates			
Fiscal Year	Basic Rate	Debt Service	Total	Comal County	Comal ISD	Emergency Service District 6	Total Direct and Overlapping Rates
2020	0.225158	0.095948	0.321106	0.376262	1.275700	0.089385	2.062453
2019	0.222114	0.101032	0.323146	0.357921	1.320000	0.072826	2.073893
2018	0.211012	0.112134	0.323146	0.357921	1.390000	0.069670	2.140737
2017	0.203241	0.115064	0.318305	0.342921	1.390000	0.072500	2.123726
2016	0.191800	0.108400	0.300200	0.342921	1.390000	0.086000	2.119121
2015	0.189900	0.085800	0.275700	0.342921	1.390000	0.071900	2.080521
2014	0.185746	0.097500	0.283246	0.314321	1.430000	0.072500	2.100067
2013	0.182658	0.100588	0.283246	0.314321	1.430000	0.072500	2.100067
2012	0.171176	0.097620	0.268796	0.305421	1.430000	0.072500	2.076717
2011	0.164696	0.098276	0.262972	0.334000	1.430000	0.072500	2.099472

Source: Comal County Tax Office

CITY OF GARDEN RIDGE, TEXAS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT AND NINE YEARS AGO
(UNAUDITED)

TABLE 7

	2020			2011		
Taxpayer	Taxable Assessed Value	Rank	Percent Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent Total City Taxable Assessed Value
Hanson Aggregates	$ 39,768,030	1	5.30%	$ 25,585,381	1	406.00%
Hanson Aggregates	17,070,640	2	2.27%			
Cara Graceland LLC	4,600,000	3	0.61%	-		-
Overman Tony M	4,437,340	4	0.59%	-		-
Meridian Brick	3,938,890	5	0.52%	-		-
Voeller James N & Amy B	3,585,970	6	0.48%	-		-
Dansby Richard F & Carolyn G	2,024,320	7	0.27%	-		-
Dubois-TXRE LLC	2,466,800	8	0.33%			
Hanson Brick (Land & Building)	2,088,910	9	0.28%	6,296,234	2	1.13%
Maverick of Texas Construction Inc.	1,930,080	10	0.26%	-		-
Dean Word Company	-		-	3,882,763	3	0.70%
Overman Properties V LLC	-		-	3,060,510	4	0.55%
Overman Properties III LLC	-		-	2,763,700	5	0.50%
Overman Properties IV LLC	-		-	1,216,930	6	0.22%
C F & M Properties	-		-	1,000,000	7	0.18%
Jey Investments LTD.	-		-	927,440	8	0.17%
PCH Partnership	-		-	867,930	9	0.16%
Federal Home Loan Mortgage	-		-	857,070	10	0.14%
TOTALS	$ 81,910,980		10.91%	$ 46,457,958		409.75%
TOTAL TAXABLE ASSESSED VALUE	$ 750,704,193			$ 555,696,041		

CITY OF GARDEN RIDGE, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 8

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within Fiscal Year of Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	% of Levy		Amount	% of Levy
2020	$ 2,414,827	$ 2,402,336	99.48%	$ -	$ 2,402,336	99.48%
2019	2,273,147	2,252,049	99.07%	2,446	2,254,495	99.18%
2018	2,241,632	2,213,070	98.73%	(1,512)	2,211,558	98.66%
2017	2,160,451	2,119,815	98.12%	11,911	2,131,726	98.67%
2016	1,987,068	1,948,438	98.06%	13,124	1,961,562	98.72%
2015	1,686,772	1,667,834	98.88%	8,520	1,676,354	99.38%
2014	1,598,333	1,621,485	101.45%	54,868	1,676,353	104.88%
2013	1,487,469	1,580,018	106.22%	8,561	1,588,579	106.80%
2012	1,461,632	1,477,179	101.06%	7,122	1,484,301	101.55%
2011	1,429,705	1,449,561	101.39%	5,986	1,455,547	101.81%

Source: Comal County Tax Office

CITY OF GARDEN RIDGE, TEXAS
ASSESSED VALUE
LAST TEN FISCAL YEARS

TABLE 9

Fiscal Year Ended September 30,	Residential Property	Commercial Property	Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2020	$ 696,898,377	$ 184,706,731	$ 130,900,915	$ 750,704,193	0.3231460
2019	632,117,362	175,799,288	106,394,158	701,522,492	0.3231460
2018	620,463,690	163,437,483	94,381,932	689,519,241	0.3231460
2017	592,677,878	169,660,937	85,926,656	676,412,159	0.3183050
2016	569,151,802	165,175,132	75,072,976	659,253,958	0.3002000
2015	535,825,084	143,635,227	65,477,311	613,983,000	0.2757000
2014	486,137,203	143,634,533	56,699,435	573,072,301	0.2832460
2013	470,101,195	143,057,486	52,875,332	560,283,349	0.2832460
2012	461,924,568	134,420,900	43,818,410	552,527,058	0.2687960
2011	436,188,800	158,569,330	39,062,089	555,696,041	0.2629720

Source: Comal County Appraisal District.

CITY OF GARDEN RIDGE, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 10

	Governmental Activities						
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Tax Notes	Capital Lease	Total Governmental	Percentage of Actual Taxable Value of Property	Per Capita
2020	$ -	$ 6,243,300	$ -	$ 49,391	$ 6,292,691	0.84%	$ 1,565
2019	-	6,752,100	-	53,118	6,805,218	0.97%	1,692
2018	-	7,668,045	-	54,085	7,722,130	1.12%	1,954
2017	-	8,219,551	-	36,399	8,255,950	1.20%	2,090
2016	-	8,759,368	-	44,390	8,803,758	1.30%	2,225
2015	-	9,208,443	-	16,908	9,225,351	1.40%	2,396
2014	-	5,331,500	-	9,969	5,341,469	0.87%	1,427
2013	-	5,827,343	-	27,562	5,854,905	1.02%	1,597
2012	-	2,450,472	-	14,853	2,465,325	0.44%	699
2011	-	2,904,399	-	-	2,904,399	0.53%	857

CITY OF GARDEN RIDGE, TEXAS
DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 11

Taxable Assessed Value		$750,704,193
Debt Limit - Texas statues do not provide a legal debt limit for cities; however, through accepted practice a practical "economic" debt limit is considered to be 10% of the assessed value.		$ 75,070,419
Amount of Applicable Debt:		
General Obligation Debt Outstanding	$ 6,292,691	
Less Funds Available in Debt Service Fund	(38,039)	6,254,652
DEBT MARGIN		$ 68,815,767

	Fiscal Year				
	2016	2017	2018	2019	2020
Taxable Assessed Value	$659,253,958	$676,412,159	$689,519,241	$701,522,492	$750,704,193
Debt Limit	$ 65,925,396	$ 67,641,216	$ 68,951,924	$ 70,152,249	$ 75,070,419
Total Net Debt Applicable to Limit	(8,307,805)	(7,808,183)	(7,532,796)	(6,773,720)	(6,254,652)
Total Debt Margin	$ 57,617,591	$ 59,833,033	$ 61,419,128	$ 63,378,529	$ 68,815,767

	Fiscal Year				
	2011	2012	2013	2014	2015
Taxable Assessed Value	$555,696,041	$552,527,058	$560,283,349	$573,072,301	$613,983,000
Debt Limit	$ 55,569,604	$ 55,252,706	$ 56,028,335	$ 56,028,335	$ 61,398,300
Total Net Debt Applicable to Limit	(6,662,553)	(6,293,134)	(11,857,509)	(11,292,788)	(8,685,006)
Total Debt Margin	$ 48,907,051	$ 48,959,572	$ 44,170,826	$ 44,735,547	$ 52,713,294

CITY OF GARDEN RIDGE, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 12

Year	Population	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2020	4,022	$ 63,191	51.4	840	7.8%
2019	4,022	63,191	51.5	846	3.3%
2018	3,951	63,191	51.5	810	3.8%
2017	3,957	53,333	51.1	738	3.6%
2016	3,850	56,342	51.5	675	4.1%
2015	3,744	60,665	50.8	625	3.7%
2014	3,667	57,339	50.6	606	4.6%
2013	3,526	62,010	50.6	536	5.9%
2012	3,389	59,234	50.6	512	6.0%
2011	3,259	57,505	48.1	440	6.8%

Source: U.S. Census Bureau and Texas Workforce Commission

CITY OF GARDEN RIDGE, TEXAS
TOP TEN PRINCIPAL EMPLOYERS
SAN ANTONIO METROPOLITAN AREA
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

TABLE 13

	2020			2009		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Joint Base San Antonio	80,000	1	7.36%			
H-E-B Food Stores	20,000	2	1.84%	14,588	4	1.54%
USAA	18,300	3	1.68%	14,832	3	1.57%
Randolph Air Force Base	11,000	5	1.01%	11,068	6	1.13%
Methodist Healthcare System	9,600	6	0.88%	7,500	10	0.74%
City of San Antonio	9,145	7	0.84%	9,145	8	0.95%
Harland Clarke	5,000	8	0.46%			
Wells Fargo	5,073	9	0.47%			
Rackspace	2,000	10	0.18%			
Lackland Air Force Base	-			37,097	1	2.97%
Fort Sam Houston	-			32,000	2	3.25%
NorthSide ISD	-		-	13,300	5	1.08%
NorthEast ISD	-		-	10,522	7	1.08%
San Antonio ISD	-		-	7,581	9	0.80%
UT Health Science Center	-		-	5,985	10	0.63%
	80,118		7.38%	163,618		15.74%

The City of Garden Ridge is surrounded by the City of San Antonio and no data is available for the employers in Garden Ridge. The above data is for San Antonio.

Source: San Antonio Economic Development Foundation

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CITY OF
GARDEN
RIDGE

Armstrong, Vaughan & Associates, P.C.
Certified Public Accountants

City of Garden Ridge Annual Financial Report

Year Ended September 30, 2020

What is in the Annual Financial Report

- Introduction
- Independent Auditor's Report
- Management Discussion & Analysis
- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information
- Supplemental Comparative Financial Statements
- Statistical Section

Independent Auditor's Report

- Audit Standards to follow
  - Generally Accepted Auditing Standards
  - Government Auditing Standards
- Purpose
  - To form an independent opinion on whether the financial statements are presented in accordance with Generally Accepted Accounting Principles (GAAP).
- Independent opinion on the financial statements
  - Audit in "unmodified"
    - This is the best opinion that can be given for an independent audit. It means we have no modifying statements in our opinion letter.

Management Discussion & Analysis

- Financial Highlights
- Overview of the Financial Statements
- Government-wide Financial Analysis
- Financial Analysis of the City’s Funds
- Budgetary Highlights
- Capital Assets and Debt
- Requests for Information

Financial Highlights

- Government-Wide Financial Statement
  - Governmental Activities
    - Assets of the City exceeded its liabilities by $7.6 million at September 30, 2020.
    - Net position increased by $844 thousand primarily due to the effects of your Pension Liability.
  - Business Type Activities
    - Assets of the Water Fund exceeded its liabilities by $7.6 million at September 30, 2020.
    - Unrestricted Net Position decreased by 51 thousand at September 30, 2020 as a result of the reduction of the Pension Liability.

Financial Highlights (Continued)

NET POSITION			
Net Investment in Capital Assets	4,342,714	5,825,751	10,168,465
Restricted for:			
Child Safety	30,043	-	30,043
Court Security/Technology	4,681	-	4,681
Debt Service	36,369	-	36,369
Donations	7,042	-	7,042
Public, Educational, & Governmental (PEG) Capital Fees	43,856	-	43,856
Police Asset Forfeiture	236,599	-	236,599
Unrestricted	2,863,267	1,821,395	4,684,662
TOTAL NET POSITION	$ 7,564,571	$ 7,647,146	$ 15,211,717

Financial Highlights (Continued)

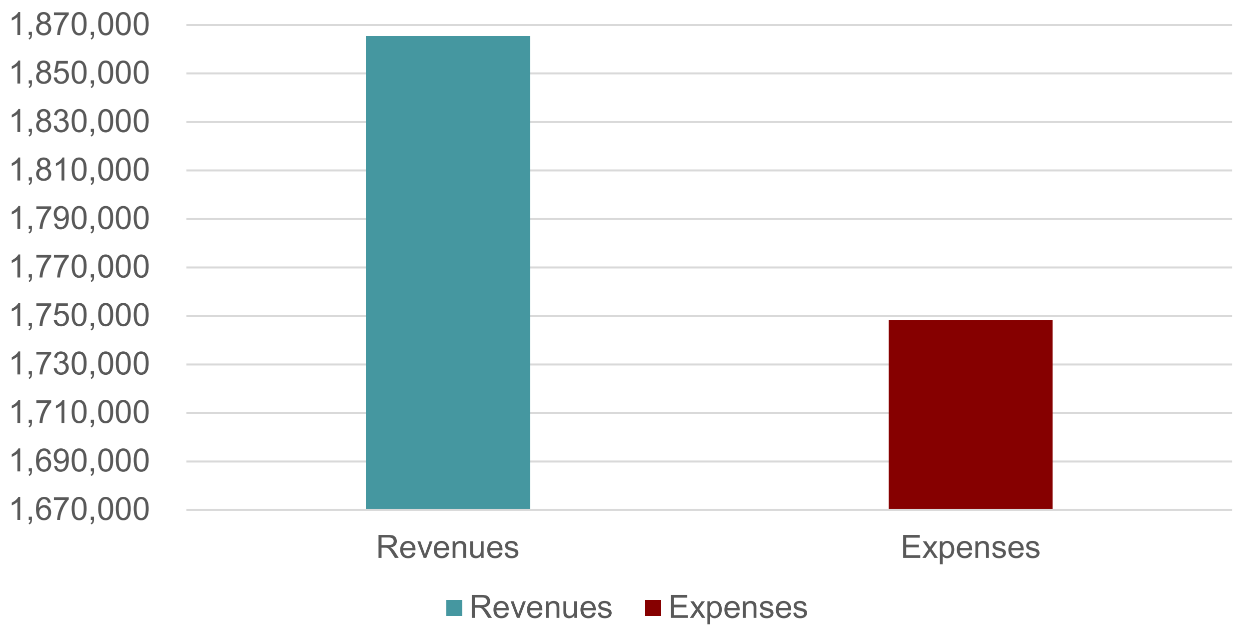
- Fund Financial Statements
  - The General Fund's fund balance at the end of the 2020 fiscal year was $3.1 million and the combined fund balance for all funds was $2.9.
    - Unassigned Fund Balance for the General Fund was $3.1 million or over 1 year of operating expenditures.
  - Fund balance for the general fund increased $755 thousand. The increase is the result of lower than expected expenses; $110 thousand of the general administration and $74 thousand in public facilities. Additionally, a CARES Act grant was received.
  - The combined fund balance increased by $758 thousand due to the changes in the General Fund Balance.

Financial Highlights (Continued)

Fund Balances:					
Non-Spendable:					
Prepaid Items	4,782	-	-	-	4,782
Restricted for:					
Child Safety	30,043	-	-	-	30,043
Court Security	4,681	-	-	-	4,681
Debt Service	-	38,039	-	-	38,039
Donations	7,042	-	-	-	7,042
PEG Capital Fees	43,856	-	-	-	43,856
Police Asset Forfeiture	-	-	-	236,599	236,599
Assigned for:					
Capital Projects	-	-	229,557	-	229,557
Unassigned:	3,052,497	-	-	-	3,052,497
Total Fund Balances	3,142,901	38,039	229,557	236,599	3,647,096
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & FUND BALANCES	$ 3,411,834	$ 54,663	$ 368,880	$ 236,599	$ 4,071,976

Financial Highlights (Continued)

- Business-Type Activities net position decreased by $51 thousand.



TMRS

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2018	$ 3,103,240	$ 2,585,412	$ 517,828
Changes for the year:			
Service Cost	183,285	-	183,285
Interest	213,010	-	213,010
Change of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	2,430	-	2,430
Changes of Assumptions	20,376	-	20,376
Contributions - Employer	-	130,010	(130,010)
Contributions - Employee	-	83,768	(83,768)
Net Investment Income	-	400,432	(400,432)
Benefit Payments, Including Refunds of Employee Contributions	(78,367)	(78,367)	-
Administrative Expense	-	(2,259)	2,259
Other Changes	-	(68)	68
Net Changes	340,734	533,516	(192,782)
Balance at December 31, 2019	$ 3,443,974	$ 3,118,928	$ 325,046

Letters on Conduct of Audit

- Accounting Policies – GASB 88
- Accounting Estimates
- Difficulties
- Misstatements
- Disagreements
- Management Representations
- Consultations with other Independent Accountants
- Compliance with the Public Funds Investment Act

Armstrong, Vaughan & Associates, P.C.
Certified Public Accountants

QUESTIONS?

CONTACT INFORMATION

Deborah F. Fraser, CPA

fraser@avacpa.com

(210) 658-6229

Garden Ridge Community and Event Center
Monthly Report
December 1st thru December 31st 2020

Utilization (by Days)

FY 20-21 (Current Month)	FY 19-20 (Current Month)	FY 20-21 (Year to Date)	FY 19-20 (Year to Date)
12	21	51	176

Wildflower (Booked Current Month)	**Bluebonnet** (Booked Current Month)
9	3

Category Count (by Events)	(Current Month)	(Year to Date)
1. Resident / Non-Resident	0	0
2. City Chartered Non-Profit Organizations	1	3
3. Non-Residents Service Organizations	3	10
4. Non-Profit Associations	1	5
5. City Use	7	33

CITY OF GARDEN RIDGE BUILDING REPORT

December-20

Major Permits

Permit #	Address	Builder	Sq. Ft.	Value $	Permit Fees
		Total	0	$ -	$ -

Minor Permits

Permit #	Address	Builder	Project	Permit Fees
1947 -20	22115 Las Cimas Dr.	Superior Fence of S A	Fence	$ 125.00
1948 -20	8234 Shining Elk	Doug Meiske	Fence	$ 125.00
1307 -20	20010 Buckhead Lane	Quarter Moon Plumbing	Minor HVAC	$ 100.00
1949 -20	9320 Berean Way	Moeller Home Repair	Outbuilding	$ 100.00
1315 -20	21241 Gunther Grove	North East A/C	Minor HVAC	$ 100.00
1950 -20	9015 Cinnabar Court	Goebel Pools	Pool, Deck	$ 619.08
1951 -20	9139 Blazing Star Tr.	Harold Fieseler	Outbuilding	$ 100.00
1952 -20	9335 Sumac Lane	Tx Pools & Patio	Pool, Deck, Firepit	$ 639.16
1953 -20	20785 Wahl Lane	Independent Plumbing	Minor Plumbing	$ 100.00
1317 -20	21419 Water Wood Dr.	Caliente A/C	Minor HVAC	$ 100.00
1954 -20	19458 Arrowood Pl.	Luis Galvan	Outbuilding	$ 100.00
1316 -20	20016 Hickory Bend	Aramendia Plumbing	Water Heater	$ -
1955 -20	21221 Gunther Grove	JD Hunt Construction	Patio, 2 Abrors	$ 1,081.00
1319 -20	9615 Azalea Circle	Beyer A/C and Heating	Minor HVAC	$ 100.00
1321 -20	8810 Timmerman Cove	Aramendia Plumbing	Water Heater	$ -
1956 -20	9668 Kurre Way	TriSmartsolar	Minor Electric	$ 125.00
1322 -20	9350 Sumac Cove	Jon Wayne A/C	Minor HVAC	$ 100.00
1326 -20	20637 Wahl Lane	Air Clinic of SA	Minor HVAC	$ 100.00
1957 -20	8815 Cherokee Path	Brad Voeller	Fence	$ 125.00
1958 -20	8215 Shining Elk	James Miller	Outbuilding	$ 200.00
1959 -20	19870 Bat Cave Rd.	ION Debelopment LLC	Minor Electric	$ 125.00
1329 -20	20507 Cedar Cavern	Airtegrity Comfort Soultions	Minor Electric	$ 125.00
1331 -20	9347 Teakwood Lane	1st Call Plumbing	Water Heater	$ -
1960 -20	8524 Verano Dr.	Steven Kiernan	Driveway	$ 125.00
1332 -20	20745 Wahl Lane	Legacy Services	Minor HVAC	$ 100.00
1961 -20	8206 Garden Arbor	Kieth Zars Pools	Pool, Deck	$ 594.20
1334 -20	22124 Paseo Corto Dr.	Infinity Plumbing	Water Heater	$ -
1962 -20	8211 Garden Arbor	Laden Pools Inc.	Driveway	$ 125.00
1963 -20	20725 Wahl Lane	J-Quas Electric	Minor Electric	$ 125.00
1964 -20	10031 Trophy Oaks	Advanced Solar	Minor Electric	$ 125.00
1965 -20	8303 Wild Wind Park	Cody Pools	Pool, Spa, Deck	$ 978.68
			TOTAL	$ 6,462.12

	$ -
Total Major Fees for the month	$ -
Total Minor Fees for the month	$ 6,462.12
TOTAL	$ 6,462.12

Fiscal Year 2021

Total major projects value	$ -
Total major projects sq. ft.	0
Total major permit fees	$ -
Total minor permit fees	$ 17,760.59
Total permit fees	$ 17,760.59

Council Ideas/Suggestions List by Category
Updated: December 31, 2020

Ongoing Items	Status	Completed / Council Approval
Electronic Water Billing (Mayor Thompson)	Software upgrade on May 19 Include in FY 2017 Budget Begin implementation. FY 2017. Full implementation TBD. Online water bill payments active September 14, 2016. Online Court payments active October 2016 Electronic utility billing being researched for implementation during 2018 Fiscal Year Software purchase with Incode placed in the proposed FY2018 Budget. Utility billing staff will begin work towards. Software will be installed first week in September. Training in late October. Implementation in November. E-Bill information and sign up form being sent with water bills to be received in October 2019. 130 water customer have signed up for electronic billing. Electronic billing will be tested on 4 customers during this billing period. 220 customers have signed up for electronic water billing. Testing of electronic billing for 4 select customers is ongoing. 265 customers have signed up for electronic water billing and will begin receiving water bills electronically on January 1, 2020. Staff encountered some program issues with the electronic billing for bills in January but have worked to resolve them. Over 250 electronic water bills have been sent out to customers for delivery by February 1, 2020. 262 water customers received water bills electronically on February 28, 2020. City staff continues to promote electronic water billing. There has not been an increase in the number of water customers signing up for electronic bills. Since COVID-19 has come to the forefront there has been an increase in the number of water customers signing up for auto-draft. The City continues to promote electronic bilings and auto-draft. Water billing late fees and cut-offs have been waived through April 30, 2020. Efforts continue to promote the use of electronic water billing as well as the use of auto-draft for utility payments. There are 282 water customers signed up for electronic water billing and 660 for Auto-Draft. We have experienced some software issues that resulted in last months e-bills haveing to be mailed to customers as well as some delay in sending out this month's e-bills. City staff continues working with our software provider to resolve the issues. Software issues have been resolved and e-bills were sent out timely.	Software upgrade completed for online utility and court payments
Videos for Website (Mayor Thompson)	Maybe prepared by GRES or students to increase civic involvement. *Volunteer Garden Ridge!* Coordinator Shelby Trial has been filming videos that have been placed on City Website and NextDoor. City Secretary Goodwin is working on a YouTube channel for the City. The City's YouTube channel is up and videos have been posted to it. New videos have been added to the website. Mayor Thompson recorded and posted a video on March 25, 2020 to update residents on the City's response and actions concerning COVID-19. Staff continues to update the City's website with current COVID-19 information.	

Video Stream Meetings (Mayor Thompson)	Discuss with legal. Sound system in Council room can be planned for future streaming capabilities. Requires additional technology upgrades and equipment. Budget impact. Video streaming of Council meetings will be studied during the fiscal year. Mayor and City Staff researching process and equipment for video streaming Council and Commission meetings. Audio and video equipment in the City Council Chambers is being evaluated for video streaming capabilities and sound improvement. City is awaiting proposals for audio and video upgrades for Council room and large conference room from 3 vendors. Proposals received being reviewed. Proposals are being reviewed with vendors. The evaluation of proposals with vendors continues City Council will receive an update on the status of the project in November. Evaluation of proposals for the project and evaluation of third-party vendors for streaming of meetings are in the final processes. Project pricing is being negotiated and finalized with vendors. Project contracts being reviewed and adjusted with City Attorney recommendations. Scheduling of work for the project being coordinated. Finalizing project work schedule for possible completion of project in February 2019. Installation of audio and video equipment other than the encoder for streaming of meeting are expected to be completed for the March 6, 2019 City Council meeting. Upgrades to the audio and video equipment are near completion. Awaiting shipment and installation of encoder for streaming. Awaiting installation of encoder for streaming and a few minor adjustments to the new audio/visual system. Awaiting training on the BrightSign software for the Lobby monitor. Additional cabling run to connect streaming equipment and lobby monitor to network server Awaiting coordinated onsite work by CIT and DDS-AV to complete connection to network server. Lobby monitor is projecting information about the City. Streaming equipment is connected to the City network. Council meetings are being streamed on the City's YouTube channel. Vendor for software has changed from Icompass to CivicClerk. Training on agenda indexing and template development to be completed in September. Staff continues training on agenda indexing for City Council meeting streaming. City Commission meetings began being streamed on October 21, 2019. Staff continues work on indexing of agendas for City Council meetings and will begin utilizing the minutes section of module. Streaming of Commission meetings continues. Staff is working with Civic Plus to move all archived streamed meetings to Civic Plus. Staff continues to work on agenda templates for Commission meetings. City staff continues working on agenda templates for City Commissions. City Council meeting agenda templates have been completed. Staff continues working on creating agenda templates for Commission meetings. Commission meetings are being streamed. City staff continues working on templates for City Commission meetings. Staff continues to learn other aspects of Civic Plus for full utilization of system. City Staff has coordinated with DDS-AV for onsite work to resolve microphone issues that have been recently encountered. System is still under warranty and currently 1 microphone has been sent to the manufacturer for repair/replacement. System was reconfigured to still function properly while awaiting the repaired/replaced microphone.	All City Council and Commission meetings are being streamed, bookmarked, and archived.

Pending Items	Status	Completed / Council Approval
Annual or semi-annual inspection of buildings and other City facilities (Mayor Thompson)	To be implemented semi-annually	Implemented Monthly
Disaster recovery plan for City (Mayor Thompson)	Discuss at future Council meeting to determine the scope of recovery plan To be incorporated into the Emergency Management Plan for the City	
Disaster recovery plan for Water Department (Mayor Thompson)	Discuss at future Council meeting to determine the scope of recovery plan To be incorporated into the Emergency Management Plan for the City	
Business outreach by Council - walk businesses (Mayor Thompson)	Discuss at future Council meeting	

POLICE DEPARTMENT MONTHLY BREAKDOWN

December 1 to December 31, 2020

Calls for Service

Dispatched: 77 City Ordinance: 6 Total: 83 False Alarms: 13

Arrests

*1 – Failure to Identify as a Fugitive, Outstanding warrant for Possession of a Controlled Substance PG 1 <1 G

Traffic Enforcement

Crashes: 2 Citations: 23 Warnings: 31 Total: 54

Training / Certifications

*Sgt. Thoemke completed "Become a Followable Leader" 12/08
*Sgt. Dennis completed "Pistol Mounted Optics Instructor training" 12/04
*Sgts. Dennis & Thoemke and Ofc. Pelata completed "Mental Illness (1st and 3rd editions)" courses
*Ofc. McMahan completed "CCLP 4th and 6th Amendments" training
*Ofc. McMahan completed "On Combat: A Primer" training

Outreach Efforts

* New traffic analyzer purchased and being deployed

Administrative Comments

* New Officer, Michael Jefferson came on board, started FTO
* Scenario testing and background started for new applicant to fill last postion

Challenges

* Scheduled vaccinations for department staff. All officers wishing to receive were vaccinated

City of Garden Ridge

"A way of life, not just a place to live"

MONTHLY PUBLIC WORKS REPORT

December 2020

Steven Steinmetz
Public Works Director

Eric Lowman
Deputy Public Works Director

Stanley Georg
Brian Horn
Manuel Troncoso
Ryan Furgason

Ongoing Responsibilities

- Parks maintenance
- Facilities maintenance
- Streets
- All public facilities grass and right-of-way's
- Storm water Drainage
- Oak Wilt monitoring

Upcoming Events

December 4th
Tree lighting event

Jan. 2nd & 3rd
Dumpster Weekend

Jan. 9th & 10th
Dumpster Weekend

Jan. 16th & 17th
Dumpster Weekend

Jan. 23th & 24th
Dumpster Weekend

Activities for the month

Streets

- Potholes repaired: 1.
- Signs repaired: 9.
- Crack seal: Fairview Circle and Primrose.
- Filled in hole next to the edge of road on Schoenthal.

Storm water Drainage Facility and Easement Maintenance

- Inspected 11 outfalls.
- Inspected 18 detention ponds.
- Stormwater public outreach: 2 message displayed on FM 2252 sign.
- Fix erosion next to Hickory Bends concrete drainage channel.
- Drainages mowed: 1.
- Trash removed from Right of ways: 60 pounds.
- Rainfall amount for the month: 1.25".

Parks Maintenance

- Paul Davis Park: Ongoing sanitizing of facilities.

City Facility/Property Maintenance

- City Hall: Daily cleaning.
  Installed 4 automatic faucets.
  Aerobic system Maintenance.

Oak Wilt

No new reported cases.

Reports Submitted

Wildlife Management Advisory Commission Report.

Events/Conducted Education to residents

- None.

Future Projects or Needs

- Increase office space at the Public Works building.
- Construct Covered vehicle and equipment storage.

.

Animal Services Monthly Activities

- 5 deer carcasses were disposed of, which makes for the year 145.
- 0 wild hog was donated this month to Hunters for the Hungry, the year-to-date combined totals for wild hogs and deer donated are 7.
- 2 live traps loaned out this month, traps loaned out year-to-date 13.
- 238 registered/reregistered animals for the year.
- 0 nuisance complaints received.
- 0 animal reported bites.

Adoptions
- 0 dogs; 2 year-to-date.
- 0 cats; 5 year-to-date.

Returned to owners
- 1 dogs; 43 year-to-date.
- 0 cats; 0 year-to-date.

Transferred to other agencies
- 0 dogs for month; 4 year-to-date.
- 0 cats for month; 8 year-to-date.

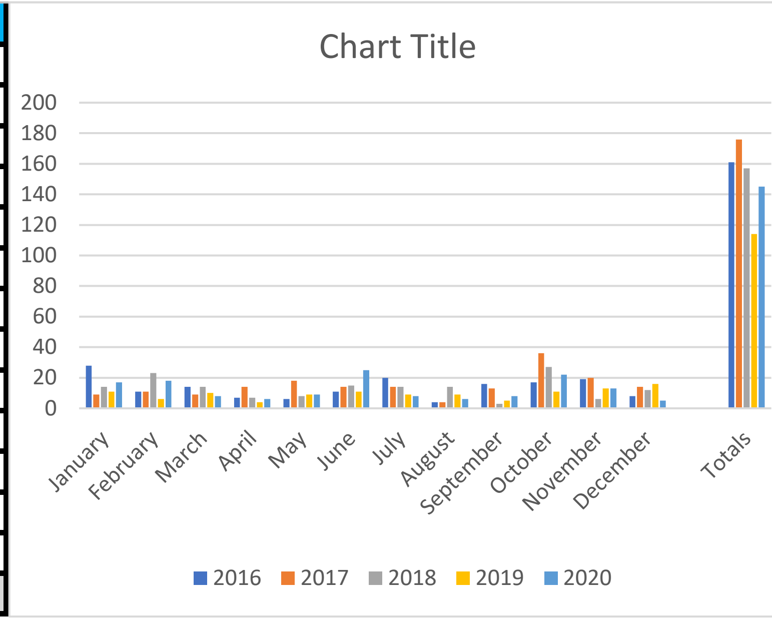
Currently in City care
- 1 dogs; cats 4.

Year to Date Wildlife Report

	Jan	Feb.	Mar	Apr.	May	Jun	Jul	Aug.	Sep.	Oct	Nov	Dec.	Total
Deer	17	18	8	6	9	25	8	6	8	22	13	5	145
Raccoons	6	9	14	6	5	5	14	3	8	11	7	4	92
Opossums	5	8	5	8	5	8	3	11	2	7	6	5	73
Skunks	4	6	0	0	2	0	3	1	5	3	6	3	33
Wild hogs	7	5	0	0	0	3	2	1	1	0	0	0	19
Turtles	0	0	0	1	0	0	1	0	0	0	0	0	2
Squirrels	4	6	2	6	3	13	7	5	3	0	5	0	54
Foxes	0	0	0	0	2	0	2	0	4	0	0	1	9
Armadillos	7	6	2	0	0	3	0	1	3	1	1	0	24
Hawks	0	0	0	0	0	2	0	0	0	0	0	0	2
Bats	0	0	0	0	0	0	4	1	0	0	0	0	5
Coyotes	0	0	0	0	1	0	0	0	0	0	0	0	1
Buzzards	1	2	0	1	0	1	0	0	0	1	2	0	8
Ringtails	0	0	0	0	0	0	0	0	2	1	0	1	4
Snakes	0	0	1	2	0	0	0	0	2	4	0	0	9
Bobcat	0	0	0	0	0	0	0	0	1	0	0	0	1
Porcupine	0	0	0	0	0	0	0	0	1	0	0	0	1
Bird	0	0	0	0	0	0	0	0	1	0	0	0	1
Total	51	60	32	30	27	60	44	29	41	50	40	19	483

Deer Carcass Removal Totals for 2016-2017-2018-2019-2020

	2016	2017	2018	2019	2020
January	28	9	14	11	17
February	11	11	23	6	18
March	14	9	14	10	8
April	7	14	7	4	6
May	6	18	8	9	9
June	11	14	15	11	25
July	20	14	14	9	8
August	4	4	14	9	6
September	16	13	3	5	8
October	17	36	27	11	22
November	19	20	6	13	13
December	8	14	12	16	5
Totals	161	176	157	114	145



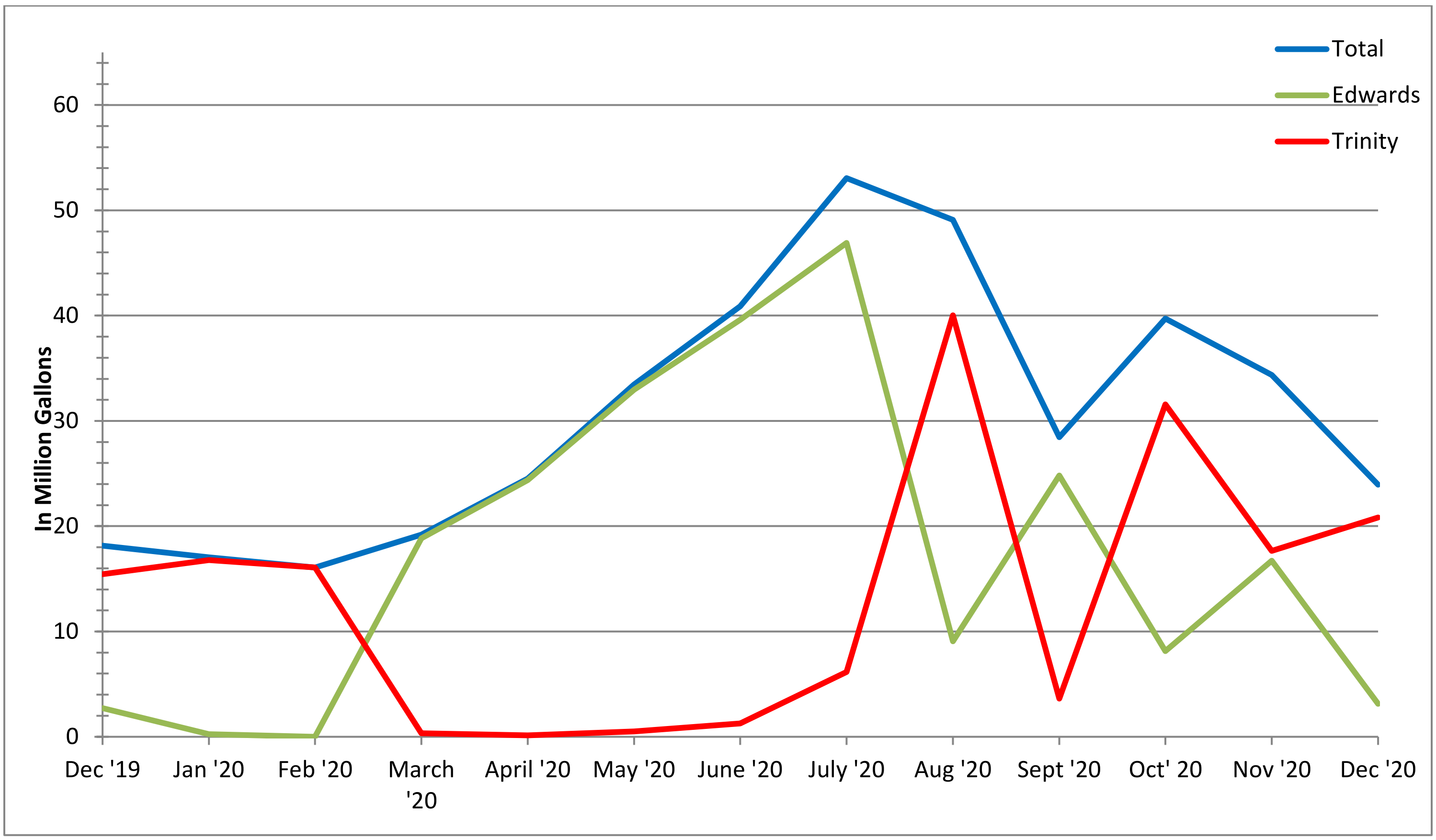
City of Garden Ridge

"A way of life, not just a place to live"

Water Department Report

As of December 31, 2020

City of Garden Ridge Aquifer Usage

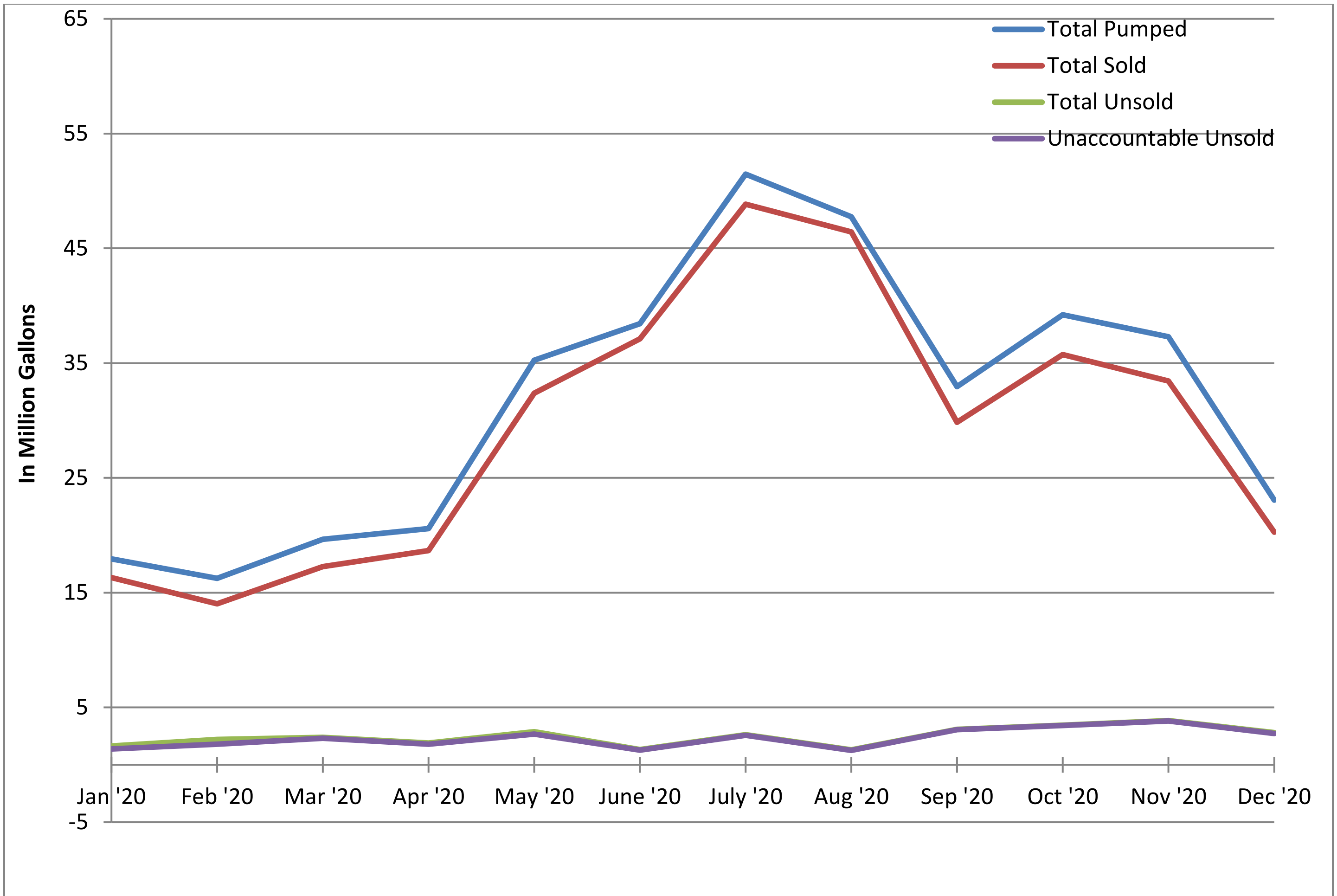


	Month:	Year:	Available:	Stage:
Edwards Well Usage AC/FT:	**9.46**	**689.25**	**1.04**	**0**
Trinity Well Usage AC/FT:	**63.89**	**475.51**	**N/A**	**0**

Water Quality

Backterialogical Samples	Due:	Missed:	Passed:	Failed:
Distribution Samples:	6	0	6	0
Raw Water Samples:	4	0	4	0
Chlorine Residual Test:	31	0	31	0

2019 – 2020 Pumping Report



Dec '19	17,527	15,610	1,917	1,657	9.5%
Jan '20	17,956	16,308	1,648	1,388	7.7%
Feb '20	16,250	14,032	2,218	1,806	11.1%
March '20	19,658	17,270	2,388	2,308	11.7%
April '20	20,579	18,682	1,897	1,795	8.7%
May '20	35,266	32,385	2,881	2,668	7.6%
June '20	38,442	37,110	1,332	1,286	3.3%
July '20	51,469	48,851	2,618	2,574	5.0%
Aug '20	48,799	46,446	2,333	2,286	4.7%
Sept '20	32,959	29,855	3,104	3,057	9.3%
Oct '20	39,216	35,752	3,464	3,418	8.7%
Nov '20	37,299	33,440	3,860	3,821	10.2%
Dec '20	23,077	20,270	2,807	2,736	11.9%
Yearly Average	30,654	28,155	2,497	2,369	8.4%

Water Department Monthly Activities:

New Kamstrup Meter Installs	577	Work Orders	238
Meter Replacements	1	Locates	42
City Owned Leaks	0	Irrigations Permits Issued	6
Meters Read	1677	Total Rebates	0
Meter Tests	1	Laptop Readings	22

Leak Adjustments

New Requests	7	Waiting for Customer	6	Approved	1	Amount Approved	$30.53	Denied	0	Sent to Water Commission	0

Projects:

- Whispering Oaks Project is Ongoing
- Workflow Management System Implementation Ongoing
- AMI Project is Ongoing meters are being installed currently
- 2252 Wastewater Project Ongoing
- 2252 TXDOT Water Line Ongoing

COVID-19 Pandemic

The Water Department is continuing to be vigilant to keep our staff and infrastructure safe from the spread of the Coronavirus. We are still cleaning facilities, vehicles, and equipment daily to ensure our staff and water system stay safe. Our team members have a positive outlook. We are keeping a close eye on the situation and can increase or decrease our continuity of operations if and when necessary.

Edwards Aquifer Authority Water Usage

At the beginning of December, the Water Department found that with the Edwards Aquifer Authority (EAA) stage 1 watering restrictions we were on track to over pump our yearly allotted amount of water in the Edwards Aquifer. There was an error in the EAA calculating tool that led to an inaccurate estimate of available water. I brought this to the attention of EAA and they were able to correct their calculating tool, but they were unwilling to grant any relief. To avoid over pumping, we were able to find and lease 20-acre ft. of water for the rest of the year which had a net cost of $3,505. We have set up a new protocol for our department to check the water usage against the reduced amount of water. We will check the usage monthly until we reach 200-acre ft. then we will check it weekly until we reach 100-acre ft. Once this is reached, we will check the usage daily until the end of the year.

Garden Ridge Library

Volume IV, Issue 3
January 6, 2020

Monthly Library Update

By Linda Crosland, Library Director

For leisure, for learning, for life!

Upcoming Activities for January

Children's Activities, beginning week of January 4-8

Tuesdays, Lego Robotics, 3:15 pm, featuring the new **Spike** Legos kits

Wednesdays, Lego Club, 3:15 pm, featuring regular Legos with assigned projects

Thursdays, Coding Club, 3:15 pm, "Learning *Scratch* from Scratch"

Fridays, Preschool Storytime, 10:30 am with **Stay & Play** immediately following

Adults' Activities

Tuesdays, Northside Knitters, 10:00 am

Thursdays, Adult Coloring, 1:00 pm

2nd Tuesdays, Crafternoon, 1:00 pm

3rd Tuesdays, Card-making, 1:00 pm

Family Time, Starting February 2

1st Saturdays, Family Tech Day, 10 am—1:00 pm (Come and Go), Families are invited to explore and work together with various tech items: Legos WeDo, Legos Spike, Scratch Coding, AWE Computers, and the Crickit Machine. **Parents will enjoy playing with these "toys" and will wish that they had had them as children!**

Our same meticulous cleaning protocols will follow each session.

Department Statistics for December

Visits to the Library	791
Items Checked Out	2,567
New Patrons Added	15
New Items Added to the Collection	45
Volunteer Hours	84

In the past year the OverDrive/Libby consortium has added 2,492 titles. Our library has added 32 for our exclusive use in addition to the larger collection.

Activity Statistics

Children's Preschool Storytime	64
Children's Lego Robotics, Coding, Regular Legos (on hiatus)	0
Adult Classes	26
Activity Total	**90**

****

The card-making class, while extremely small during Covid, made a total of 173 cards to send to our deployed troops. These were blank cards of various types—Christmas, birthday, thank you, thinking of you—that the military personnel could send to their loved ones back home. These cards were handmade works of art, made with love. Many thanks to **Cheryl Bither** for designing and providing supplies and to the "makers," **Barbara Kneupper, Trish Smedding, Wanda Foltz, Carlos Hahn, and Linda Crosland** (the last two women worked at home.) We hope to do many more in 2021.

Trihydro CORPORATION

memorandum

To: Garden Ridge City Council
From: Trihydro Corporation
cc: Ms. Nancy Cain, City Administrator, City of Garden Ridge
Date: December 22, 2020
Re: Engineering Report for January 2021 Council Meeting

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1. FM 2252 TxDOT Project

- Trihydro has completed "conflict matrix" evaluation of Garden Ridge's water conflicts with TxDOT's FM 2252 project. Our initial conflicts have been reduced to five (5) areas of concern. Preliminary design of conflict resolutions has been prepared and final coordination meeting with TxDOT to discuss was held on November 10, 2020. TxDOT agreed with the proposed resolutions to the identified conflicts.
- Next step is to prepare bid documents for proposed water utility relocation, finalize project budget, solicit construction bids, and finalize TxDOT approval.

2. FM 2252 Wastewater Project

- Trihydro continues to gather information about potential wastewater clients. Preferred system routing and line sizing are complete. Plan review for WW lines A & B are under City review. Proposed rates and tariff schedule development is ongoing.
- Bids for Wastewater Grinder Stations/On-Call Services, WW Pump, Haul & Disposal Services and Force Main Installation were received on Friday, August 21, 2020. Contract documents are being finalized for WW Pumps and Force Main Installations. Rebid for Pump, Haul & Disposal is underway. A pre-construction conference was held on November 18, 2020 with Qro-Mex Construction to review project plans, schedule and details. Project mobilization will be January 15, 2021.


County, Inc.

Future Agenda Items

City Council

February 3, 2021, Regular Meeting

14 days before Meeting	(01/20/2021)	City Council and Staff items are due.
9 days before Meeting	(01/25/2021)	City Administrator and Mayor review agenda. Mayor sets the agenda. City Attorney is sent agenda.
6 days before Meeting	(01/28/2021)	Post agenda on bulletin board. City Council receives packet (allowing a day for corrections/ request additional information be added)
5 days before Meeting	(01/29/2021)	Post agenda packet to City Website.
Meeting Day	(02/03/2021)	Mayor and City Administrator meet with Department Heads Wednesday @ 10 a.m.

City Council = Red
Planning & Zoning = Green
Water Commission = Blue
Quarry Commission = Purple
Wildlife Management Advisory Commission = Brown
City Holiday = Orange
Municipal Court = Gray

Sun	Mon	Tues	Wed	Thur	Fri	Sat
	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						

March 3, 2021, Regular Meeting

14 days before Meeting	(02/17/2021)	City Council and Staff items are due.
9 days before Meeting	(02/22/2021)	City Administrator and Mayor review agenda. Mayor sets the agenda. City Attorney is sent agenda.
6 days before Meeting	(02/25/2021)	Post agenda on bulletin board. City Council receives packet (allowing a day for corrections/ request additional information be added)
5 days before Meeting	(02/26/2021)	Post agenda packet to City Website.
Meeting Day	(03/03/2021)	Mayor and City Administrator meet with Department Heads Wednesday @ 10 a.m.

City Council = Red
Planning & Zoning = Green
Water Commission = Blue
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Sun	Mon	Tues	Wed	Thur	Fri	Sat
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PENDING FUTURE AGENDA ITEMS

1. Design on Water Tanks at Well Site 9 and 10/Retainer Wall of City Hall…***McCaw***
2. Monitoring Wells in the City of Garden Ridge…***Arvidson***
3. Update on City-funded monument for Paul Davis Park… ***Bower***
4. Ethics Ordinance … ***8-30-17 City Council motion***
5. Website and Social Media Policy