



Regular Meeting of the Bedford City Council  
Tuesday, February 25, 2020  
Bedford City Hall Building A  
2000 Forest Ridge Drive  
Bedford, Texas 76021

Council Chamber Work Session 5:30 p.m.  
Council Chamber Regular Session 7:30 p.m.

COMPLETE COUNCIL AGENDAS AND BACKGROUND INFORMATION ARE AVAILABLE FOR REVIEW  
ONLINE AT <http://www.bedfordtx.gov>

#### **COUNCIL CHAMBER WORK SESSION**

- Presentation on the 6Stones Community Powered Revitalization Program.
- Report on Fire Department activities for Fiscal Year 2018-2019.

#### **EXECUTIVE SESSION**

To convene in the conference room, if time permits, in compliance with Section 551.001 et. Seq. Texas Government Code, to discuss the following:

- a) Pursuant to Section 551.072, to deliberate the purchase, exchange, lease or value of real property – Block 1, Lot 1, Bedford School Addition.
- b) Pursuant to Section 551.072, to deliberate the purchase, exchange, lease or value of real property – Abstract 1607 Tract 11e01 William Wallace Survey.
- c) Pursuant to Section 551.087, receive an update on economic development negotiations related to Plaza Center Addition Lot AR 1A and Bedford Plaza Addition 1989 H Block A Lot 4B 1.
- d) Pursuant to Section 551.074, personnel matters – City Manager search.
- e) Pursuant to Section 551.074, personnel matters – Interim City Manager contract.

#### **REGULAR SESSION**

#### **CALL TO ORDER/GENERAL COMMENTS**

**INVOCATION** (Reverend Balaji Boyalla “Father B,” St. Michaels Church)

#### **PLEDGE OF ALLEGIANCE**

#### **ANNOUNCEMENTS/UPCOMING EVENTS**

#### **COUNCIL RECOGNITION**

1. Employee Service Recognition
2. Recognition of the City of Bedford’s 23rd Consecutive Certificate of Achievement for Excellence in Financial Reporting.

**OPEN FORUM** *(The public is invited to address the Council on any topic that is posted on this agenda. Citizens desiring to speak on Public Hearing(s) must do so at the time the Public Hearing(s) are opened. In order to speak during Open Forum, a person must first sign in with the City Secretary prior to the Regular Session being called to order. Speakers will be called upon in the order in which they sign in. Any person not signing in prior to the commencement of the Regular Session shall not be allowed to speak under Open Forum. Further, Open Forum is limited to a maximum of 30 minutes. Should speakers not use the entire 30 minutes Council will proceed with the agenda. At the majority vote of the Council the Mayor may extend the time allotted for Open Forum.)*

**CONSIDER APPROVAL OF ITEMS BY CONSENT** *(Consent items are deemed to need little Council deliberation and will be acted upon as on business item. Any member of the City Council may request that an item be withdrawn from the Consent Agenda and placed before the City Council for full discussion. Approval of the Consent Agenda authorizes the City Manager, or a designee, to implement each item in accordance with staff recommendation.)*

3. Consider approval of the following City Council minutes:
  - a) February 4, 2020 work session
  - b) February 11, 2020 regular meeting
4. Consider an order cancelling the May 2, 2020 general election and declaring unopposed candidates for City Council Place 4 and Place 6 be elected to the office in accordance with provisions of Subchapter C of Chapter 2, Texas Election Code.

### **PERSONS TO BE HEARD**

5. The following individuals have requested to speak to the Council tonight under Persons to be Heard:
  - a) Minnie V. Wesbee, 1503 Tennis Drive Apt 208, Bedford, TX 76022 – Requested to speak to Council regarding: City not picking up stray cats, little being done about vehicles not inspected driving around, and why no development like Eules.

### **NEW BUSINESS**

6. Consider a resolution accepting the report from the independent auditor and the audited financial statements for the fiscal year ending September 30, 2019 and providing an effective date.
7. Consider a resolution authorizing the Interim City Manager to purchase Hot Mix Asphalt Concrete (HMAC), in an amount not to exceed \$650,500, from Reynolds Asphalt & Construction Company, through the Tarrant County Master Interlocal Cooperative Purchasing Agreement.
8. Consider a resolution authorizing the Interim City Manager to enter into a contract with Don Smith Concrete, LLC, in the amount of \$391,252.50, for the 2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels, Driveway and Curb and Gutter Reconstruction at Various Locations Project.
9. Consider a resolution authorizing the Interim City Manager to enter into a contract with Reynolds Asphalt & Construction Company, in the amount of \$1,091,420, for the 2020 Street Mill and Overlay at Various Locations Project.
10. Consider a resolution recommending award of a construction contract for the Community Development Block Grant (CDBG), Project No. B-19-UC-48-0001-12-5, to McClendon Construction Company, Inc. for the Bedford Court East Paving Improvements (Brown Trail to Hurst City Limits) in the amount of \$489,349, of which the City of Bedford's obligation is \$323,519.
11. Consider a resolution authorizing the Interim City Manager to expend funds and enter into the first amendment to the interlocal agreement with Tarrant County, approved on January 28, 2020, for street improvements to include Harwood Road from Oak Valley Drive to 500 feet west.
12. Consider a resolution authorizing the Interim City Manager to enter into an interlocal agreement with Tarrant County for reimbursement, up to \$100,000, of the City of Bedford's costs for the roadway improvements on Cheek-Sparger Road at Woodpark Lane/Heritage Avenue.
13. Mayor/Council Member Reports
  - a) Report on Phase Next branding
  - b) Report on arts and entertainment facility at the Old Bedford School

**14. Report on most recent meeting of the following Boards and Commissions:**

- ✓ **Animal Shelter Advisory Board**
- ✓ **Beautification Commission**
- ✓ **Community Affairs Commission**
- ✓ **Cultural Commission**
- ✓ **Economic Development Foundation**
- ✓ **Library Advisory Board**
- ✓ **Parks and Recreation Board**
- ✓ **Teen Court Advisory Board**
- ✓ **Senior Center Representative**

**15. City Manager/Staff Reports**

**EXECUTIVE SESSION**

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- d) Pursuant to Section 551.074, personnel matters – City Manager search.
- e) Pursuant to Section 551.074, personnel matters – Interim City Manager contract.

**16. Take any action necessary as a result of the Executive Session.**

*(Any item on this posted agenda may be discussed in executive session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code.)*

**ADJOURNMENT**

**CERTIFICATION**

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted on the outside window in a display cabinet at the City Hall of the City of Bedford, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted by the following date and time: **Friday, February 21, 2020 at 5:00 p.m.** and remained so posted at least 72 hours before said meeting convened.

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**Michael Wells, City Secretary**

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**Date Notice Removed**

(Auxiliary aids and services are available to a person when necessary to afford an equal opportunity to participate in City functions and activities. Auxiliary aids and services or accommodations must be requested in writing to the City Secretary's Office a minimum of seventy-two hours (72) hours prior to the scheduled starting time of the posted meeting. Requests can be delivered in person or mailed to the City Secretary's Office at 2000 Forest Ridge Drive, Bedford, TX 76021, or emailed to [citysecretary@bedfordtx.gov](mailto:citysecretary@bedfordtx.gov). Some requests may take longer due to the nature, extent and/or availability of such auxiliary aids, services or accommodations.)



# Council Agenda Background

**PRESENTER:** Teresa Grady and Jennifer Leney with  
6Stones

**DATE:** 02/25/20

**Work Session**

**ITEM:**

**Presentation on the 6Stones Community Powered Revitalization Program.**

**City Attorney Review: N/A**

**DISCUSSION:**

**Teresa Grady and Jennifer Leney with 6Stones will present information on the Community Powered Revitalization Program.**

**ATTACHMENTS:**

**PowerPoint**



# stones<sup>TM</sup>

*a Catalyst of Hope*

Community Powered Revitalization

# CPR Fall 2019



stones  
a Catalyst of Hope



# CPR Fall 2019

st6nes  
a Catalyst of Hope

## Overall Blitz – 4 Cities

- 28 projects (740 since the beginning)
- 52 occupants
- 1137 volunteers
- 5820 volunteer hours
- 32 groups of 6 or more

# CPR Fall 2019



## City of Bedford

- 5 homes
- 9 occupants
- 359 volunteers
- 975 volunteer hours
- 5 groups worked in Bedford

# CPR Fall 2019

st6nes  
a Catalyst of Hope

## Groups

- Lockheed Martin (2 groups)
- Freedom Church
- TXU
- First Colleyville
- Amrock

# CPR Fall 2019

st6nes  
a Catalyst of Hope

## Bedford businesses

- KBKG
- Tarrant Roofing
- What's Poppin Texas
- Dickeys Barbecue Pit
- Jack in the Box
- New Beginnings Church

# CPR Fall 2019

st6nes  
a Catalyst of Hope



## Other major in-kind help:

The Genuine. The Original.



**SUNBELT**  
RENTALS

**DALWORTH**  
RESTORATION



# CPR Fall 2019



stones  
a Catalyst of Hope



Kelly-Moore Paints donates all the paint for every Blitz

# CPR Fall 2019



stones  
a Catalyst of Hope



Republic Services  
donated 9 roll-offs for  
the event

# CPR Fall 2019



stones  
a Catalyst of Hope

Smith Lawn and Tree – trash pick up and tree work



# Program-to-Date in Bedford



stones  
a Catalyst of Hope

## Work done in Bedford

- Scraped, primed, painted
- Replaced rotted wood
- Replaced rotted siding & studs
- Replaced or fixed garage doors
- Installed or cleaned gutters
- Replaced broken glass and screens
- Tree work
- Replaced a/c and heating
- Installed water heaters
- Plumbing
- Brick work
- Pressure washed
- Replaced shutters
- Filled in holes in yards
- Removed swing sets
- Demolished or rebuilt sheds
- Replaced mail boxes
- Electrical repairs
- Replaced exterior doors
- Replaced fencing
- Lots of trash clean up
- Lots of general yard clean up
- Repaired and replaced roofs

# Program-to-Date in Bedford



## City of Bedford (9 years)

- 127 homes
- 17,588+ volunteer hours
- \$184,021+ in-kind donations
- \$155,919 match money
- \$225,000 admin fee
- \$853,013 retail value

# Program-to-Date in Bedford



<b>Admin fee</b>	<b>\$212,500</b>
<b>Match money</b>	<b>\$155,919</b>
<b>Total</b>	<b>\$368,419</b>
<b>Each house (127)</b>	<b>\$2,901</b>
<b>Retail value</b>	<b>\$853,013</b>
<b>Each house (127)</b>	<b>\$6,717</b>
	<b>232% ROI</b>

# CPR



stones  
a Catalyst of Hope

# BEFORE



# CPR



stones  
a Catalyst of Hope

# AFTER



# CPR



st6nes  
a Catalyst of Hope



# BEFORE

**CPR**



**st6nes**  
a Catalyst of Hope



**AFTER**

# CPR Spring 2020

st6nes<sup>TM</sup>  
a Catalyst of Hope

3 approved and 3 pending



Community Powered  
Revitalization in progress

# Core Programs



stones  
a Catalyst of Hope



## New Hope Center

16,000 guests per year

2 weeks worth of food per visit, plus clothes



## CPR

70 homes

110 residents

# Core Programs



stones  
a Catalyst of Hope™



**Operation Back to School**  
4800 students



**Night of Hope**  
3300 students



**LIGA**  
8 teams from 5 Jr. High schools  
140 students

# 6 Stones – The Future



6stones  
a Catalyst of Hope

## Going Deeper

Program addition:

- MOMENTUM
  - Funding from Bank of America
  - Mentoring Program in collaboration with Catholic Charities and various churches
  - Pilot started

Our location – 18 month minimum before change:

- Stay and rent from the new owners
- Do a capital campaign and build our own place
- Rent a different facility

# THANK-YOU, City of



st6nes  
a Catalyst of Hope





# Council Agenda Background

**PRESENTER:** Sean Fay, Fire Chief

**DATE:** 02/25/20

**Work Session**

**ITEM:**

**Report on recent Fire Department activities for Fiscal Year 2018-2019.**

**City Attorney Review: N/A**

**DISCUSSION:**

**The presentation will give an overview of the Fire Department's activity during the course of Fiscal Year 2018-2019 for Administration and Operations.**

**ATTACHMENTS:**

**PowerPoint  
Annual Report**



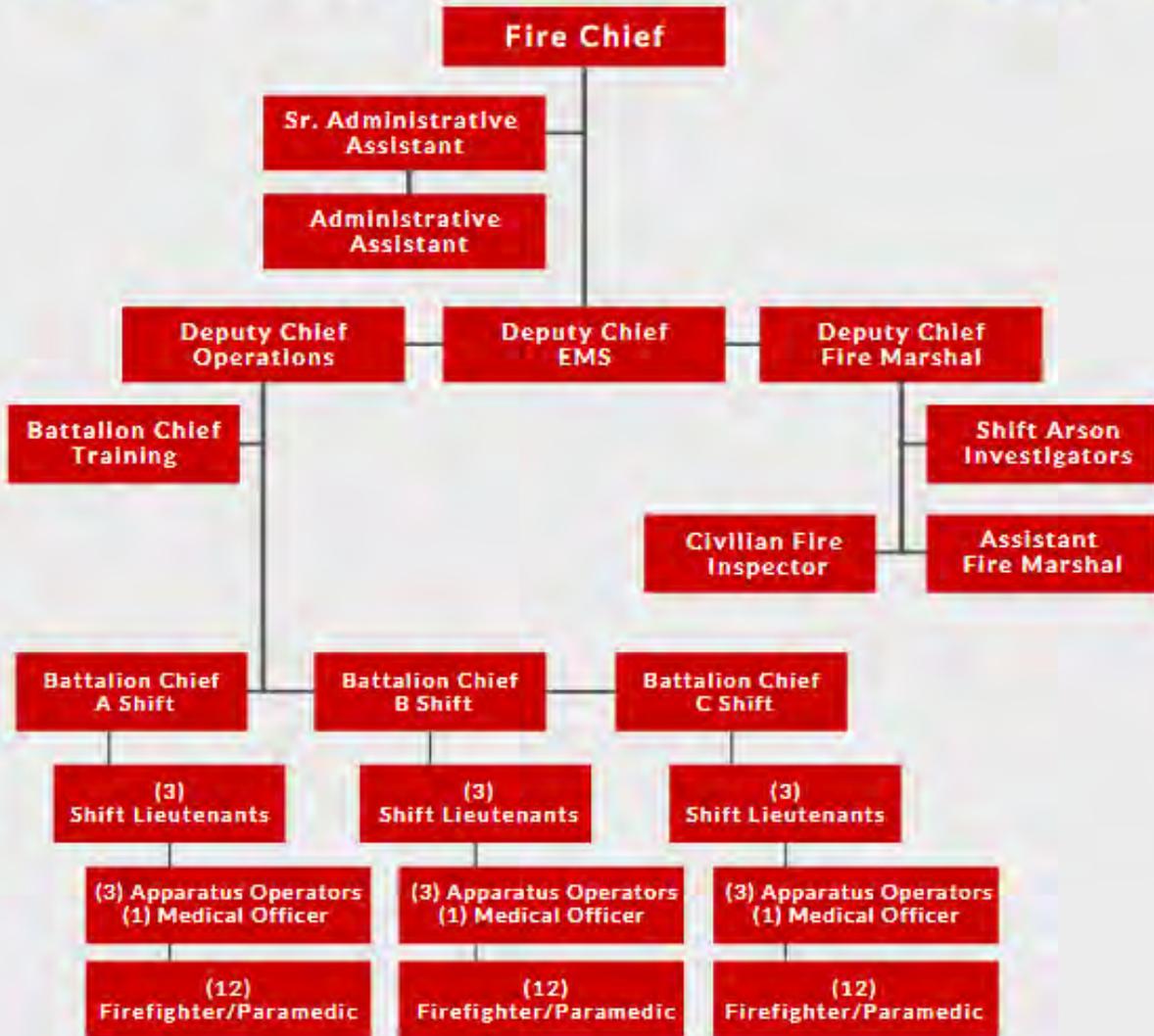
# BEDFORD FIRE DEPARTMENT

2019 Annual Year in Review





# Bedford Fire Department Organizational Structure



## Sworn Staff:



1 - Fire Chief



3 - Deputy Chiefs



1 - Assistant Fire Marshal



4 - Battalion Chiefs



9 - Lieutenants



12 - Apparatus Operators/ Medical Officers



36 - Firefighters

## Civilian Staff:



1 - Sr. Administrative Assistant



1 - Administrative Assistant



1 - Fire Inspector



Total Personnel  
69



Sworn Personnel  
66



Support Staff  
3

**Total Expenditures: \$8,097,067.34**

**Personnel Services** \$7,289,419.07

**Supplies** \$318,417.02

**Maintenance** \$206,423.37

**Contractual Services** \$195,601.97

**Utilities** \$51,894.68

**Debts/Transfers** \$35,311.23  
(Self Contained Breathing Apparatus)

# Financial Responsibility

The Bedford Fire Department is funded through the General Fund of the City's overall budget.

# Fire Calls for Service

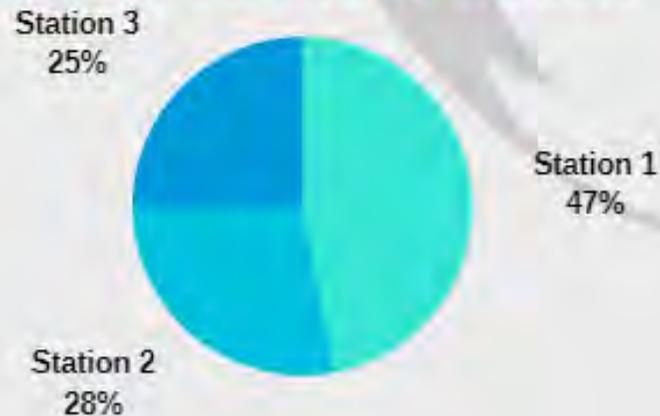
Fire Operations responded to more than 4,000 calls for service in 2019.

-  2.56% increase in fire calls compared to 2018.
-  4:24 Average response time on Priority 1 calls.

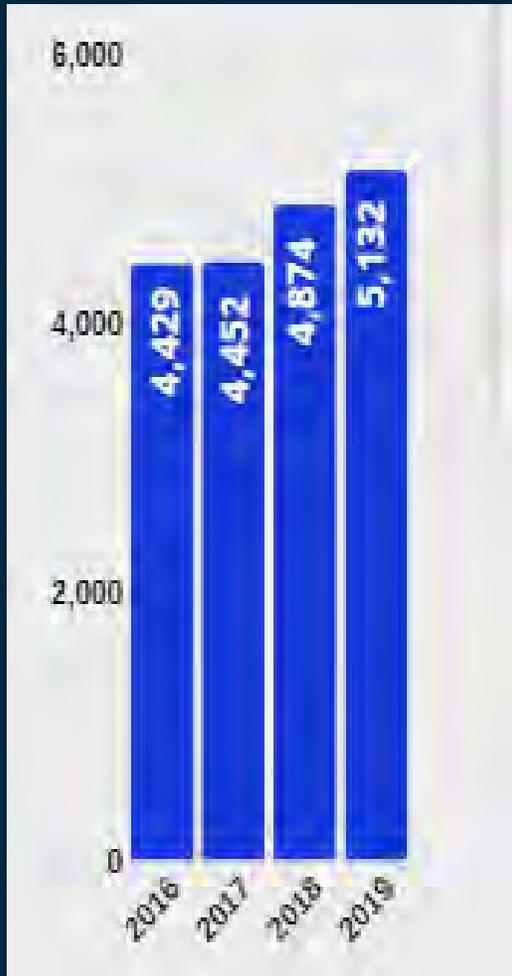
Fire Calls for Service Overview:



Calls for Service by Station:



# EMS Calls for Service



- Emergency Medical Services division responded to more than 5,000 calls in 2019.

 5.3% increase in EMS calls compared to 2018

 4:11 Average response time for EMS calls

 Disposition of EMS Calls

 Transport 2,627

 Treat/No Transport 381

 No Treat/No Transport 251

 Other 1,312

 Cancelled/Standby 561

# Training Report

The total number of training hours: 12,225

 5,190 - Fire related trainings

 987 - Technical Rescue and Swift Water trainings

 993 - HazMat trainings

 2,548 - EMS related trainings

 1,978 – Probationary Firefighter Orientation

 419 - Law Enforcement trainings

 110 - Minimum Physical Fitness training hours annually per person



# Fire Marshal's Report

 The Fire Marshal's Office is responsible for all fire code related items.

 Arson Investigations are also conducted by the Fire Marshal's Office.

## Inspections Report



Annual Inspections  
3,079



Change of Occupancy  
252



Special Events  
Inspections  
97

## Arson Report



Task Force responses  
12



Number of incendiary fires  
10



Total Investigations  
41

# Community Involvement

The Bedford Fire Department is committed to the safety and education of the community.

129 - Smoke Detectors installed in residents' homes

10 - Fire Prevention Safety Talks hosted

75 - Fire extinguisher demonstrations

50 - Community Outreach events



# Notable Achievements



## Promotions

 1 Battalion Chief • 3 Lieutenants • 3 Medical Officers

## Retirement

 Clifford Box retired with 25 Years of Service

## Apparatus Dedication

 New Ambulance and Rehab Trailer

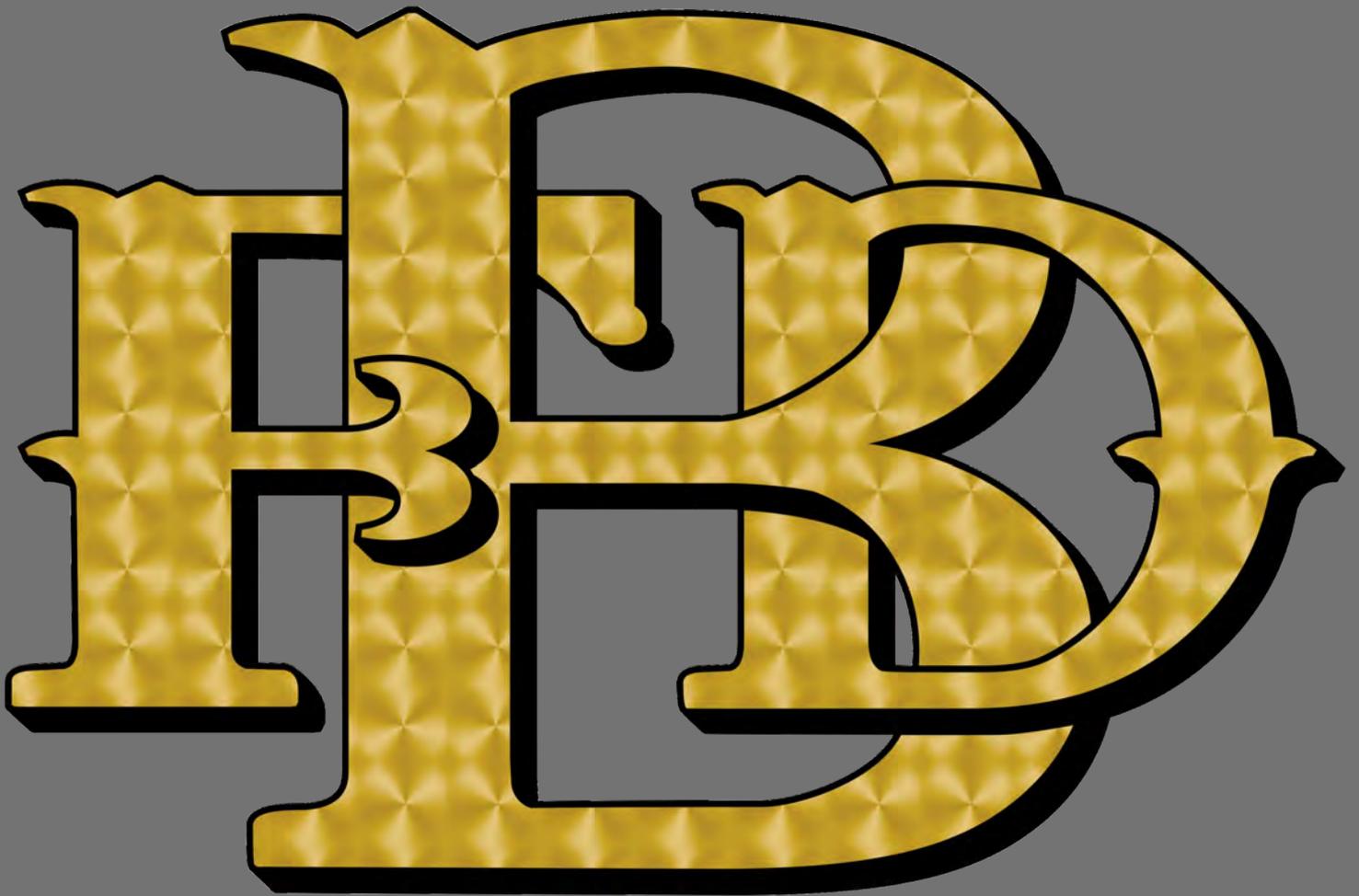
 The Fire Department renewed its Heart Safe Community certification with the North Central Texas Trauma Regional Advisory Committee.



2019

**BEDFORD FIRE DEPARTMENT**

**ANNUAL REPORT**



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1816 Bedford Road  
Bedford, TX 76021  
817-952-2500

[www.bedfordfire.net](http://www.bedfordfire.net)



## **Message from Fire Chief, Sean Fay**

It is with great pride and honor that I present to you the Annual Report for Fiscal Year 2019. The dedicated men and women of the Bedford Fire Department continue to focus on delivering the highest quality of service to those who live, work, and visit our community. Our mission is, "To save lives, meet the community's needs through service before self, and to safeguard the quality of life for all." As we set out to be the very best fire department we can be, we are reminded that our core values of professionalism, teamwork, and ownership are our guiding principles that define who we are and how we must accomplish our purpose. We are thankful for the tremendous support received from our citizens, City leaders, and other City departments who work as partners with us and help ensure all our success.

2019 was yet another year of improvements. The Department added three new firefighter/paramedic positions, and a new ambulance to the fleet. There were many new programs added within the Department to include a new field training program, new employee development program, and even a new volunteer-based scene rehabilitation program. The Department finished a three-year project to fully update and rewrite its policies and standard operating guidelines. This enabled the Department to make application into the Texas Fire Chiefs' Best Practices program which is expected to be finalized in 2020. It was a great year with many exciting new directions. The data and information contained in this report serves as testament to the professionalism and dedication of our firefighters, paramedics, and administrative staff. We hope you enjoy reviewing this annual report and we invite anyone to visit the wonderful Bedford Fire Department people who make all this happen every day.

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### ***Our Mission***

***"To save lives, meet the community's needs  
through service before self and to safeguard the  
quality of life for all."***

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- **Fire Administration**
- **Operations Organizational Structure**
- **Fire Stations & Response Map**
- **Apparatus**
- **Financial Overview**
- **Service Calls in Review (Fire/EMS)**
- **Training**
- **Fire Marshal's Report**
- **Emergency Management Report**
- **Community Outreach**
- **Employee Tenure**
- **Notable Achievements**

## Fire Administration Leadership Team

The Administration Division is made up of the Fire Chief, Deputy Chief of Emergency Operations, Deputy Chief of Emergency Medical Services (EMS), Deputy Chief/Fire Marshal, Assistant Fire Marshal, Fire Inspector, and two Administrative Assistants. Fire Administration is responsible for the overall direction and management of the Fire Department. Specifically, the responsibilities include personnel services, records management, planning, and budgeting. Fire Administration is located in conjunction with Fire Station 1 at 1816 Bedford Road, Bedford.



Sean Fay  
Fire Chief



James Richardson  
Deputy Chief Operations



Mark Williams  
Deputy Chief EMS



Joey Lankford  
Deputy Chief/Fire Marshal



Frank Tamayo  
Battalion Chief of Training



Jeff Martin  
Assistant Fire Marshal



Tami Overstreet  
Civilian Fire Inspector



Cassey Amburn  
Sr. Administrative Assistant



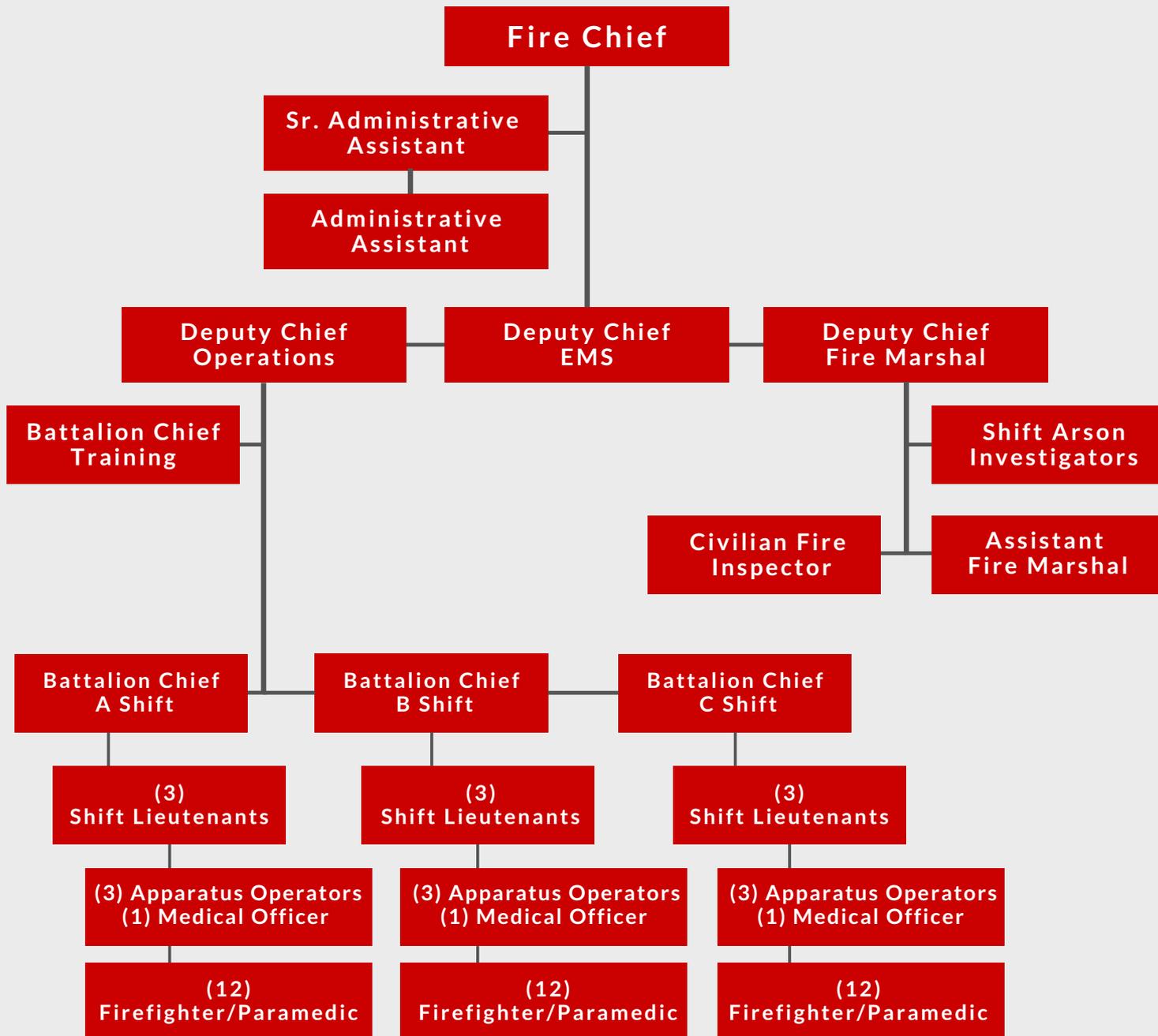
Bailey Auldridge  
Administrative Assistant

### Core Values

**Professionalism \* Teamwork \* Ownership**



# Bedford Fire Department Organizational Structure



Total Personnel  
69



Sworn Personnel  
66



Support Staff  
3

# Facility Locations



**Central Fire Station**  
Located at 1816 Bedford Road. Built in 1987



**Fire Station 2**  
Located at 3940 Martin Drive. Built in 1996



**Fire Station 3**  
Located at 541 Bedford Road. Built in 2000



## Fire Department Apparatus and Units

<b>Unit</b>	<b>Personnel</b>	<b>Make</b>	<b>Year</b>	<b>Dept.</b>
C-150	Fire Chief	Ford	2019	ADMIN
C-151	Deputy Chief Operations	Ford	2016	ADMIN
C-152	Deputy Chief EMS	Ford	2018	ADMIN
C-153	Deputy Chief/Fire Marshal	Ford	2016	ADMIN
C-154	Battalion Chief Training	Ford	2018	ADMIN
Mar 151	Assistant Fire Marshal	Ford	2018	ADMIN
Mar 152	Fire Inspector	Ford	2018	ADMIN
B-15	Battalion Chief -Shift	Chevy	2013	OPS
M151	Station 1 Medic Crew	Ford	2018	OPS
M152	Station 2 Medic Crew	Ford	2017	OPS
M153	Station 3 Medic Crew	Ford	2015	OPS
M154	Reserve Medic	Ford	2013	OPS
M155	Reserve Medic	Ford	2009	OPS
T151	Station 1 Truck Crew	Crimson	2008	OPS
E152	Station 2 Engine Crew	Crimson	2011	OPS
E153	Station 3 Engine Crew	SRV	2014	OPS
E154	Reserve Engine	Sutphen	2000	OPS
A151	NEFDA Air & Light Unit	SVI	2019	OPS
EMS 15	Medical Officer on Shift	Ford	2018	OPS
Rescue 15		Ford	2013	OPS
Mobile Command		SVI	2003	OPS
SW15	Swift Water Boat	Zodiac	2011	OPS
SW15	Swift Water Trailer	McLain	2011	OPS

# Fire Department Financial Responsibility

The Bedford Fire Department is funded through the General Fund of the City's overall budget. The Fire Department is committed to being responsible stewards of the public's resources and such, always seek to employ sound fiscal strategies and best practices for the best possible outcomes. The information below is an overview of the total expenditures for both the Administration and Operations divisions at the Fire Department.

## Total Expenditures: \$8,097,067.34

**Personnel Services**

**\$7,289,419.07**

**Supplies**

**\$318,417.02**

**Maintenance**

**\$206,423.37**

**Contractual Services**

**\$195,601.97**

**Utilities**

**\$51,894.68**

**Debts/Transfers**

(Self Contained  
Breathing Apparatus)

**\$35,311.23**

# Fire Calls for Service Overview

Total Fire Calls  
for Service

4,111

Total Dollar Loss:

**\$** \$2,162,050.00

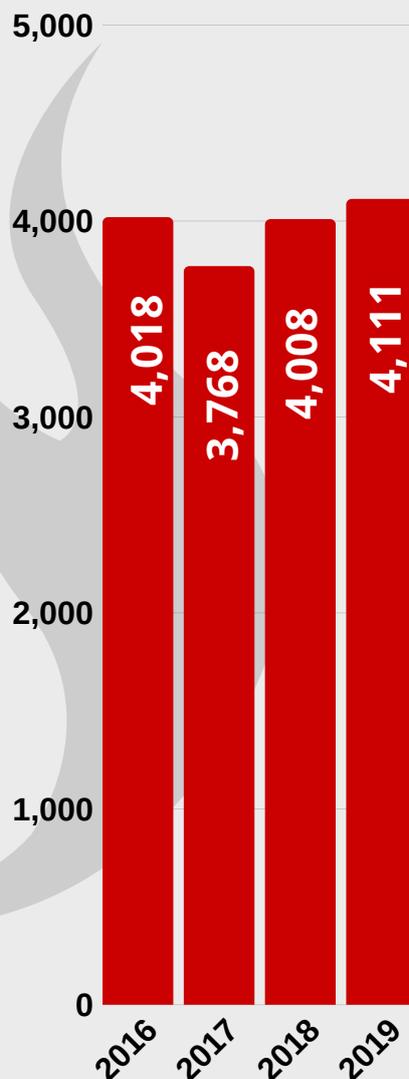
4 minutes, 24 seconds  
Average Priority 1 Response  
Time



Value of Property Saved:

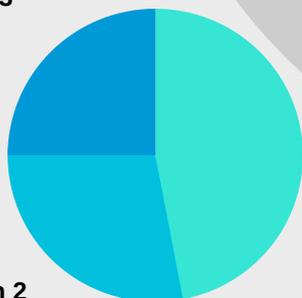
**\$** \$82,889,927.00

Fire Calls for  
Service Overview:



Calls for Service by Station:

Station 3  
25%



Station 1  
47%

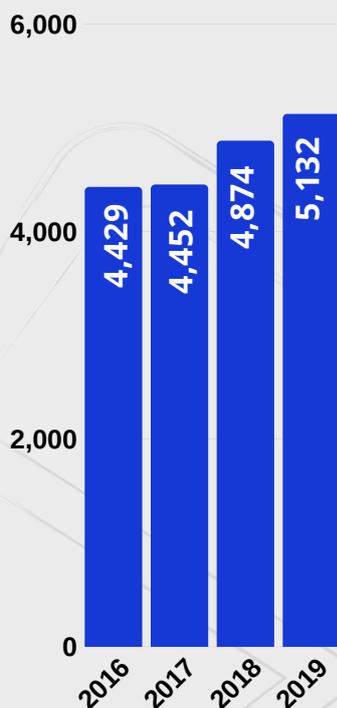
Station 2  
28%

# EMS Calls for Service Overview

Total EMS Calls  
for Service

**5,132**

## EMS Calls for Service Overview:



**4 minutes, 11 seconds**  
Average EMS  
Response Time



## Disposition of EMS Responses:



**Transport**  
**2,627**



**Treat/ No Transport**  
**381**



**No Treat/No Transport**  
**251**



**Other**  
**1,312 \***



**Cancelled/ Standby**  
**561**

## % of EMS Calls for Service by Medic:



**M151**  
**34%**



**M152**  
**28%**



**M153**  
**26%**



**M154**  
**11%**



**# of IVs  
administered  
in the field:**

\*



**# of medications  
administered  
in the field:**

\*



**# of intubations in  
the field:**  
**42**

\*Due to a switch in ambulance billing services, a new records management system (RMS) was utilized in 2019. Certain data from October 2018 to April 2019 was unavailable.

# Training Report

The environment in the public safety sector changes daily. That's why the Bedford Fire Department is committed to making "every day a training day". They are dedicated to train personnel to meet all professional standards and beyond. The Bedford Fire University is a training program that involves all members of the Department, from new recruits to the Fire Chief. The goal is to educate personnel in today's current industry standards and prepare them for future positions within the Department. Multiple topics are taught throughout the year in-house. This opportunity not only educates members, but allows personnel to learn the craft of teaching and speaking in front of target audiences.

During 2018-2019, Department personnel participated in five training drills and completed five technical course. The total number of training hours for the Department was 12,225.

Training Hours	2017-2018	2018-2019
Fire Related training	3,653	5,190
Technical Rescue & Swift Water	1,234	987
HazMat training	578	993
Probationary Firefighter Orientation	560	1,978
Physical Fitness	8,700 min	110 hour per person a year
EMS Related Training	3,231	2,548
Law Enforcement training	429	419



# Training Report

Employment with the Bedford Fire Department requires two basic certifications; Basic structural firefighter and Emergency Medical Technician – Paramedic. The Texas Commission on Fire Protection (TCFP) requires specific certifications for all firefighting personnel based on state law. All Fire Personnel can pursue additional, higher-level certifications through the course of their career. These higher “certification upgrades” are not only associated with higher levels of functioning but are upgrades in salary as well. The chart below shows the number of Bedford firefighters holding various TCFP certifications.

<b>Certification Type</b>	<b># of firefighters</b>
AARF Basic Appointment	1
Basic Fire Suppression	65
Basic Wildland	1
Driver Operator	50
Fire Inspector	6
Fire Instructor Appointment	42
Fire Officer I	30
Fire Officer II	15
Fire Officer III	2
Fire officer IV	2
Fire Arson Investigator Appointment	6
Hazardous Material Incident Command	2
Hazmat Technician Certification	21
Head of a Fire Department Appointment	1
Incident Safety Officer Appointment	22
Structure Fire Suppression Appointment	65
Basic Peace Officer	1
Intermediate Peace Officer	1
Advanced Peace Officer	1
Master Peace Officer	3

# Fire Marshal's Report

The Fire Marshal's office is responsible for all code related items that involve the Fire Department. The office is responsible for plan review for new business construction as well as remodeling of existing buildings. A major portion of the division's responsibility is conducting annual fire safety inspections of the schools, retailers, and businesses located in the City. On average, over 3,300 inspections per year are conducted. Examples of the types of inspections include, certificate of occupancy inspection, new fire alarm installation, new fire sprinkler system installation as well as other similar types of fire related items. Being proactive with the code enforcement aspect, the Fire Marshal's office has built a safer City for all it's citizens and visitors.



Type of Inspection	2017-2018	2018-2019
Annual	3,228	3,079
Change of Occupancy	264	252
Fire Alarm Acceptance	33	27
Fireworks Site Inspections	1	1
Hood Suppression Acceptance	15	10
Knox Box Installation- Residential	19	12
Special Events Inspections	26	97
Total Fire Inspections	3,586	3,478

Plan Reviews	2017-2018	2018-2019
Certificate of Occupancy	266	252
Fire Alarm Plan Review	24	29
Fire Suppression Plan Review	29	20
Fire Works	1	1
Hood System Plan Review	15	13
Building Plan Review	70	60
Special Event Plan Review	84	67

## Fire Marshal's Arson Report

This Division is also responsible for investigating all fires occurring within the City. There are three investigators; one investigator assigned to each of the three Fire Department shifts, and three investigators in Fire Administration. They not only respond to incidents in Bedford, but are members of a multi-jurisdictional fire investigation task force that encompasses five surrounding counties. In addition, Bedford can draw from these other agencies for assistance with large incidents in the City.



**Task Force responses**  
12



**Number of incendiary fires**  
10



**Total Investigations**  
41

# Community Involvement

The Bedford Fire Department is committed to the safety and well being of it's residents. It's a well known fact that most people only interact with the Fire Department on the worst of days. However, the Fire Department believes it is important to be out in the community in non-emergency capacities, hence the commitment to life-safety education and community outreach events.

Every year the Department participates in numerous community events throughout the City to bring fire prevention and life safety awareness to the citizens of Bedford.



Number of people educated on fire extinguishers through demonstration

**75**



Number of smoke detectors batteries installed or replaced

**273**



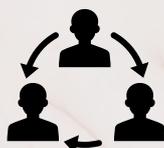
Number of smoke detectors installed in residents homes

**129**



Number of Fire Prevention Safety Talks

**10**



Number of events our crews attended for community outreach

**50**

# Notable Accomplishments and Achievements

**Promotions within the Department:**

**Battalion Chief:**

Russ Laurin

**Lieutenants:**

Darren Cook

Chris Conner

George Smithwick

**Apparatus Operator/Medical Officers:**

Travis Snyder

Josh Brown



**Retirements:**

Lieutenant Clifford Box retired from the Bedford Fire Department after 25 Years of Service.



**Apparatus Dedications:**

The Fire Department held an apparatus dedication ceremony on September 18 for a traditional Push In Ceremony of a new Ambulance and a new Rehab Trailer.



Bedford Fire Department renewed its Heart Safe Community certification with the North Central Texas Trauma Regional Advisory Committee.





# 2019 Annual Award Winners



## Chief's Ownership Awards

Andy Smith  
 Chris Conner  
 Daniel Stewart  
 George Smithwick  
 Jordan Mason  
 Josh Kiss  
 Justin Whiteside  
 Kim Brown  
 Lee Ferguson  
 Mark Williams  
 Walt Greenwade

## Meritorious Conduct Awards

### **Medal of Merit:**

Chase Long  
 Evan Davis

### **Merit Award:**

Andy Smith  
 Dakota Richardson

## Annual Awards

### **Rookie of the Year:**

Ben McAfee

### **Apparatus Operator/Medical Officer of the Year:**

Justin Whiteside

### **EMS Provider of the Year:**

Sean Kaczor

### **Keith Long Officer of the Year:**

James Gardner

### **Fire Fighter of the Year:**

Andy Smith

### **Employee of the Year:**

Andy Smith



# Council Agenda Background

**PRESENTER:** Maria Redburn, Library Director  
Sean Fay, Fire Chief

**DATE:** 02/25/20

Council Recognition

**ITEM:**

Employee Service Recognition

**DISCUSSION:**

The following employees have completed a service period and are eligible for recognition:

Lee Shiflet	Fire Department	20 years
Jacquelyn Bedell	Library	5 years

**ATTACHMENTS:**

N/A



# Council Agenda Background

**PRESENTER:** Michael Boyter, Mayor

**DATE:** 02/25/20

Council Recognition

**ITEM:**

Recognition of the City of Bedford's 23rd Consecutive Certificate of Achievement for Excellence in Financial Reporting.

**DISCUSSION:**

The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. Its attainment represents a significant accomplishment and a standard of excellence in financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR). This report must satisfy both generally accepted accounting principles, and applicable legal requirements. The Award of Financial Reporting Achievement (AFRA) has also been presented to the Finance Department as the primary Department responsible for earning the Certificate.

The Government Finance Officers Association of the United States and Canada (GFOA) established the CAFR Program in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of the generally accepted accounting principles to prepare comprehensive annual financial reports that exemplify the spirit of transparency and full disclosure of the entity's financial position.

Annual financial reports submitted to the CAFR Program are reviewed by selected members of GFOA professional staff and the GFOA Special Review Committee (SRC), which is comprised of individuals with expertise in public sector financial reporting. Members of the SRC review the reports based on specific criteria outlined in the program and provide the scoring of each award applicant.

To this day, the City of Bedford has met the specified criteria and received the CAFR recognition for for 23 consecutive years.

**ATTACHMENTS:**

Certificate of Achievement for Excellence in Financial Reporting  
Award of Financial Reporting Achievement



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Bedford  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Morill*

Executive Director/CEO



The Government Finance Officers Association  
of the United States and Canada

*presents this*

## AWARD OF FINANCIAL REPORTING ACHIEVEMENT

*to*

**Finance Department**  
City of Bedford, Texas



*The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

*Christopher P. Morill*

Date October 30, 2019



# Council Agenda Background

**PRESENTER:** Michael Wells, City Secretary

**DATE:** 02/25/20

**Minutes**

**ITEM:**

Consider approval of the following City Council minutes:

- a) February 4, 2020 work session
- b) February 11, 2020 regular meeting

**DISCUSSION:**

N/A

**ATTACHMENTS:**

February 4, 2020 work session  
February 11, 2020 regular meeting

## Council Minutes February 4, 2020

STATE OF TEXAS §

COUNTY OF TARRANT §

CITY OF BEDFORD §

The City Council of the City of Bedford, Texas, met in Work Session at 6:00 p.m. at the former library building, 1805 L. Don Dodson, on the 4th day of February, 2020 with the following members present:

Michael Boyter	Mayor
Tom Burnett	Council Members
Dan Cogan	
Ruth Culver	
Roger Fisher	
Amy Sabol	
Rusty Sartor	

constituting a quorum.

Staff present included:

Cliff Blackwell	Interim City Manager
Michael Wells	City Secretary
Jeff Florey	Communications Coordinator
Natalie Foster	Public Information Officer
Wendy Hartnett	Special Events Manager
Cissy Sylo	Capital Projects Director
Brian TenEyck	Recreation Manager

### **CALL MEETING TO ORDER/GENERAL COMMENTS**

Mayor Boyter called the Work Session to order at 6:01 p.m.

### **WORK SESSION**

#### **1. Discussion regarding branding for the Phase Next project.**

Mike Thurman and Brad Bishop with Torch Creative presented background information on the company; their client base; examples of other projects on which they worked, including Bedford's logo and tagline; their process, consisting of research, sketch, and digital phases; and a timeline for the project. They stated the naming of the Boys Ranch Park will supersede the sketching phase of the process. There was discussion on public input and engagement; the naming process; the scope of the project, including naming both the park and multi-generational center; Council's involvement in the process, including meeting with a point person or group of Councilmembers; and the timeline for the process and its effect on the planning for the Phase Next project. Council was of the consensus for staff to engage with Torch Creative on the project and that Councilmembers Fisher, Sabol and Sartor serve as the point group. Mr. Thurman and Mr. Bishop confirmed they would work with staff on public engagement for the project. There was discussion on Councilmembers providing adjectives and thoughts to Torch Creative and the point group updating the full Council at their regular meetings.

## Council Minutes February 4, 2020

### 2. Discussion regarding arts and entertainment facility at the Old Bedford School.

Jim Tharp with Oxley Williams Tharp (OWT) presented an overview of the project and stated once the front-end work is completed, the overall timeline for the design and drawings of the facility would be approximately eight months, with the goal to have the facility open before the multi-generational building. Duncan Webb with Webb Management Services stated his job is writing the business plan for the project. He discussed adding space to the Old Bedford School (OBS) site, the operation of a combined arts/meeting/event space, and the scope of the business plan, which includes how the facility is programmed and operated, and how it is financially sustained. The first step of the process is for OWT to determine the physical parameters and capacity of the building. He stated he would bring together all the groups identified as potential users of the facility as an arts venue in a scheduling charette. From there, he would write an operating policy and make recommendations to Council on how to operate the facility. He would further develop a pro forma operating budget, including the funding requirements to sustain the building. The last step would be projecting the economic impact of the facility on the community. He stated the process would take approximately three months.

In response to questions from Council, Mr. Tharp stated the facility would be approximately 10,000 to 12,000 square feet. There was discussion on the location of the new building, parking, the annex to the OBS, and the physical connection between the OBS and the new building. Mr. Tharp stated it would be necessary to share the facilities. Regarding parking, Dennis Haar with Halff Associates stated a 300-seat theater would necessitate 75 parking spaces. Mr. Tharp stated the facility would be a one-story space, with a majority being the flexible performing space. There was discussion on the size of the performing space; outdoor performances; the opportunity with conference space; the Colleyville Center; the type of stage and seating; aesthetics; the impact to adjacent neighborhoods during construction; tying the location in with the Library and creating a City complex; having an open air connection to the OBS; the staircase on the back of the OBS; the seating capacity of the gym and the ballroom space at the new multi-generational center; the impact to users of the multi-generational center with using gym space for banquets; programming and space at the new building; and the expectations of ONSTAGE.

Council was of the consensus for a multi-use facility, with a 300 banquet-style seat room. There was discussion on other rooms in the facility, including a lobby, restrooms, a concession area, a catering kitchen, a green room, dressing rooms, backstage and for equipment; and the level of Council participation. Council was of the consensus for Mayor Boyter and Councilmembers Sabol and Culver to serve as part of the core group making decisions on the project, while major decisions would go to the entire Council. There was discussion on representation from the Cultural Commission and ONSTAGE in the core group.

There was discussion on the next steps in the project; the proposed location of the facility, specifically to the left of the OBS; including an individual from the hotels in making decisions; including groups that cannot be programmed in the multi-generational center as part of the programming discussion for the new building; and naming of the building.

### **ADJOURNMENT**

Mayor Boyter adjourned the Work Session at 7:17 p.m.

**Council Minutes February 4, 2020**

\_\_\_\_\_  
Michael Boyter, Mayor

ATTEST:

\_\_\_\_\_  
Michael Wells, City Secretary

## Council Minutes February 11, 2020

STATE OF TEXAS §

COUNTY OF TARRANT §

CITY OF BEDFORD §

The City Council of the City of Bedford, Texas, met in Work Session at 5:30 p.m. and Regular Session at 7:30 p.m. in the Council Chambers of City Hall, 2000 Forest Ridge Drive, on the 11th day of February, 2020 with the following members present:

Amy Sabol	Mayor Pro-Tem
Tom Burnett	Councilmembers
Dan Cogan	
Ruth Culver	
Roger Fisher	
Rusty Sartor	

constituting a quorum.

Mayor Boyter was absent from the meeting.

Staff present included:

Cliff Blackwell	Interim City Manager
Stan Lowry	City Attorney
Michael Wells	City Secretary
Natalie Foster	Public Information Officer
Wendy Hartnett	Special Events Manager
Meg Jakubik	Strategic Services Manager
Kenny Overstreet	Public Works Director
Maria Redburn	Library Director
Cissy Sylo	Capital Projects Director

### **COUNCIL CHAMBER WORK SESSION**

Mayor Pro Tem Sabol called the Work Session to order at 5:30 p.m.

- **Update on Boys Ranch Park - Phase Next: 50% Design Development - OWT (Multi-generational Building)**

Capital Projects Director Cissy Sylo stated the 50% design development plans were submitted by Oxley Williams Tharp (OWT) on January 20, 2020 and were reviewed by the Boys Ranch Park Development Review Committee (DRC). The plans consist of the first floor, overall fitness floor, building sections, roof, windows, aquatics, mechanical/electrical/plumbing, wall sections and furniture. The DRC made minor technical comments, asked questions and for clarifications, and discussed the 100% design development plans. Ms. Sylo displayed examples of the plans and discussed how they are always evolving. Changes to the 50% design development plans include the following: the West Wing was enlarged slightly; the Community Hall was enlarged slightly and the sizes of the rooms were offset; the West Wing activity rooms were increased in size; the restrooms in the West Wing were relocated; doors and glass walls were added to the West Wing;

## Council Minutes February 11, 2020

the aquatics, mechanical and storage area was reconfigured; the Child Watch area was modified; the main awning was rotated to align to the main drive; the vestibule area from the event entrance was decreased to increase the number of activity rooms; the outdoor aquatic concessions were moved ten feet; and a storage room was added near the Community Hall.

There was discussion on how the changes to the West Wing affected the senior lounge area, as well as the naming of the area. Ms. Sylo presented additional Phase Next updates, including the following: the Phase Next Communication Plan; public meetings; the first addendum to the geotechnical agreement; an analysis of the Senior Center; preliminary programming of the multi-generational building; a quilting/ceramics survey; the asbestos survey; internal meetings on outstanding items in the 30% construction plans; budgetary items; branding; landscaping; issues with Atmos Gas; and Fire Department training at the facilities. There was discussion on communications with a member of the Senior Center who expressed concerns about the Center at Council meetings.

Ms. Sylo presented information on the remaining timeline for the project, including the Harwood 12" water line project and the milestones for the construction plans. There was discussion on the construction manager at-risk reviewing the plans, the project's budget, parking, Fire and Police Department training in the buildings set to be demolished, and the timeline for groundbreaking.

- **Presentation by the Trinity Arts Guild regarding relocation.**

Gail Cooksey, 2816 Cottonwood Lane, Colleyville, Pamela Oldham, 311 Yorkshire Drive, Euless, and Kimmy Ham, 1756 Northridge Drive, Hurst, representing the Trinity Arts Guild (TAG), presented an overview of the organization. Ms. Cooksey stated TAG is an independent non-profit founded in 1961 focused on the visual arts, and they have approximately 100 members. She discussed the purpose of TAG and how they assist artists through classes, workshops, galleries, promotions, and competitions. She stated TAG subleases space from the Arts Council Northeast, and the building is scheduled for demolition as part of Phase Next. She discussed the work TAG did on the building when they moved in 40 years ago.

Ms. Cooksey stated TAG needs both a temporary and permanent solution to having a home, and asked Council for assistance in doing so. She stated TAG ideally needs 2,000 square feet of space for a full-time occupancy, with sinks, restrooms and parking for events. She discussed how TAG benefits the community, including traveling arts displays, providing a venue for professional and amateur artists, workshops, juried shows, and educational opportunities. She presented an overview of their sponsors. In response to questions from Council, Ms. Oldham stated they have discussed temporary locations with a couple of places but have not found a permanent location; however, they had discussions holding classes at Central Arts of Bedford facilities. Ms. Cooksey stated TAG has received interest from the City of Hurst and other locations but wanted to first exhaust all possibilities with Bedford. She stated their members skew on the older side, though they offer youth activities. There was discussion on an opportunity with Arts Council Northeast and retail spaces.

- **Discussion regarding the Street Improvement plan currently in place. \*\*This item requested by Mayor Boyter**

Public Works Director Kenny Overstreet presented an update on street projects for the last three fiscal years. He stated \$1,729,352 and \$1,943,870 was spent in Fiscal Years 2017/18 and 2018/19 respectively, while \$2,440,348 was budgeted for Fiscal Year 2019/20. He presented an

## **Council Minutes February 11, 2020**

overview of the street projects completed, or scheduled to be completed, during those fiscal years and the impact on the pavement condition index (PCI) of those streets. There was discussion regarding the PCI rating system, the Fugro street assessment, and the City's five-year street improvement plan. Mr. Overstreet stated in the fifth year of the plan, a determination would be made whether to continue paying cash for projects or sell bonds to do rebuilds of some streets. There was discussion on the appearance of major thoroughfares, including the impact on economic development and residential complaints, and potential temporary solutions; street projects being done in conjunction with water and sewer projects; the impact on Forest Ridge Drive and Harwood Road with the Phase Next construction; the half-cent sales tax that funds the Street Improvement Economic Development Corporation (SIEDC); and the impact of the Bedford Commons project on any plans for Forest Ridge Drive and L. Don Dodson Drive. There was discussion regarding Meadow Lane, including its PCI rating and condition; repairs made around a manhole; the street not being included on the street improvement plan; the maintenance schedule and funding for streets; staff putting together information for Council on the liability for bonds to repair critical streets; and the impact of budget constraints with the new revenue cap. Mr. Overstreet stated the SIEDC discussed borrowing money or paying for street projects with available cash, and decided to come back in the fifth year of the street improvement plan to decide whether to continue to pay cash or sell bonds.

Mayor Pro Tem Sabol adjourned the Work Session at 6:40 p.m.

### **EXECUTIVE SESSION**

- a) Pursuant to Section 551.072, to deliberate the purchase, exchange, lease or value of real property - Abstract 1607 Tract 11e01 William Wallace Survey.
- b) Pursuant to Section 551.087, receive an update on economic development negotiations related to Plaza Center Addition Lot AR 1A and Bedford Plaza Addition 1989 H Block A Lot 4B 1.
- c) Pursuant to Section 551.087, update regarding ongoing economic development discussions/projects. \*\*This item requested by Mayor Boyter.
- d) Pursuant to Section 551.074, personnel matters - City Manager search.
- e) Pursuant to Section 551.074, personnel matters - Interim City Manager contract.

Council convened into Executive Session pursuant to Texas Government Code Section 551.072, to deliberate the purchase, exchange, lease or value of real property - Abstract 1607 Tract 11e01 William Wallace Survey; Section 551.087, receive an update on economic development negotiations related to Plaza Center Addition Lot AR 1A and Bedford Plaza Addition 1989 H Block A Lot 4B 1; Section 551.087, update regarding ongoing economic development discussions/projects; Section 551.074, personnel matters - City Manager search; and Section 551.074, personnel matters - Interim City Manager contract, at 6:42 p.m.

Council reconvened from Executive Session at approximately 7:25 p.m. Any necessary action to be taken as a result of the Executive Session will be during the Regular Session.

### **REGULAR SESSION**

The Regular Session began at 7:32 p.m.

### **CALL TO ORDER/GENERAL COMMENTS**

## **Council Minutes February 11, 2020**

Mayor Pro Tem Sabol called the meeting to order. She stated Mayor Boyter was unable to attend the meeting due to a family emergency and asked everybody to keep him in their thoughts and prayers.

### **INVOCATION (Bishop Nosa Onaiwu, Arise and Shine International Ministries)**

Bishop Nosa Onaiwu with Arise and Shine International Ministries gave the invocation.

### **PLEDGE OF ALLEGIANCE**

The Pledges of Allegiance to the flags of the United States and Texas were given.

### **ANNOUNCEMENTS/UPCOMING EVENTS**

Public Information Officer Natalie Foster reported on upcoming events and programs, including the Boys Ranch Activity Center's Spring Break Camp from March 9 -13, 2020; the Library of Things Program; and the Grow Your Own Vegetables Class on March 30, 2020 at the Public Works Service Center.

### **OPEN FORUM**

Nobody chose to speak during Open Forum.

### **CONSIDER APPROVAL OF ITEMS BY CONSENT**

Motioned by Councilmember Burnett, seconded by Councilmember Culver, to approve the following item by consent: 1

Motion approved 6-0-0. Mayor Pro Tem Sabol declared the motion carried.

- 1. Consider approval of the following City Council minutes:  
a) January 28, 2020 regular meeting**

This item was approved by consent.

### **COUNCIL RECOGNITION**

- 2. Proclamation declaring February 2020 as Library Lover's Month in the City of Bedford.**

Mayor Pro Tem Sabol read a proclamation declaring February 2020 as Library Lover's Month in the City of Bedford. Library Director Maria Redburn accepted the proclamation.

### **PERSONS TO BE HEARD**

- 3. The following individuals have requested to speak to the Council tonight under Persons to be Heard:  
a) Josh Santillan, Cedric Santillan and Sergio Santos, 2816 Central Drive #140, Bedford, Texas 76021 - Request to speak to Council regarding the state of the arts in Bedford.**

Josh Santillan and Cedric Santillan, 3210 Meadow Wood Lane, Bedford, representing Central Arts of Bedford, presented an overview of their organization. Josh Santillan stated they started

## Council Minutes February 11, 2020

placing art into empty storefronts to create interest in their shopping center and opened their own storefront in 2014. They have hosted over 350 events, classes and gallery shows. In 2019, the City of Hurst gave them a 3,000 square foot space in the Belaire Shopping Center. Also, in 2019, they were hired by Durkin Enterprises to activate six buildings in downtown Richardson. Mr. Santillan discussed the City's demographics compared to neighboring cities, the impact of the arts to economic growth and Gross Domestic Product. He further discussed areas of interest within 30 minutes or less of Bedford and Central Art's social media presence compared to their competitors per Facebook.

Josh Santillan stated Central Arts is a non-profit and has raised approximately \$50,000 through programming and donations, from which they pay \$16,000 for four employees and \$2,200 in rent and \$5,000 in utilities. He discussed awards they won and their project in Richardson. He stated a vacant space can be activated by adding art and creating an event in order to experience economic growth. He discussed their location in the Belaire Shopping Center and stated they do not pay rent, allowing them to offer lower prices for programming. He and Cedric Santillan presented information on events at Central Arts, including concerts, shows, pop-up events, and classes. Josh Santillan presented a proposal to take over the shopping center at 209 Central Drive and stated in conversations with Durkin, if the City would help support the arts in one of the shopping centers, they would be interested in buying it.

In response to questions from Council, Josh Santillan stated Hurst is paying the rent for their location in that city, and both Richardson and the developer are paying for the project there. There was discussion on economic incentives, rehabbing 209 Central Drive, and Central Arts and Durkin working with the Development Department on a proposal for 209 Central Drive. There was further discussion on the rent Central Arts pays in Bedford, Mr. Santillan's personal investment in maintaining Central Arts, keeping Central Arts in Bedford, and grant funding.

### **NEW BUSINESS**

- 4. Consider an ordinance amending Chapter 2. "Administration," Article IV. "Boards, Commissions, and Committees," Division 1. "Generally," Section 2-172. "Subcommittees, meetings," and Division 4. "Cultural Commission," Section 2-242. "Subcommittees" of the City of Bedford Code of Ordinances; repealing all ordinances in conflict herewith; containing a savings clause; and declaring an effective date.**

Special Events Manager Wendy Hartnett presented information regarding this item, which is to allow the Cultural Commission to form their own subcommittees without coming to Council for approval. She stated it would allow more flexibility on projects and for members to meet in smaller groups.

Motioned by Councilmember Sabol, seconded by Councilmember Burnett, to approve an ordinance amending Chapter 2. "Administration," Article IV. "Boards, Commissions, and Committees," Division 1. "Generally," Section 2-172. "Subcommittees, meetings," and Division 4. "Cultural Commission," Section 2-242. "Subcommittees" of the City of Bedford Code of Ordinances; repealing all ordinances in conflict herewith; containing a savings clause; and declaring an effective date.

Motion approved 6-0-0. Mayor Pro Tem Sabol declared the motion carried.

- 5. Consider a resolution authorizing the Interim City Manager to enter into an agreement, utilizing the Tarrant County cooperative purchasing agreement, in the amount of**

## Council Minutes February 11, 2020

### **\$61,315.36, with TexOp Construction, LP for asphalt milling on Forest Ridge Drive from SH 183 to Pipeline Road and Brown Trail from SH 183 to Bedford Road.**

Public Works Director Kenny Overstreet presented information regarding this item, which is to authorize a contract with TexOp construction to do the milling of asphalt on Forest Ridge Drive and Brown Trail. He stated Council approved a contract with Tarrant County to mill and overlay those streets at the previous meeting. In response to questions from Council, Mr. Overstreet stated they contract for milling once a year and confirmed Tarrant County does not have a milling machine suitable for this type of work. There was discussion on the cost of a milling machine.

Motioned by Councilmember Fisher, seconded by Councilmember Culver, to approve a resolution authorizing the Interim City Manager to enter into an agreement, utilizing the Tarrant County cooperative purchasing agreement, in the amount of \$61,315.36, with TexOp Construction, LP for asphalt milling on Forest Ridge Drive from SH 183 to Pipeline Road and Brown Trail from SH 183 to Bedford Road.

Motion approved 6-0-0. Mayor Pro Tem Sabol declared the motion carried.

### **6. Consider a resolution authorizing the Interim City Manager to reschedule and cancel regular Council meetings in 2020.**

Interim City Manager Cliff Blackwell presented information regarding this item. He stated Senate Bill 2 requires an election be called if the City exceeds the no new revenue rate, and to meet the standards of the Election Code, the decision to adopt such a tax rate needs to be made 78 days prior to the date of the election. In order to meet that deadline, the date of the second meeting in August needs to be moved back to Monday, August 24, 2020. He asked Council to consider cancelling the meeting on May 26, as it falls the day after Memorial Day, the meeting on November 24, as it falls during the Thanksgiving holiday, and the meeting on December 22, as it falls during the Christmas holiday.

Motioned by Councilmember Culver, seconded by Councilmember Cogan, to move the scheduled meeting in the latter part of August to Monday, August 24, and to cancel the meetings on May 26, November 24 and December 22.

Motion approved 5-1-0. Mayor Pro Tem Sabol declared the motion carried.

Voting in favor of the motion: Mayor Pro Tem Sabol, Councilmember Cogan, Councilmember Burnett, Councilmember Culver, and Councilmember Fisher

Voting in opposition to the motion: Councilmember Sartor

### **7. Mayor/Council Member Reports**

#### **a) Report on Phase Next branding**

Mayor Pro Tem Sabol reported the Council agreed at their work session the previous week to use Torch Creative for the branding for the Phase Next and Old Bedford School projects. Torch will work with herself and Councilmembers Fisher and Sartor on the initial phases of the design. Torch Creative plans to name and brand both facilities and the park, while taking into consideration the City's culture and history, as well as what goes on in the City.

#### **b) Report on arts and entertainment facility at the Old Bedford School**

## Council Minutes February 11, 2020

Mayor Pro Tem Sabol reported the Council decided the new building at the Old Bedford School would be a multi-purpose facility allowing for smaller classrooms, with a big hall that would accommodate theater, arts, dance, weddings, meetings and banquets. Herself, Mayor Boyter and Councilmember Culver would be working with Oxley Williams Tharp on the initial phases of that project. Once underway, the project would be brought back to the whole Council and public meetings would be held on the project.

Councilmember Fisher reported the Mayor's mother suffered a stroke and he is spending the time necessary with her. He asked everybody to keep the Mayor and his mother in their thoughts and prayers.

### **8. Report on most recent meeting of the following Boards and Commissions:**

#### ✓ **Animal Shelter Advisory Board**

No report was given.

#### ✓ **Beautification Commission**

No report was given.

#### ✓ **Community Affairs Commission**

Councilmember Culver reported the Commission will host a business town hall at the former library building on February 24, 2020.

#### ✓ **Cultural Commission**

No report was given.

#### ✓ **Economic Development Foundation**

Councilmember Fisher reported there was discussion on changes to the booth and setup at the upcoming International Council of Shopping Centers conference at the last board meeting. The board decided the cities' development directors will report back to their respective councils and the public in lieu of a Foundation dinner every year.

#### ✓ **Library Advisory Board**

No report was given.

#### ✓ **Parks and Recreation Board**

Councilmember Sartor reported the Board discussed highlighting additional parks in Bedford during the Phase Next construction. He stated upcoming events at other parks include a fun run at the Bedford Trails linear park in late March, a puppy yoga event on June 20, 2020, and a movie night in one of the parks the same evening as National Night Out. He stated Cathy Schneider, a long-time member of the Board, praised Parks Superintendent Don Henderson for doing more in the past five years than at any other time during her tenure. Councilmember Sartor recognized Board Member Richard Steves who was in attendance. He provided an update on the Friends of

## Council Minutes February 11, 2020

the Bedford Parks Foundation, including the resignation of president Wendy Watson and accomplishments under her tenure. He thanked Ms. Watson for her leadership and her service to the project and community.

✓ **Teen Court Advisory Board**

No report was given.

✓ **Senior Center Representative**

No report was given.

### **9. City Manager/Staff Reports**

Interim City Manager Cliff Blackwell thanked Fire Chief Sean Fay and his staff for the recent Fire Department banquet, including the recognition of Lee Ferguson. He thanked Council for the donation of stuffed animals, which are being given away to children at the Library. He recognized Police Officer Onay Nunez for his bravery in helping rescue a person from a burning vehicle.

• **Quarterly Financial Report**

Strategic Services Manager Meg Jakubik gave a financial report on the first quarter of the City's fiscal year. She presented information on the General Fund, including a comparison of actual, budgeted and projected revenue and expenditures, and a comparison of revenues and expenditures from Fiscal Year 2019 and 2020. She presented information on the Water and Sewer Fund, including three-year histories of revenue and expenditures. She presented information on other funds, including Tourism, Stormwater, and the Street Improvement Economic Development Corporation (SIEDC). There was discussion regarding the estimated savings with the automated meter readers and an upcoming contract for utility rate study services.

### **10. Take any action necessary as a result of the Executive Session.**

No action was necessary as a result of the Executive Session.

### **ADJOURNMENT**

Mayor Pro Tem Sabol adjourned the meeting at 8:52 p.m.

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Michael Boyter, Mayor

ATTEST:

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Michael Wells, City Secretary



# Council Agenda Background

<b><u>PRESENTER:</u></b> Michael Wells, City Secretary		<b><u>DATE:</u></b> 02/25/20
<b>Council Mission Area:</b> Encourage citizen involvement.		
<b><u>ITEM:</u></b> Consider an order cancelling the May 2, 2020 general election and declaring unopposed candidates for City Council Place 4 and Place 6 be elected to the office in accordance with provisions of Subchapter C of Chapter 2, Texas Election Code.  <b>City Attorney Review:</b> Yes		
<b><u>SUMMARY:</u></b> This item is to cancel the May 2, 2020 general election for Place 4 and Place 6 on the City Council, pursuant to Subchapter C of Chapter 2 of the Texas Election Code.		
<b><u>BACKGROUND:</u></b> The City Council ordered the general election for Place 4 and Place 6 to be held on the May 2, 2020 uniform election date. The filing period was 8:00 a.m. Wednesday, January 15 through 5:00 p.m. Friday, February 14, 2020. As of the filing deadline, the City Secretary's Office received only one application for each place: Tom Burnett in Place 4 and Rob Gagliardi in Place 6.  The Certification of Unopposed Status was delivered to Council via email on Wednesday, February 19, 2020 pursuant to Section 2.052 of the Texas Election Code. Therefore, in accordance with Section 2.053 of the Texas Election Code, the City Council may declare Mr. Burnett and Mr. Gagliardi elected to office. The attached Order of Cancellation thereby cancels the general election.  Pursuant to the Texas Election Code, Mr. Burnett and Mr. Gagliardi cannot be issued a certificate of election and be sworn in until the third day after the May 2, 2020 election, and therefore, they can receive their certification and be sworn into office at the Council meeting on May 12, 2020.  Pursuant to Section 2.053(c) of the Election Code, since the City is still holding a special local option election, Mr. Burnett and Mr. Gagliardi would still appear on the ballot under the title: "Unopposed Candidates Declared Elected" but no votes would be cast in connection with the candidates.		
<b><u>RECOMMENDATION:</u></b> Staff recommends the following motion:  Approval of an order cancelling the May 2, 2020 general election and declaring unopposed candidates for City Council Place 4 and Place 6 be elected to the office in accordance with provisions of Subchapter C of Chapter 2, Texas Election Code.		
<b><u>FISCAL IMPACT:</u></b> N/A	<b><u>ATTACHMENTS:</u></b> Certification of Unopposed Candidate Order of Cancellation Section 2.052 and 2.053 Texas Election Code	



### **CERTIFICATION OF UNOPPOSED STATUS**

I, Michael Wells, City Secretary of the City of Bedford, Texas, do hereby certify that the candidates for Place 4 and Place 6 on the City Council in the May 2, 2020 General Election are unopposed.

Pursuant to Election Code Section 2.052, this certification is made after the filing deadline for placement on the ballot and after the filing deadline for write-in candidates.

Certified this the 19th day of February 2020.

---

Michael Wells, City Secretary

ORDER OF CANCELLATION  
DE ORDEN DE CANCELACIÓN  
LỆNH HỦY BỎ

The City of Bedford, Texas hereby cancels the general election scheduled to be held on  
(official name of governing body)  
May 2, 2020 in accordance with Section 2.053(a) of the Texas  
(date on which election was scheduled to be held)

Election Code. The following candidates have been certified as unopposed and are hereby elected as follows:

El Ciudad de Bedford, Tejas por la presente cancela la elección que, de lo contrario,  
(nombre oficial de la entidad gobernante)  
se hubiera celebrado 2 de mayo de 2020 de conformidad, con  
(fecha en que se hubiera celebrado la elección)  
la Sección 2.053(a) del Código de Elecciones de Texas. Los siguientes candidatos han sido  
certificados como candidatos unicos y por la presente quedan elegidos como se haya indicado a  
continuación:

Thành phố Bedford, Texas hướng hủy bỏ các cuộc bầu cử dự kiến sẽ được tổ chức vào  
(tên chính thức của cơ quan chủ quản)

Tháng năm 2, 2020 theo quy định của mục 2.053(a) của Texas Bầu cử mã.  
(trên đó bầu cử đã được dự kiến sẽ được tổ chức ngày)

Các ứng viên đã chứng nhận là unopposed và hướng được bầu làm như sau:

Candidate (Candidato)(Thị sinh)    Office Sought (Cargo al que presenta candidatura)  
(Văn phòng mua)

*Tom Burnett*                      *City Council Member, Place 4 (Concejo Municipal, Lugar 4)*  
(Thành viên hội đồng thành phố, nơi 4)

*Rob Gagliardi*                      *City Council Member, Place 6 (Concejo Municipal, Lugar 6)*  
(Thành viên hội đồng thành phố, nơi 6)

A copy of this order will be posted on Election Day at each polling place that would have been used in the election.

*El Dia de las Elecciones se exhibird una copia de esta orden en todas las mesas electorates que se hubieran utilizado en la elección.*

*Một bản sao của lệnh này sẽ được đăng vào ngày bầu cử tại mỗi địa điểm phòng phiếu nào đã được sử dụng trong cuộc bầu cử.*

---

Mayor (Alcalde) (Thị trưởng)

---

City Secretary (Secretaria de la Ciudad)  
(Ngày nhận con nuôi)  
(seal) (sello)(nim phong)

February 25, 2020 (25 de Febrero de 2020) (Ngày 25 tháng 2 năm 2020)

Date of adoption (Fecha de adopción)

(Ngày nhận con nuôi)

Sec. 2.052. CERTIFICATION OF UNOPPOSED STATUS. (a) The authority responsible for having the official ballot prepared shall certify in writing that a candidate is unopposed for election to an office if, were the election held, only the votes cast for that candidate in the election for that office may be counted.

(b) The certification shall be delivered to the governing body of the political subdivision as soon as possible after the filing deadlines for placement on the ballot and list of write-in candidates.

(c) A certification may be made under Subsection (a) following the filing of a withdrawal request by a candidate after the deadline prescribed by Section [145.092](#) if:

(1) the withdrawal request is valid except for the untimely filing;

(2) ballots for the election have not been prepared;  
and

(3) the conditions for certification under Subsection (a) are otherwise met.

(d) A certification described by Subsection (c) shall be delivered to the governing body of the political subdivision as soon as possible.

Added by Acts 1995, 74th Leg., ch. 667, Sec. 1, eff. Sept. 1, 1995.

Amended by:

Acts 2005, 79th Leg., Ch. 1107 (H.B. [2309](#)), Sec. 1.02, eff. September 1, 2005.

Acts 2017, 85th Leg., R.S., Ch. 1032 (H.B. [1661](#)), Sec. 1, eff. September 1, 2017.

Sec. 2.053. ACTION ON CERTIFICATION. (a) On receipt of the certification, the governing body of the political subdivision by order or ordinance may declare each unopposed candidate elected to the office. If no election is to be held on election day by the political subdivision, a copy of the

order or ordinance shall be posted on election day at each polling place used or that would have been used in the election.

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

(c) The ballots used at a separate election held at the same time as an election that would have been held if the candidates were not declared elected under this section shall include the offices and names of the candidates declared elected under this section listed separately after the measures or contested races in the separate election under the heading "Unopposed Candidates Declared Elected." The candidates shall be grouped in the same relative order prescribed for the ballot generally. No votes are cast in connection with the candidates.

(d) The secretary of state by rule may prescribe any additional procedures necessary to accommodate a particular voting system or ballot style and to facilitate the efficient and cost-effective implementation of this section.

(e) A certificate of election shall be issued to each candidate in the same manner and at the same time as provided for a candidate elected at the election. The candidate must qualify for the office in the same manner as provided for a candidate elected at the election.

Added by Acts 1995, 74th Leg., ch. 667, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 1316, Sec. 4, eff. Sept. 1, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1235 (S.B. [1970](#)), Sec. 2, eff. September 1, 2009.



# Council Agenda Background

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**PRESENTER:** See below

**DATE:** 02/25/20

Persons to be Heard

**ITEM:**

- a) Minnie V. Wesbee, 1503 Tennis Drive Apt 208, Bedford, TX 76022 – Requested to speak to Council regarding: City not picking up stray cats, little being done about vehicles not inspected driving around, and why no development like Eules.

**DISCUSSION:**

N/A

**ATTACHMENTS:**

Letter of Request

**From:** Minnie Wesbee  
**To:** [Bedford City Secretary Office](#)  
**Subject:** Speak at next City Council Meeting  
**Date:** Tuesday, February 18, 2020 10:48:46 PM

---

**EXTERNAL SENDER**

I would like to speak at the next City Council meeting on the following topics;

1. City not picking up stray cats.
2. Little being done about vehicles not inspected driving around.
3. Why no development like Euless?

Minnie V. Wesbee  
1503 Tennis Drive Apt 208  
Bedford, Tx 76022



# Council Agenda Background

<b><u>PRESENTER:</u></b>	Maria Joyner, CPA, Director of Finance Paula McPartlin, CGFO, Asst. Director of Finance Representatives from Weaver, L.L.P.	<b><u>DATE:</u></b> 02/25/20
<b>Council Mission Area:</b>	Demonstrate excellent customer service in an efficient manner.	
<b><u>ITEM:</u></b>	Consider a resolution accepting the report from the independent auditor and the audited financial statements for the fiscal year ending September 30, 2019 and providing an effective date.  City Attorney Review: N/A	
<b><u>SUMMARY:</u></b>	To accept the annual financial report for the fiscal year ending September 30, 2019. The report is derived from an independent audit by qualified public accountants designated by the City Council.	
<b><u>BACKGROUND:</u></b>	<p>Per Section 2.20 of the City Charter, the City Council designates qualified public accountants who, at the end of the fiscal year, make an independent audit of accounts and other evidence of financial transactions from City government. Once completed, they will submit their report to the Council and the City Manager.</p> <p>On January 30, 2020, Jennifer Ripka, CPA, Engagement Partner for Weaver, L.L.P. (Weaver) and Kristen Derryberry, CPA, Audit Senior Manager for Weaver, presented the independent audit report to the Audit Committee. The Committee consists of Mayor Michael Boyter, Council Member Tom Burnett, Council Member Roger Fisher, Interim City Manager Clifford Blackwell, Director of Finance Maria Joyner, CPA, and Assistant Finance Director Paula Y. McPartlin, CGFO. Also present was Senior Accountant Crystal Segovia, CGFO.</p> <p>In the meeting, Weaver presented the City of Bedford's financial position, with respect to fiscal highlights, net assets, budgetary constraints, and ending fund balance. Weaver conducted the audit in accordance with both Generally Accepted Auditing Standards (GAAS) and Generally Accepted Accounting Principles (GAAP) accepted in the United States of America. In summary, Weaver found that the City of Bedford's financial statements for the fiscal year ending September 30, 2019 present fairly, in all material respects, without any material misstatement, which is the highest level of assurance a City can receive.</p> <p>This marks the third year the City of Bedford worked with Weaver. In March 2017, the City solicited requests for proposals (RFP) for audit services and four firms responded. An RFP committee evaluated the proposals based on technical qualifications, commitment to value added services, expertise, and approach. Weaver scored the highest among the committee. Therefore, on May 9, 2017, Weaver, L.L.P. was awarded the contract to conduct the annual audit for the fiscal years ending 2017, 2018, 2019, with two one-year options to renew. They are currently in the third and final year of the initial three-year term agreement.</p>	

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution accepting the report from the independent auditor and the audited financial statements for the fiscal year ending September 30, 2019 and providing an effective date.

**FISCAL IMPACT:**

N/A

**ATTACHMENTS:**

Resolution  
Management Letter  
CAFR

**RESOLUTION NO. 2020-**

**A RESOLUTION ACCEPTING THE REPORT FROM THE INDEPENDENT AUDITOR AND THE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2019 AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS, the City has completed the annual audit of the City's financial statements for the fiscal year ending September 30, 2019; and,**

**WHEREAS, the City Council of Bedford, Texas has received the report from the City's independent audit firm, Weaver, L.L.P.; and,**

**WHEREAS, the Audit Committee of the City of Bedford has reviewed and voted to accept the report as written.**

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

**SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**

**SECTION 2. That the City Council does hereby accept the report of the independent auditor and the audited financial statements for the fiscal year ending September 30, 2019 as presented.**

**SECTION 3. That this resolution shall take effect from and after the date of its passage.**

**PRESENTED AND PASSED this 25th day of February 2020, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.**

\_\_\_\_\_  
**Michael Boyter, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michael Wells, City Secretary**



CITY OF  
**BEDFORD**

Administrative Services  
2000 Forest Ridge Drive  
Bedford, TX 76021  
Phone: 817-952-2100 Fax: 817-952-2454

February 14, 2020

Weaver and Tidwell, L.L.P.  
2300 North Field Street Suite 1000  
Dallas, Texas 75201

This representation letter is provided in connection with your audit of the governmental activities, business type activities, each major fund, and the aggregate remaining fund information of the City of Bedford, Texas (the City) as of September 30, 2019, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the City in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter.

#### **Financial Statements**

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 8, 2019, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.



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- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
  - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

#### Information Provided

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;



CITY OF  
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- Employees who have significant roles in internal control; or
- Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The City has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which the City is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
  - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
  - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

**Required Supplementary Information**



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With respect to the required supplementary information accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
- We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
- The methods of measurement or presentation have not changed from those used in prior period.

**Supplementary Information in Relation to the Financial Statements as a Whole**

With respect to the supplementary information accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the supplementary information in accordance with U.S. GAAP.
- We believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP.
- The methods of measurement or presentation have not changed from those used in the prior period.
- When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
- We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

Clifford Blackwell, C.G.F.O., Assistant City Manager

Maria Joyner, C.P.A., Director of Finance

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

The Mayor and City Council  
City of Bedford, Texas  
Bedford, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bedford, Texas (the City) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 14, 2020.

***Internal Control over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

The Mayor and City Council  
City of Bedford, Texas

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

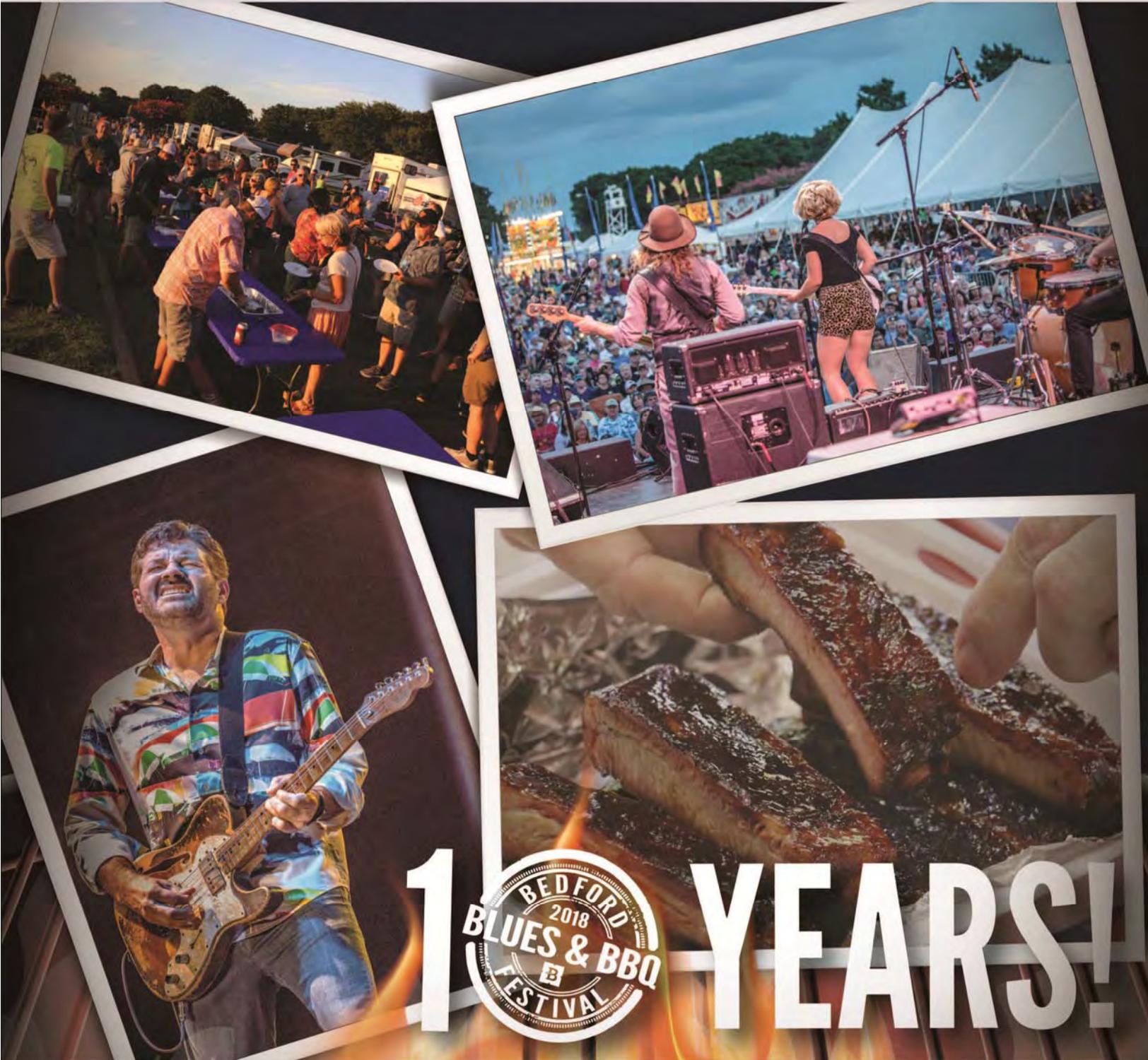
*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
February 14, 2020



CITY OF  
**BEDFORD**  
Discover the Center



**1 YEARS!**

**Comprehensive Annual Financial Report**  
For the Fiscal Year Ending September 30, 2019  
City of Bedford, Texas

# **City of Bedford**

Comprehensive Annual Financial Report  
Fiscal Year Ended September 30, 2019

Prepared By  
City of Bedford Finance Department

**City of Bedford, Texas**  
 Comprehensive Annual Financial Report  
 For the Year Ended September 30, 2019  
 Table of Contents

	Page
<b>Introductory Section</b>	
Letter of Transmittal .....	v
Organizational Chart .....	x
Principal Officials .....	xi
Department of Financial Services.....	xii
Certificate of Achievement for Excellence in Financial Reporting .....	xiii
<b>Financial Section</b>	
Independent Auditor's Report .....	3
Management's Discussion and Analysis .....	5
<b>Basic Financial Statements</b>	
Government-Wide Statements	
Statement of Net Position .....	15
Statement of Activities .....	16
Fund Financial Statements	
Balance Sheet - Governmental Funds .....	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	21
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	22
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities .....	24
Statement of Net Position - Proprietary Funds .....	25
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds.....	26
Statement of Cash Flows - Proprietary Funds .....	27
Notes to the Financial Statements.....	29
<b>Required Supplementary Information</b>	
Schedule of Changes in the City's Net Pension Liability and Related Ratios-TMRS.....	60
Schedule of City Contributions – TMRS.....	61
Notes to the Schedule of City Contributions.....	62
Schedule of Changes in the City's Other Post-Employment Benefits Liabilities and Related Ratios-Retiree Health Care Plan .....	63
Schedule of Contributions - Retiree Healthcare Plan .....	64
Notes to the Schedule of Contributions – Retiree Healthcare Plan .....	65
Budgetary Comparison Schedule General Fund.....	66
Budgetary Comparison Schedule Economic Development 4B Fund .....	68
Notes to Budgetary Comparison Schedules.....	69

**City of Bedford, Texas**  
 Comprehensive Annual Financial Report  
 For the Year Ended September 30, 2019  
 Table of Contents – Continued

	Page	Table
<b>Combining Fund Statements and Schedule</b>		
Nonmajor Special Revenue Funds		
Combining Balance Sheet .....	74	
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	76	
Individual Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual .....	80	
Debt Service Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual.....	86	
<b>Statistical Section (Unaudited)</b>		
Financial Trends		
Net Position by Component.....	93	1
Changes in Net Position.....	94	2
Fund Balances of Governmental Funds.....	98	3
Changes in Fund Balances of Governmental Funds .....	99	4
Revenue Capacity		
Tax Revenues by Source – Governmental Funds .....	103	5
Water Revenue .....	104	6
Principal Water Customers .....	105	7
Assessed Value and Estimated Actual Value of Taxable Property.....	106	8
Principal Property Taxpayers.....	107	9
Property Tax Levies and Collections .....	108	10
Debt Capacity		
Ratio of Outstanding Debt by Type .....	111	11
Ratio of Net General Bonded Debt Outstanding.....	112	12
Direct and Overlapping Governmental Activities Debt.....	113	13
Legal Debt Margin Information .....	114	14
Pledged Revenue Coverage .....	115	15
Demographic and Economic Information		
Demographic and Economic Statistics.....	119	16
Principal Employers.....	120	17
Direct and Overlapping Tax Rates.....	121	18
Operating Information		
Full-time Equivalent City Governmental Employees by Function/Program .....	125	19
Operating Indicators by Function/Program .....	126	20
Capital Asset Statistics by Function/Program.....	127	21

# Introductory Section

# CITY of BEDFORD

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2000 FOREST RIDGE DRIVE, BEDFORD, TEXAS 76021-1895

February 25, 2020

Citizens of Bedford, Honorable Mayor,  
Members of the City Council and City Manager:

The Department of Financial Services is pleased to submit the Comprehensive Annual Financial Report for the City of Bedford, Texas (City), for the fiscal year ended September 30, 2019. This report was prepared through the cooperative effort of the Department of Financial Services and the City's independent auditor. It is published to provide the City Council, staff, citizens, bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation rests with the City. We believe the data, as presented, is accurate in all material aspects. It is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and all disclosures necessary have been included to enable the reader to gain the maximum understanding of the City's financial affairs.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, organizational chart and a list of principal officials. The financial section includes the independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements and combining and individual fund statements and schedules. The statistical section includes a variety of financial and demographic information presented on a multiyear basis that is relevant to a financial statement reader. The financial section is prepared in accordance with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB).

## CITY PROFILE

The City of Bedford is a predominately residential community located in Tarrant County, near several major transportation links between Dallas and Fort Worth. It is part of the "Metroplex" of North Central Texas, which includes the cities of Dallas and Fort Worth. The City of Bedford is bordered on the east and south by the City of Euless, on the west by the City of Hurst and on the north by the City of Colleyville. Bedford lies approximately five miles from the Dallas/Fort Worth International Airport, 12 miles from downtown Fort Worth and 20 miles from downtown Dallas. There are three State Highways (183, 121, 157) and two Interstate Highways (35, 30) serving the City with the nearest Interstate located six miles away.

The City was incorporated in 1953 under the general laws of the state of Texas and the voters approved the current charter in 1966. The City is a home rule city and operates under the Council/Manager form of government. The City Council is composed of a mayor and six council members elected at large every three years.

## **THE REPORTING ENTITY AND ITS SERVICES**

Generally accepted accounting principles require the general-purpose financial statements present the City (the primary government) and its component units. Component units are organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. Based on the criterion, the following blended component unit is included. The City of Bedford Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as a Special Revenue Fund as if it were part of the primary government because its sole purpose is to operate, maintain and finance the costs of the City's street improvements using sales taxes collected under Section 4B of the Development Corporation Act of 1979.

Services provided by the City under the general governmental functions include police and fire protection, emergency medical services, planning and zoning, code enforcement and inspections, street maintenance, parks, recreation, library and senior citizen services. A Special Revenue Fund is used to account for revenues derived from hotel/motel taxes, with proceeds used to promote tourism. Water and sewer services are provided under an enterprise fund concept, with user charges set by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. Drainage maintenance services are also provided under the enterprise fund concept, implemented in 1991 in accordance with amendments to Title 13 of the Texas Local Government Code.

The water supply for the City of Bedford is provided by the Trinity River Authority (TRA), which provides treated water to Bedford, Euless, Colleyville, Grapevine and North Richland Hills pursuant to separate, but similar contracts dated January 21, 1972 and April 25, 1979. In October 1973 the Trinity River Authority (Central Regional Wastewater System) entered into a 50-year contract with numerous cities in the Metroplex, including the City of Bedford for construction of a wastewater treatment plant to service all contracting parties.

The original 50-year duration of the contract is automatically extended through the latest maturity of any TRA outstanding debt issues.

## **ECONOMIC OUTLOOK AND FINANCIAL CONDITION**

The information presented in the financial statements should be considered from the broad perspective of the specific environment within which the City operates.

In recent years, the City of Bedford, located in the heart of the Dallas/Fort Worth Metropolitan area (DFW), has experienced a significant slowdown in population growth. The 2010 census reflects a population of 46,979, which is approximately a 0.4% decrease from the census results of 2000. However, current population estimates are projected to be 49,428 or 5.21% above the census results.

Multiple light manufacturing firms are in Bedford, as well as a variety of commercial establishments, restaurants, health care facilities, retail stores, shops and food stores. Several of the retail shopping centers in the City are undergoing renovation and expansion. Undeveloped property accounts for approximately 2.0% of the total area in the City.

The City is not financially dependent upon any one industry, or type of industry. The City recognizes the value of commercial development to its economic base and continues to encourage commercial growth that will be beneficial to the community. During the course of the year, it witnessed 5.80% growth in sales tax collections by \$643,902.

As a policy, the City Council has set certain economic goals that are intended to attract high quality, visually appealing businesses, as well as revitalize and invest in areas that have seen some deterioration of economic activity. By emphasizing the need to be more business friendly, the goals of the City Council seek to provide the general direction for future land use plans and decisions for the City.

Current longer range financial planning primarily revolves around several major water/sewer system infrastructure projects as well as significant improvements to our drainage system. In addition, as the City is approximately 98% built out, significant planning initiatives are being considered to provide for re-development of certain aging corridors within the City.

A few years ago, the City witnessed the widening of State Highway 183 (Airport Freeway), which runs eastbound/westbound through the center of town. During this period, Bedford officials were highly successful in retaining existing businesses while recruiting new ones to the newly expanded highway corridor. In addition, the City is working diligently with property owners to maximize development opportunities because of the expansion. This includes creating incentive agreements between the City and the business community that creates jobs, enhance the tax base and secure revenue resources for the City.

To the extent that operations result in surplus funds, we will continue to fund various capital needs of a one-time nature from the surplus rather than issuing unnecessary debt.

## **ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary funds are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. The internal control structure is designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely to be derived and the evaluation of cost and benefits requires estimates and judgments by management. We believe the City's internal control structure is adequate to safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The budgetary process begins each year with the preparation of revenue estimates by the City's Department of Financial Services staff and expenditure estimates by each City department. Estimates are reviewed by the City Manager, and evaluated within the total financial framework. Budget proposals are recommended by the City Manager and reviewed extensively by the City Council, a process that includes a public hearing. After the conclusion of the public hearing, the City Council may make changes as deemed appropriate. The budget as amended is then adopted by ordinance, which also adopts the tax rate.

In addition, the annual budget also contains a capital improvement program which may be revised and extended each year to indicate capital improvements pending or in process of construction or acquisition. The capital program includes a list of all capital improvements that are planned during the upcoming five fiscal years, cost estimates, time schedules and methods of financing for each improvement.

## **GENERAL GOVERNMENTAL FUNCTIONS**

### **Property Taxes**

All eligible property within the City is subject to assessment, levy, and collection of a continuing, direct ad valorem tax sufficient to provide for the payment of principal and interest on outstanding bonds within the limits prescribed by law, and the payment of operation and maintenance costs as approved by the City Council. Under state law, the City is limited to a maximum tax rate of \$2.50 per \$100 assessed valuation.

In addition, the City's home rule charter limits the tax rate to a maximum of \$1.50 per \$100 assessed valuation. The appraisal of property within the City is the responsibility of the Tarrant Appraisal District (TAD). The City of Bedford and other taxing jurisdictions in Tarrant County provide a pro rata share of the budgeted expenditures incurred by TAD based upon individual levy. The City contracts with the Tarrant County Tax Office for tax billing and collection services.

## **OTHER INFORMATION**

### **Audit**

The City Charter requires an annual audit of the books of accounts, financial records and transactions of all administrative departments of the City by independent certified public accountants selected and engaged by the City Council. The Independent Auditor's Report is included in the financial section of this report.

## **Certificate of Achievement for Excellence in Financial Reporting**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bedford for its Comprehensive Annual Financial Report (CAFR) for fiscal year ended September 30, 2018. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement a government unit must publish an easily readable and efficiently organized CAFR with contents that conform to program standards. In addition, an award winning CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This is the 23rd consecutive year the City of Bedford has received the Certificate of Achievement. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA for their consideration.

### **ACKNOWLEDGMENTS**

The preparation of this report could not be accomplished without the dedicated services of the entire staff of the Department of Financial Services. Many individuals devoted extra hours and exhibited dedicated effort in ensuring the accuracy and timeliness of this report. Appreciation is expressed to the City employees throughout the organization, especially those responsible for the maintenance of records upon which this report is based. Special acknowledgment is extended to Paula McPartlin and Crystal Segovia, whose arduous work and dedication was instrumental in the preparation of this report. Acknowledgment is also given to representatives of Weaver and Tidwell, LLP for their assistance in producing the final product. This was the third year in which Weaver conducted an audit of the City's financials and a considerable amount of time and effort has been given to ensure accuracy. Our appreciation is extended to the Mayor, the members of the City Council and the City Manager for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

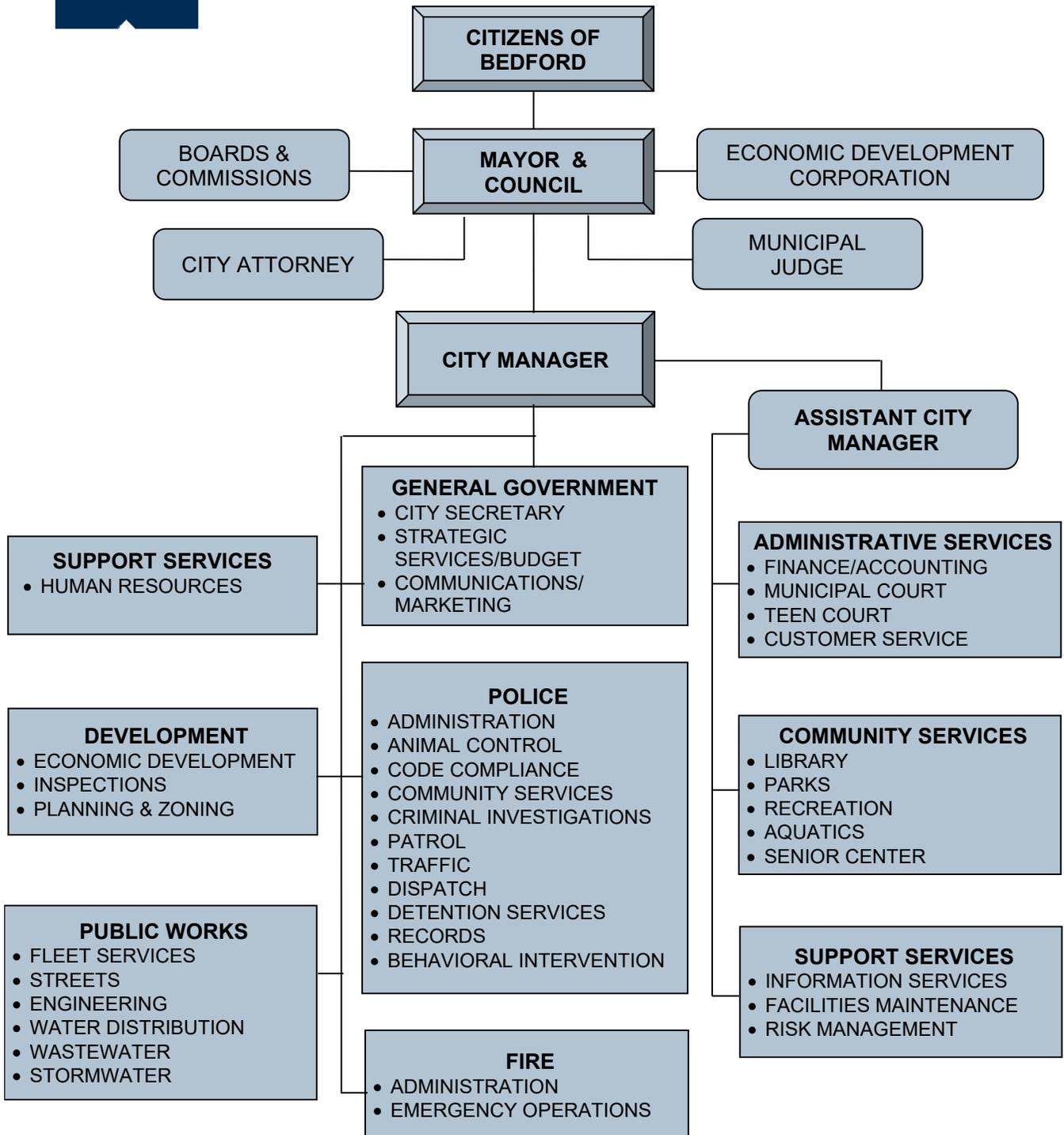


Clifford Blackwell, C.G.F.O.

Assistant City Manager



# CITY OF BEDFORD ORGANIZATIONAL CHART



Principal Officials  
Fiscal Year 2018-2019

**ELECTED**



Roger Fisher  
Place 6

Dan Cogen  
Place 2

Amy Sabol  
Place 3

Rusty Sartor  
Place 1

Ruth Culver  
Place 5

Jim Griffin  
Mayor

Michael Boyter  
Mayor Pro Tem

**SENIOR STAFF**

Brian D. Bosshardt, City Manager

Clifford W. Blackwell, III, C.G.F.O. .... Assistant City Manager  
 Maria Joyner, CPA ..... Director of Finance  
 Jeff Gibson ..... Police Chief  
 Stephanie Ayers..... Director of Human Resources  
 Kenny Overstreet. .... Director of Public Works/Engineering  
 Sean Fay..... Fire Chief  
 Bill Syblon ..... Director of Development  
 Michael Wells ..... City Secretary  
 Natalie Foster ..... Public Information Officer  
 Megan Jakubik, C.G.F.O..... Strategic Services Manager

Comprehensive Annual Financial Report  
Fiscal Year 2018-2019

**City of Bedford, Texas**



**Prepared by the Department of Financial Services**

Clifford W. Blackwell, III, C.G.F.O., Assistant City Manager

Maria Joyner, CPA.....Director of Finance

Paula Y. McPartlin, C.G.F.O. .... Assistant Finance Director

Crystal Segovia, C.G.F.O. .... Senior Accountant

Jennifer Garrett..... Financial Analyst

April Callahan .....Account Clerk II

Michele Farbes ..... Accounting Technician



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Bedford**  
**Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

# Financial Section

## Independent Auditor's Report

The Mayor and City Council  
City of Bedford, Texas  
Bedford, 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 Bedford, Texas (the City) as of and for the year ended September 30, 2019, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinions

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

## Other Matters

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, pension and other postemployment benefit information 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 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's basic financial statements. The introductory section, supplemental information including the combining fund statements and budget and actual schedule, and the statistical section listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental information including the combining fund statements and budgetary comparison schedule listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
February 14, 2020

## Management's Discussion and Analysis

The discussion and analysis of the City of Bedford's (City) financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the accompanying letter of transmittal and the City's basic financial statements.

### Financial Highlights

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$73,902,776 (net position).

The City's net position increased \$5,216,994 or 7.6%. This increase is primarily due to increases in tax revenues and investment earnings. The investment earnings increased due to the investment of prior year bond proceeds. The investment earnings increased from \$1,799,730 to \$3,191,369 for fiscal years 2018 to 2019, respectively; resulting in an increase of \$1,391,639 or 77.32%.

As of September 30, 2019, the City's governmental funds reported combined ending fund balances of \$83,113,947. This represents an increase of \$269,857 in comparison to the prior fiscal year, as prior year debt proceeds are used for capital construction projects. Throughout the fiscal year, the City also witnessed 9.53% growth in assessed valuations that resulted in a \$3,403,852 increase in tax revenues.

Lastly, the City issued new debt of \$2,750,000 in 2019 Tax Notes and \$3,990,000 in 2019 Combination Tax and Revenue Certificates of Obligation Bonds. The total debt obligations decreased by .18% from \$141,792,004 to \$141,535,302. In addition, as a part of annual debt service requirements, principal payments of \$6,595,000 were made during the 2018/2019 fiscal year.

### Using This Annual Report

This comprehensive annual financial report consists of a series of financial statements that serve as an introduction to the City of Bedford's financial health. The statement of net position provides information about the financial activities of the City, and it presents a long-term view of the finances.

The next section is the fund financial statements which shows how municipal services are financed in the short-term. In addition, it reports the operations in more detail than what the government-wide statements provide about the City's most financially significant funds. Lastly, this report also includes other supplementary information in addition to the basic financial statements.

### Reporting the City as a Whole

The statement of net position, also known as a 'balance sheet, presents the City's financials in the following manner. It compares the assets, or what is owned, against its liabilities, or what is owed, and measures the difference as the net position. The statement of activities, which is like an income statement, reports the municipal revenues in the form of contributions, program fees, charges for services, and other amounts released from restrictions. In addition, it categorizes municipal expenses in the form of primary government activities and proprietary or business-type activities. The difference between both areas, results in an increase or decrease in the net position of the statement of activities.

**Governmental Activities.** Most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation and general administration. Taxes (property, sales, franchise, mixed beverage), licenses/permits, charges for services, and fines/forfeitures finance most of these activities.

**Business-type Activities.** The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer and storm water system facilities are reported here.

The net position highlights the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Over time, increases or decreases in the City's net position exemplifies how the financial health is improving or deteriorating. By assessing health of the City, it is important to consider other nonfinancial factors including changes in the City's property tax base, the economic impact of municipal cost index and the condition of the City's capital infrastructure (roads, buildings, water, and sewer lines) to assess the value.

## **Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds. Some funds are required by state law. However, the City Council establishes many other funds that fulfill specific purposes or meet statutory requirements.

The City's two kinds of funds, governmental and proprietary, use different accounting approaches.

### **Governmental Funds**

Most of the City's basic services are reported in governmental funds, which cannot be accounted for in any other specialized fund. These funds use the modified accrual basis of accounting, which recognizes revenues when they become available and measurable. They also recognize expenditures when liabilities are incurred. Fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps financial statement readers determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (of differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds within two reconciliations which outline individual financial items or factors converting the modified basis of accounting presentation to the full accrual basis of accounting presentation. These can be found following both the balance sheet and statement of revenues, expenditures and changes in fund balances.

### **Proprietary Funds**

Proprietary funds use the full accrual basis of accounting. Meaning, these funds recognize the financial effect of events that impact an entity during the accounting period, regardless of whether cash was received or spent. In addition, under the full accrual basis, proprietary funds identify the full cost of services and usually create a fee structure that recaptures the true cost. A city may maintain two types of proprietary funds to record charges for the full cost of the services it provides whether to outside customers or to other units of the city. These services are reported in either Enterprise Funds or Internal Service Funds.

**Enterprise Funds.** Are used to report the same function presented as business-type activities in the government-wide financial statements. The City uses Enterprise Funds to account for its water and sewer and storm water operations.

**Internal Service Funds.** Are an accounting device used to accumulate costs internally among various functions of the City. The City currently has no operations that qualify as an Internal Service Fund.

## **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources would not be available to support the City's own programs. The City of Bedford currently has no fiduciary funds.

## **Major Governmental Funds**

As noted, Bedford uses fund accounting to ensure and demonstrate compliance within the generally accepted accounting principles. The focus of governmental funds is to provide information on inflows, outflows and balances of spendable resources. Information such as unassigned fund balance serves as a useful measure of the City's ability to finance unforeseen upcoming obligations. As a measure of the General Fund's liquidity, year ending unassigned fund balance of \$12,823,875 represents 34.55% (approximately 126 days) of next year's budgeted expenditures. The fund balance of the General Fund decreased \$754,718 during the current fiscal year. The key factor for the decrease in fund balance is an increase in the Capital Outlay expenditure of \$2,033,841 related to the purchase of land for future use. Additionally, Public Service expenditures increased by \$483,752 and Public Safety expenditures increased \$402,403 due to new personnel.

The Debt Service Fund has a total fund balance of \$1,087,072, all of which is reserved for the payment of debt. It increased by \$37,523 or 3.58% during the current year, due to tax assessment income levels exceeding total expenditures from the fund. The fund has been used to not only pay annual debt service requirements but it also covers contractual service costs for arbitrage calculations as well as a pro-rata share of investment advisory services. These expenditures contribute to the total payment from the Debt Service Fund.

The Economic Development 4B Fund has a total fund balance of \$3,449,912, most of which is reserved for street infrastructure improvements and maintenance. The current year fund balance decreased by \$231,029 or 6.28% due to an increase in roadway repair services that were rescheduled from the previous fiscal year.

The Capital Projects Fund has a total fund balance of \$62,640,687, most of which is for construction projects. The current year fund balance increased by \$1,527,212 or 2.49% due to new issuance of debt.

## **The City as a Whole**

The City's combined net position changed from a year ago, increasing from \$68,685,782 to \$73,902,776. The net position and net expenses of governmental and business-type activities have significant changes occurring this year. The analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities.

The net position of the City's governmental activities increased by \$4,139,849 or 15.88%, from \$26,077,749 last fiscal year, to \$30,217,598 as of September 30, 2019, primarily due to increases in property tax revenue, along with investment earnings, that contributed to a net surplus over expenditures. In the business-type activities, the net position increased from \$42,608,033 to \$43,685,178, or 2.53%, primarily due to the increased water and sewer sales and charges for services. The unrestricted net position of the City's governmental activities (the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) decreased from \$(1,847,912) to \$(3,266,088) as of September 30, 2019, or 76.74%. The reason for the decrease in the governmental unrestricted net position is due to the restriction of funds for street, drainage, and capital improvements funded by bond proceeds. The unrestricted net position of the business-type activities decreased from \$6,262,758 to \$5,733,216 as of September 30, 2019, or 7.82%. The primary reason for the decrease is construction of capital assets using prior debt proceeds.

The restricted net position of the City, those restricted mainly for capital acquisition, debt service, economic development, public safety and parks and beautification decreased from \$7,375,191 to \$7,228,742, or 2%, primarily due to street, drainage, and capital improvements funded by bond proceeds.

The largest portion of the City's net position, \$64.2 million, or 86.8%, reflects an investment in capital assets, less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Resources needed to repay debt associated with acquisition of these assets must be provided from other sources, since the capital assets themselves cannot be used for this purpose.

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current assets	\$ 87,199	\$ 86,956	\$ 23,144	\$ 24,252	\$ 110,343	\$ 111,208
Restricted investments	-	-	29,786	29,070	29,786	29,070
Capital assets	38,053	35,862	63,537	59,647	101,590	95,509
<b>Total assets</b>	<b>125,252</b>	<b>122,818</b>	<b>116,467</b>	<b>112,969</b>	<b>241,719</b>	<b>235,787</b>
Deferred outflows of resources	2,921	2,039	308	201	3,229	2,240
Current liabilities	9,661	10,348	6,857	6,049	16,518	16,397
Long-term liabilities	87,735	87,354	66,170	64,386	153,905	151,740
<b>Total liabilities</b>	<b>97,396</b>	<b>97,702</b>	<b>73,027</b>	<b>70,435</b>	<b>170,423</b>	<b>168,137</b>
Deferred inflows of resources	559	1,077	63	127	622	1,204
Net Position						
Net Investment in capital assets	26,262	20,557	39,510	36,339	65,772	56,896
Restricted	7,222	7,369	7	6	7,229	7,375
Unrestricted	(3,266)	(1,848)	4,168	6,263	902	4,415
<b>Total net position</b>	<b>\$ 30,218</b>	<b>\$ 26,078</b>	<b>\$ 43,685</b>	<b>\$ 42,608</b>	<b>\$ 73,903</b>	<b>\$ 68,686</b>

**Governmental Activities.** The program revenues for the governmental activities were \$6,523,222 and total general revenues and transfers were \$43,288,259 for the fiscal year ended September 30, 2019. Expenses for these activities were \$45,671,632. Net position for Governmental Activities increased by \$4,139,849. This was primarily caused by a 9.8% increase in tax revenues offset with a 13% decrease in program revenues.

**Business-type Activities.** The program revenues for the City’s business-type activities were \$23,933,336 for the fiscal year ended September 30, 2019. Expenses for these activities were \$21,100,152, resulting in income of \$2,833,184 from operations before nonoperating revenues and expenses. Net position with the inclusion of nonoperating activities and transfers increased by \$1,077,145. This is primarily due to increased water and sewer revenues, offset by increased expenses related to the purchase of water.

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 6,177	\$ 6,720	\$ 23,877	\$ 24,223	\$ 30,054	\$ 30,943
Operating grants and contributions	64	46	-	-	64	46
Capital grants and contributions	283	732	56	210	339	942
General revenues						
Property taxes	22,132	19,144	-	-	22,132	19,144
Other taxes	15,982	15,562	-	-	15,982	15,562
Interest and investment earnings	2,184	988	1,007	812	3,191	1,800
Gain on sale of assets	14	5	101	-	115	5
Other general revenue	112	194	-	-	112	194
<b>Total revenues</b>	<b>46,948</b>	<b>43,391</b>	<b>25,041</b>	<b>25,245</b>	<b>71,989</b>	<b>68,636</b>
<b>Expenses</b>						
Public safety	22,464	22,212	-	-	22,464	22,212
Leisure services	5,427	5,316	-	-	5,427	5,316
Community services	2,624	2,316	-	-	2,624	2,316
General government/administration	5,388	5,359	-	-	5,388	5,359
Public services	6,823	5,696	-	-	6,823	5,696
Interest on long term debt	2,946	1,265	-	-	2,946	1,265
Water and sewer	-	-	19,955	19,194	19,955	19,194
Stormwater	-	-	1,145	972	1,145	972
<b>Total expenses</b>	<b>45,672</b>	<b>42,164</b>	<b>21,100</b>	<b>20,166</b>	<b>66,772</b>	<b>62,330</b>
Increases (decreases) in net position						
before transfers	1,276	1,227	3,941	5,079	5,217	6,306
Transfers	2,864	2,827	(2,864)	(2,827)	-	-
Increase in net position	4,140	4,054	1,077	2,252	5,217	6,306
Net position - October 1	26,078	22,024	42,608	40,356	68,686	62,380
Net position - September 30	\$ 30,218	\$ 26,078	\$ 43,685	\$ 42,608	\$ 73,903	\$ 68,686

### General Fund Budgetary Highlights

General Fund budget to actual performance for the fiscal year outperformed budgetary expectations, primarily in taxes, penalty and interest. The total operating revenues were \$32,577,976, which was over budgetary expectations by \$390,919. The net other financing sources totaling \$2,974,280 in the General Fund completed the fiscal year with a positive variance that resulted in a (\$754,718) net decrease in fund balance.

## The City's Funds

The following tables present a summary of General, Debt Service, Economic Development 4B, Capital Projects and Special Revenue Fund revenues and expenditures for the fiscal year ended September 30, 2019, and the amount and percentage of increases and decreases in relation to the prior year:

### General Revenues (in thousands)

	2018	2019	2019 Percent of Total	Increase (Decrease) from 2018	Percent Increase (Decrease)
Taxes	\$ 34,729	\$ 38,133	81%	\$ 3,404	10%
Licenses, permits, and fees	1,005	1,003	2%	(2)	0%
Charges for services	3,652	3,363	7%	(289)	-8%
Fines and forfeitures	1,802	1,476	3%	(326)	-18%
Intergovernmental	686	521	1%	(165)	-24%
Interest	988	2,184	5%	1,196	121%
Miscellaneous	228	213	0%	(15)	-7%
<b>Total</b>	<b>\$ 43,090</b>	<b>\$ 46,893</b>	<b>100%</b>	<b>\$ 3,803</b>	<b>9%</b>

### General Expenditures (in thousands)

	2018	2019	2019 Percent of Total	Increase (Decrease) from 2018	Percent Increase (Decrease)
General government	\$ 2,388	\$ 2,402	5%	\$ 14	1%
Community services	2,176	2,458	5%	282	13%
Public services	3,326	5,199	10%	1,873	56%
Administrative services	2,741	2,708	5%	(33)	-1%
Public safety	20,602	20,882	40%	280	1%
Leisure services	4,222	4,305	8%	83	2%
Capital outlay	1,460	6,274	12%	4,814	330%
Debt service	7,917	8,151	16%	234	3%
<b>Total</b>	<b>\$ 44,832</b>	<b>\$ 52,379</b>	<b>100%</b>	<b>\$ 7,547</b>	<b>17%</b>

Interest income increased 121% due to improved market conditions. The expenditure increase in public services by 56% was primarily a result of an increase in streets maintenance projects. Capital outlay increased by 330% primarily due to the purchase of land and expenditures related to the Phase Next Project.

## Capital Asset and Debt Administration

### Capital Assets

As of September 30, 2019, the City has \$310,010,710 invested in capital assets including land, police and fire equipment, buildings, park facilities, roads, water, sewer, and storm water facilities. This represents a net increase of \$11,599,379, or 3.9%, over last year. Capital assets net of depreciation increased by approximately \$6,081,253, or 6.4%, due to the purchase of land and significant capital equipment additions, that included, but is not limited to, new patrol pursuit vehicles, and a new ambulance unit. The City's capital plans for fiscal year 2019/2020 call for expenditures of approximately \$36.7 million for capital projects, primarily in the following categories: park improvements, streets, drainage, water and sewer distribution system.

For fiscal year 2019/2020 the estimated capital improvement for water and sewer projects is \$21,545,988. The most notable of these projects is the SWIFT Water Line Replacement Project which is estimated at \$18.9 million over three years. Many of the water lines in the City are 30 plus years old and are rapidly deteriorating. Many of the water lines that will be replaced have had multiple breaks, placing customers without service and water loss. This large project will consist of multiple smaller projects for the replacement of these lines.

The estimated park improvement for fiscal year 2019/2020 is \$15.1 million for the Phase Next project. This capital improvement will consist of new ball fields, a multi-generational event facility, an indoor/outdoor aquatic center, as well as a proposed art and entertainment facility.

Additional information on capital asset activity can be found in *Note 7* of this report.

### Capital Assets at Year-end (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 10,466	\$ 7,261	\$ 100	\$ 100	\$ 10,566	\$ 7,361
Buildings and structures	25,774	25,774	675	675	26,449	26,449
Other improvements	132,309	130,224	-	-	132,309	130,224
Equipment	32,148	32,124	4,056	4,009	36,204	36,133
Utility distribution	-	-	100,582	84,904	100,582	84,904
Construction in progress	1,802	1,518	2,098	11,822	3,900	13,340
<b>Total capital assets</b>	<b>202,498</b>	<b>196,901</b>	<b>107,512</b>	<b>101,510</b>	<b>310,010</b>	<b>298,411</b>
Accumulated depreciation	(164,445)	(161,039)	(43,975)	(41,863)	(208,420)	(202,902)
<b>Total capital assets net of accumulaed depreciation</b>	<b>\$ 38,053</b>	<b>\$ 35,862</b>	<b>\$ 63,537</b>	<b>\$ 59,647</b>	<b>\$ 101,590</b>	<b>\$ 95,509</b>

### Debt

At year-end, the City had \$141,535,302 in General Obligation Bonds, Combination Tax and Revenue Certificates of Obligation, Contractual Obligations and capital lease obligations compared to \$141,792,004 at the end of the prior fiscal year, a decrease of 0.1%. The primary reason for the decrease is net effect of adding \$6.93 million in new debt and retiring \$6.94 million in bonds. During March 2019, the City issued \$3,990,000 of Combination Tax and Surplus Revenue Certificate of Obligations and \$2,750,000 Tax Notes. During fiscal year 2019 the City retired \$5.2 in General Bonds and \$1.67 in Certificates of Obligations.

**Outstanding Debt at Year-end  
(in thousands)**

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligations	\$ 68,611	\$ 72,728	\$ 8,764	\$ 9,268	\$ 77,375	\$ 81,996
Certificates of obligation	2,290	2,707	58,278	55,901	60,568	58,608
Tax Note	3,327	670	-	-	3,327	670
Capital lease	265	518	-	-	265	518
<b>Total</b>	<b>\$ 74,493</b>	<b>\$ 76,623</b>	<b>\$ 67,042</b>	<b>\$ 65,169</b>	<b>\$ 141,535</b>	<b>\$ 141,792</b>

The City of Bedford maintains an "AA" rating as it pertains to general obligation bond issuances. The City's rating outlook from S&P's is "Stable." S&P's rating reflects their view of the City's strong wealth and income levels, its historically strong financial performance and reserves, and its moderate debt burden. In their opinion, the City budgetary flexibility remains very strong with reserves above 20% of expenditures. The General Obligation bonds are secured by an ad valorem tax levied against all taxable property within the City, within the limits prescribed by law. Additional information regarding the City's long-term debt can be found in *Note 8* of this report.

**Economic Factors and Next Year's Budgets and Rates**

The City has witnessed record growth in taxable values this fiscal year. In addition, staff made a concerted effort to think beyond the service needs of a single year and focus more on the fiscal impact of operations and services into future years. Therefore, the City Council adopted a budget that strategically addresses long standing needs in order to maintain high quality service to the citizens of Bedford. By doing so, they increased the property tax rate from \$0.520000 per \$100 assessed valuation (A.V.) to \$0.561862 per A.V., which is an increase of 4 cents.

In budget year 2019, the Council continued its goal to fund a compensation plan for employees to meet current market levels. They did so by approving funding for year three of a seven-year step plan for public safety personnel. Within this plan, members of the public safety departments may receive mandatory increases in salaries over a seven-year period, so long as budgetary funds are available. In addition, non-public safety personnel will receive cost-of-living increases as well.

Moreover, to keep up with increased wholesale water and wastewater costs, the City Council authorized pass-through rate increases for both areas. In addition, the City conducted another rate study and found that in addition to increased wholesale water and wastewater costs, additional increases in the wastewater rates were deemed necessary to meet cost of service levels. In addition, the City's commitment to the SWIFT program will meet the City Council's goal of replacing the aging water infrastructure throughout the City in addition to improving accuracy and efficiency of meter reading operations, reducing both water loss and overall related costs for the City.

**Contacting The City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Division at 2000 Forest Ridge Drive, Bedford, Texas 76021.

# Basic Financial Statements

**City of Bedford, Texas**  
**Statement of Net Position**  
**Year Ended September 30, 2019**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 47,064,541	\$ 14,056,202	\$ 61,120,743
Investments	35,692,099	5,104,236	40,796,335
Accounts receivables, net of allowance	4,408,563	3,983,844	8,392,407
Inventories and prepaid expenses	33,491	-	33,491
Total current assets	<u>87,198,694</u>	<u>23,144,282</u>	<u>110,342,976</u>
Noncurrent assets			
Restricted investments with trustee	-	29,785,673	29,785,673
Capital assets, not being depreciated	12,268,353	2,198,747	14,467,100
Capital assets, being depreciated, net	25,784,974	61,338,520	87,123,494
Total noncurrent assets	<u>38,053,327</u>	<u>93,322,940</u>	<u>131,376,267</u>
Total assets	<u>125,252,021</u>	<u>116,467,222</u>	<u>241,719,243</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred pension and OPEB contributions	1,436,410	153,825	1,590,235
Deferred pension and OPEB investment difference	1,064,492	117,982	1,182,474
Deferred pension and OPEB change in assumptions	353,179	36,417	389,596
Deferred OPEB experience difference	3,422	7	3,429
Deferred charges on refundings	63,047	-	63,047
Total deferred outflows of resources	<u>2,920,550</u>	<u>308,231</u>	<u>3,228,781</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable and accrued liabilities	3,320,835	2,921,185	6,242,020
Accrued interest	471,830	332,436	804,266
Customer deposits	-	1,083,023	1,083,023
Current portion of bonds payable and capital leases	4,510,338	2,436,133	6,946,471
Current portion of compensated absences	1,358,378	83,883	1,442,261
Total current liabilities	<u>9,661,381</u>	<u>6,856,660</u>	<u>16,518,041</u>
Noncurrent liabilities			
Bonds payable	69,938,121	64,606,221	134,544,342
Capital leases	44,489	-	44,489
Compensated absences	2,716,755	167,766	2,884,521
Net pension liability	12,523,119	1,391,458	13,914,577
Other post-employment benefits	2,512,568	5,035	2,517,603
Total noncurrent liabilities	<u>87,735,052</u>	<u>66,170,480</u>	<u>153,905,532</u>
Total liabilities	<u>97,396,433</u>	<u>73,027,140</u>	<u>170,423,573</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred charge on bond refunding	-	9,347	9,347
Deferred pension and OPEB change in assumptions	75,814	151	75,965
Deferred pension and OPEB experience difference	482,726	53,637	536,363
Total deferred inflows of resources	<u>558,540</u>	<u>63,135</u>	<u>621,675</u>
<b>NET POSITION</b>			
Net investment in capital assets	26,261,635	39,510,350	65,771,985
Restricted for			
Street, drainage, and capital improvements	2,459,634	6,691	2,466,325
Debt service	726,213	-	726,213
Economic development	3,592,669	-	3,592,669
Other purposes	84,029	-	84,029
Public safety	208,740	-	208,740
Parks and beautification	150,766	-	150,766
Unrestricted	<u>(3,266,088)</u>	<u>4,168,137</u>	<u>902,049</u>
Total net position	<u>\$ 30,217,598</u>	<u>\$ 43,685,178</u>	<u>\$ 73,902,776</u>

**City of Bedford, Texas**  
Statement of Activities  
Year Ended September 30, 2019

Program Activities	Expenses	Program Revenues		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental activities				
General government and administration	\$ 5,387,669	\$ 87,355	\$ 9,099	\$ -
Community services	2,624,216	1,115,387	-	-
Public services	6,823,307	983	-	60,498
Public safety	22,464,281	3,921,718	54,449	203,131
Leisure services	5,426,554	1,051,300	-	19,302
Interest expense	2,945,605	-	-	-
Total governmental activities	<u>45,671,632</u>	<u>6,176,743</u>	<u>63,548</u>	<u>282,931</u>
Business-type activities				
Water and sewer services	19,954,614	22,243,765	-	47,743
Stormwater collection and disposal	1,145,538	1,633,428	-	8,400
Total business-type activities	<u>21,100,152</u>	<u>23,877,193</u>	<u>-</u>	<u>56,143</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 66,771,784</u>	<u>\$ 30,053,936</u>	<u>\$ 63,548</u>	<u>\$ 339,074</u>

General revenues  
Taxes  
    Property taxes, penalty and interest  
    Sales  
    Franchise  
    Occupancy  
    Other  
Investment earnings  
Gain (loss) on disposal of capital assets  
Miscellaneous  
Transfers

        Total general revenues and transfers

        Changes in net position

        Net position, beginning of year

**NET POSITION, end of year**

**Net (Expenses) Revenues and Changes in Net Position**

<b>Primary Government</b>		
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (5,291,215)	\$ -	\$ (5,291,215)
(1,508,829)	-	(1,508,829)
(6,761,826)	-	(6,761,826)
(18,284,983)	-	(18,284,983)
(4,355,952)	-	(4,355,952)
(2,945,605)	-	(2,945,605)
<u>(39,148,410)</u>	<u>-</u>	<u>(39,148,410)</u>
-	2,336,894	2,336,894
-	496,290	496,290
-	2,833,184	2,833,184
<u>\$ (39,148,410)</u>	<u>\$ 2,833,184</u>	<u>\$ (36,315,226)</u>
\$ 22,131,826	\$ -	\$ 22,131,826
11,739,682	-	11,739,682
3,209,965	-	3,209,965
1,022,188	-	1,022,188
9,930	-	9,930
2,184,375	1,006,994	3,191,369
14,063	101,160	115,223
112,037	-	112,037
2,864,193	(2,864,193)	-
<u>43,288,259</u>	<u>(1,756,039)</u>	<u>41,532,220</u>
4,139,849	1,077,145	5,216,994
<u>26,077,749</u>	<u>42,608,033</u>	<u>68,685,782</u>
<u>\$ 30,217,598</u>	<u>\$ 43,685,178</u>	<u>\$ 73,902,776</u>

**City of Bedford, Texas**

Balance Sheet – Governmental Funds

September 30, 2019

	<u>General</u>	<u>Debt Service</u>	<u>Economic Development 4B</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 7,486,320	\$ 1,082,734	\$ 1,807,153
Investments	5,153,609	-	1,546,884
Receivables			
Taxes, less allowance for uncollectible	2,599,619	112,573	516,564
Accounts	430,868	-	2,488
Other	272,040	2,963	-
Due from other funds	5,579	-	-
Inventories and prepaid items	33,491	-	-
<b>TOTAL ASSETS</b>	<b>15,981,526</b>	<b>1,198,270</b>	<b>3,873,089</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities			
Accounts payable and accrued liabilities	2,677,095	227	423,177
Due to other funds	-	-	-
<b>TOTAL LIABILITIES</b>	<b>2,677,095</b>	<b>227</b>	<b>423,177</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	411,601	110,971	-
<b>FUND BALANCES</b>			
Nonspendable			
Inventories and prepaid items	33,491	-	-
Restricted for			
Debt service	-	1,087,072	-
Street and drainage improvements	35,464	-	-
Capital acquisition and construction	-	-	-
Economic development	-	-	3,449,912
Public safety	-	-	-
Parks and beautification	-	-	-
Other	-	-	-
Unassigned	12,823,875	-	-
<b>TOTAL FUND BALANCES</b>	<b>12,892,830</b>	<b>1,087,072</b>	<b>3,449,912</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 15,981,526</b>	<b>\$ 1,198,270</b>	<b>\$ 3,873,089</b>

The Notes to the Financial Statements are an integral part of this statement.

<u>Capital Projects</u>	<u>Nonmajor Government</u>	<u>Total</u>
\$ 35,167,338	\$ 1,520,996	\$ 47,064,541
27,470,869	1,520,737	35,692,099
-	-	3,228,756
-	193,596	626,952
36,512	241,340	552,855
-	-	5,579
-	-	33,491
<u>62,674,719</u>	<u>3,476,669</u>	<u>87,204,273</u>
34,032	186,304	3,320,835
-	5,579	5,579
<u>34,032</u>	<u>191,883</u>	<u>3,326,414</u>
-	241,340	763,912
-	-	33,491
-	-	1,087,072
-	2,457,154	2,492,618
62,640,687	-	62,640,687
-	142,757	3,592,669
-	208,740	208,740
-	150,766	150,766
-	84,029	84,029
-	-	12,823,875
<u>62,640,687</u>	<u>3,043,446</u>	<u>83,113,947</u>
<u>\$ 62,674,719</u>	<u>\$ 3,476,669</u>	<u>\$ 87,204,273</u>

**City of Bedford, Texas**

Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
September 30, 2019

Fund balances of governmental funds		\$ 83,113,947
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets (net of accumulated depreciation) used in governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds. Capital assets are reported in the government-wide financial statements, net of accumulated depreciation.		38,053,327
Interest payable on long-term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet.		(471,830)
Revenues earned but not available within 60 days of the year-end are not recognized as revenue on the fund financial statements.		763,912
Deferred outflows of resources and deferred inflows of resources represent amounts related to future periods and, therefore, are not reported in the fund financial statements. Deferred outflows of resources and deferred inflows of resources at year-end consist of:		
Employer pension and OPEB contributions	1,436,410	
Pension and OPEB Investment difference	1,064,492	
Pension and OPEB change in assumptions	353,179	
Pension and OPEB Investment difference	3,422	
Deferred charges on refundings	63,047	
Pension and OPEB change in assumptions	(75,814)	
Pension and OPEB experience difference	(482,726)	<u>2,362,010</u>
Noncurrent liabilities, including bonds payable and net pension liability are not due and payable in the current period and therefore are not reported in the fund financial statements. Noncurrent liabilities at year-end consist of:		
General and contractual obligation bonds	(71,250,000)	
Bond premium	(2,977,660)	
Net pension liability	(12,523,119)	
Compensated absences	(4,075,133)	
OPEB liability	(2,512,568)	
Capital leases	(265,288)	<u>(93,603,768)</u>
Total net position of governmental activities		<u>\$ 30,217,598</u>

The Notes to the Financial Statements are an integral part of this statement.

# City of Bedford, Texas

## Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds Year Ended September 30, 2019

	General	Debt Service	Economic Development 4B
<b>REVENUES</b>			
Taxes, penalty and interest	\$ 26,385,338	\$ 7,790,490	\$ 2,934,711
Licenses, permits, and fees	993,418	-	-
Charges for services	3,065,471	-	-
Fines and forfeitures	1,317,179	-	-
Support from governmental entities	333,308	-	-
Interest	345,491	51,035	78,654
Miscellaneous	137,771	-	-
Total revenues	<u>32,577,976</u>	<u>7,841,525</u>	<u>3,013,365</u>
<b>EXPENDITURES</b>			
Current			
General government	2,402,492	-	-
Community services	1,150,147	-	-
Public services	2,425,198	-	2,774,170
Administrative services	2,645,928	-	-
Public safety	20,629,262	-	-
Leisure services	4,239,703	-	-
Capital outlay	2,554,644	-	429,288
Debt service			
Principal retirement	252,422	4,465,000	-
Interest and fiscal agent fees	7,178	3,379,938	-
Total expenditures	<u>36,306,974</u>	<u>7,844,938</u>	<u>3,203,458</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,728,998)</u>	<u>(3,413)</u>	<u>(190,093)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	2,974,878	40,936	-
Transfers out	(15,000)	-	(40,936)
Issuance of general obligation bonds	-	-	-
Premium on bonds issued	-	-	-
Proceeds from sale of capital assets	14,063	-	-
Insurance proceeds	339	-	-
Total other financing sources (uses)	<u>2,974,280</u>	<u>40,936</u>	<u>(40,936)</u>
Net change in fund balance	(754,718)	37,523	(231,029)
Fund balances, beginning of year	<u>13,647,548</u>	<u>1,049,549</u>	<u>3,680,941</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 12,892,830</u></u>	<u><u>\$ 1,087,072</u></u>	<u><u>\$ 3,449,912</u></u>

The Notes to the Financial Statements are an integral part of this statement.

<u>Capital Projects</u>	<u>Nonmajor Government</u>	<u>Total</u>
\$ -	\$ 1,022,188	\$ 38,132,727
-	9,930	1,003,348
-	297,040	3,362,511
-	159,213	1,476,392
-	187,682	520,990
1,635,582	73,613	2,184,375
-	75,223	212,994
<u>1,635,582</u>	<u>1,824,889</u>	<u>46,893,337</u>
-	-	2,402,492
93,916	1,213,525	2,457,588
-	-	5,199,368
-	61,693	2,707,621
-	252,655	20,881,917
-	65,245	4,304,948
2,845,167	445,217	6,274,316
-	-	4,717,422
46,117	-	3,433,233
<u>2,985,200</u>	<u>2,038,335</u>	<u>52,378,905</u>
<u>(1,349,618)</u>	<u>(213,446)</u>	<u>(5,485,568)</u>
-	15,000	3,030,814
-	(110,685)	(166,621)
2,750,000	-	2,750,000
126,830	-	126,830
-	-	14,063
-	-	339
<u>2,876,830</u>	<u>(95,685)</u>	<u>5,755,425</u>
1,527,212	(309,131)	269,857
61,113,475	3,352,577	82,844,090
<u>\$ 62,640,687</u>	<u>\$ 3,043,446</u>	<u>\$ 83,113,947</u>

## City of Bedford, Texas

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended September 30, 2019

Net change in fund balances – total governmental funds	\$	269,857
Amounts reported for governmental activities in the statement of activities are		
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. This is the amount of capital assets recorded in the current period.		6,288,312
Depreciation expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.		(4,097,546)
Current year principal payments of long-term liabilities are shown as expenditures in the fund financial statements, but shown as reductions in long-term liabilities in the government-wide financial statements as follows:		
General and certificates of obligation bonds	4,465,000	
Capital lease	252,422	
	<hr/>	4,717,422
The issuance of long-term debt, such as bonds and capital leases, are shown as “Other Sources” and “Other Uses” in the governmental funds, but are shown on the statement of net position with related costs amortized over the life of the bonds. Differences consist of the following:		
Issuance of general obligation bonds	(2,750,000)	
Premium on bonds issued	(126,830)	
Amortization of refunding loss	(9,155)	
Amortization of bond premium	289,843	
	<hr/>	(2,596,142)
Current year pension expenditures are reported on the fiscal year basis on the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. These differences are reflected in deferred outflows of resources and deferred inflow of resources balances.		(400,717)
Current year OPEB expenditures are reported on the fiscal year basis on the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. These differences are reflected in OPEB liability, deferred outflows of resources and deferred inflow of resources balances.		(63,859)
Current year change in long-term liability for compensated absences liability do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. This is reflected in current and noncurrent compensated absences.		(209,972)
Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.		206,940
Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. This is the net change in these revenues for the year.		25,554
Change in net position of governmental activities	<hr/> <hr/>	\$ 4,139,849

The Notes to the Financial Statements are an integral part of this statement.

**City of Bedford, Texas**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2019**

	<u>Water and Sewer</u>	<u>Stormwater Utility</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 8,703,058	\$ 5,353,144	\$ 14,056,202
Investments	4,593,350	510,886	5,104,236
Accounts receivable, net of allowance	3,777,586	206,258	3,983,844
Total current assets	<u>17,073,994</u>	<u>6,070,288</u>	<u>23,144,282</u>
Noncurrent assets			
Restricted investments with trustee	29,785,673	-	29,785,673
Property, plant and equipment			
Land	100,255	-	100,255
Equipment	3,790,817	265,403	4,056,220
Buildings and improvements	675,277	-	675,277
Utility distribution	85,857,299	14,724,904	100,582,203
Construction in progress	1,488,083	610,409	2,098,492
Less accumulated depreciation	<u>(35,938,077)</u>	<u>(8,037,103)</u>	<u>(43,975,180)</u>
Property, plant and equipment, net	<u>55,973,654</u>	<u>7,563,613</u>	<u>63,537,267</u>
Total noncurrent assets	<u>85,759,327</u>	<u>7,563,613</u>	<u>93,322,940</u>
Total assets	<u>102,833,321</u>	<u>13,633,901</u>	<u>116,467,222</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred pension and OPEB contributions	138,453	15,372	153,825
Deferred pension investment difference	106,184	11,798	117,982
Deferred pension and OPEB change in assumptions	32,780	3,637	36,417
Deferred OPEB experience difference	7	-	7
Total deferred outflows of resources	<u>277,424</u>	<u>30,807</u>	<u>308,231</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable and accrued liabilities	2,547,945	373,240	2,921,185
Accrued interest	291,489	40,947	332,436
Customer deposits	1,083,023	-	1,083,023
Current portion compensated absences	73,714	10,169	83,883
Current portion of bonds payable	2,138,003	298,130	2,436,133
Total current liabilities	<u>6,134,174</u>	<u>722,486</u>	<u>6,856,660</u>
Noncurrent liabilities			
Net pension liability	1,252,312	139,146	1,391,458
Bonds payable	58,552,270	6,053,951	64,606,221
Compensated absences	147,428	20,338	167,766
Other post-employment benefits	5,035	-	5,035
Total noncurrent liabilities	<u>59,957,045</u>	<u>6,213,435</u>	<u>66,170,480</u>
Total liabilities	<u>66,091,219</u>	<u>6,935,921</u>	<u>73,027,140</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred charges on refundings	9,347	-	9,347
Deferred pension and OPEB investment difference	-	-	-
Deferred pension and OPEB change in assumptions	151	-	151
Deferred pension and OPEB experience difference	48,273	5,364	53,637
Total deferred inflows of resources	<u>57,771</u>	<u>5,364</u>	<u>63,135</u>
<b>NET POSITION</b>			
Net investment in capital assets	34,141,831	5,368,519	39,510,350
Restricted for drainage improvements	-	6,691	6,691
Unrestricted	2,819,924	1,348,213	4,168,137
<b>TOTAL NET POSITION</b>	<u>\$ 36,961,755</u>	<u>\$ 6,723,423</u>	<u>\$ 43,685,178</u>

The Notes to the Financial Statements are an integral part of this statement.

**City of Bedford, Texas**  
Statement of Revenues, Expenses and  
Changes in Fund Net Position – Proprietary Funds  
Year Ended September 30, 2019

	<b>Water and Sewer</b>	<b>Stormwater Utility</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Water sales	\$ 13,439,448	\$ -	\$ 13,439,448
Charges for sewer services	8,611,401	-	8,611,401
Stormwater charges	-	1,603,428	1,603,428
Other	192,916	30,000	222,916
	<hr/>	<hr/>	<hr/>
Total operating revenues	22,243,765	1,633,428	23,877,193
	<hr/>	<hr/>	<hr/>
<b>OPERATING EXPENSES</b>			
Water supply and distribution	9,130,552	-	9,130,552
Wastewater collection and disposal	5,240,615	-	5,240,615
Billing and collection	1,261,290	561,954	1,823,244
Public services/engineering	899,111	-	899,111
Depreciation	1,792,585	319,374	2,111,959
	<hr/>	<hr/>	<hr/>
Total operating expenses	18,324,153	881,328	19,205,481
	<hr/>	<hr/>	<hr/>
<b>OPERATING INCOME</b>	3,919,612	752,100	4,671,712
	<hr/>	<hr/>	<hr/>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest income	869,842	137,152	1,006,994
Gains (Loss) on sale of assets	101,160	-	101,160
Interest expense and fiscal agent charges	(1,630,461)	(264,210)	(1,894,671)
	<hr/>	<hr/>	<hr/>
Total nonoperating revenues (expenses)	(659,459)	(127,058)	(786,517)
	<hr/>	<hr/>	<hr/>
<b>INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	3,260,153	625,042	3,885,195
	<hr/>	<hr/>	<hr/>
<b>CAPITAL CONTRIBUTIONS</b>	47,743	8,400	56,143
	<hr/>	<hr/>	<hr/>
<b>TRANSFERS IN</b>	221,823	-	221,823
	<hr/>	<hr/>	<hr/>
<b>TRANSFERS OUT</b>	(2,534,486)	(551,530)	(3,086,016)
	<hr/>	<hr/>	<hr/>
<b>CHANGE IN NET POSITION</b>	995,233	81,912	1,077,145
	<hr/>	<hr/>	<hr/>
<b>NET POSITION, beginning of year</b>	35,966,522	6,641,511	42,608,033
	<hr/>	<hr/>	<hr/>
<b>NET POSITION, end of year</b>	\$ 36,961,755	\$ 6,723,423	\$ 43,685,178
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Notes to the Financial Statements are an integral part of this statement.

**City of Bedford, Texas**  
Statement of Cash Flows – Proprietary Funds  
Year Ended September 30, 2019

	<u>Water and Sewer</u>	<u>Stormwater Utility</u>	<u>Total</u>
<b>OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 22,337,404	\$ 1,702,434	\$ 24,039,838
Payments to suppliers	(13,687,826)	86,050	(13,601,776)
Payments to or on behalf of employees for services	(2,653,440)	(334,553)	(2,987,993)
Net cash provided by operating activities	<u>5,996,138</u>	<u>1,453,931</u>	<u>7,450,069</u>
<b>NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	221,823	-	221,823
Transfers out	(2,534,486)	(551,530)	(3,086,016)
Net cash used in noncapital financing activities	<u>(2,312,663)</u>	<u>(551,530)</u>	<u>(2,864,193)</u>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from capital related debt	3,990,000	-	3,990,000
Principal paid on capital related debt	(1,895,000)	(235,000)	(2,130,000)
Interest and fiscal agent fees	(1,603,597)	(277,341)	(1,880,938)
Proceeds from sale of property	101,160	-	101,160
Acquisition and construction of capital assets	(5,562,310)	(383,993)	(5,946,303)
Net cash used in capital and related financing activities	<u>(4,969,747)</u>	<u>(896,334)</u>	<u>(5,866,081)</u>
<b>INVESTING ACTIVITIES</b>			
Purchase of investments	(716,096)	-	(716,096)
Proceeds from sale of investments	6,064,268	1,505,008	7,569,276
Interest on investments	869,842	137,152	1,006,994
Net cash provided by operating activities	<u>6,218,014</u>	<u>1,642,160</u>	<u>7,860,174</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	4,931,742	1,648,227	6,579,969
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>3,771,316</u>	<u>3,704,917</u>	<u>7,476,233</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 8,703,058</u>	<u>\$ 5,353,144</u>	<u>\$ 14,056,202</u>

The Notes to the Financial Statements are an integral part of this statement.

**City of Bedford, Texas**

Statement of Cash Flows – Proprietary Funds – Continued

Year Ended September 30, 2019

(with Summarized Financial Information for 2018)

	<u>Water and Sewer</u>	<u>Stormwater Utility</u>	<u>Total</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income	\$ 3,919,612	\$ 752,100	\$ 4,671,712
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	1,792,585	319,374	2,111,959
Changes in			
Receivables	49,703	69,006	118,709
Accounts payable and accrued liabilities	154,501	303,681	458,182
Pension & other post employment benefits	42,327	4,453	46,780
Compensated absences	(6,526)	5,317	(1,209)
Customer deposits	43,936	-	43,936
	<u>\$ 5,996,138</u>	<u>\$ 1,453,931</u>	<u>\$ 7,450,069</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital Contributions	<u>\$ 47,743</u>	<u>\$ 8,400</u>	<u>\$ 56,143</u>

The Notes to the Financial Statements are an integral part of this statement.

## City of Bedford, Texas

Notes to the Financial Statements

September 30, 2019

### Note 1. Summary of Significant Accounting Policies

The City of Bedford, Texas (City) Home Rule Charter was adopted September 24, 1966. The City operates under a Council/Manager form of government and provides the following services by its charter: public safety, public works, health, culture, recreation, community development, water and sewer utilities.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, the disclosure of contingent assets and liabilities, and the reported revenues, expenditures and expenses. Actual results could vary from the estimates that are used.

Significant policies of the City are described below.

#### A. Financial Reporting Entity

Generally accepted accounting principles require that financial statements present the City (primary government) and its component units. Component units are organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The accompanying general purpose financial statements comply with the provisions of the GASB Statement No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34, in that the financial statements include all organizations, activities, functions and component units for which the City is financially accountable or those which would be misleading to exclude. In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. Based on these criteria, the following blended component unit is included in the accompanying financial statements. Blended component units, although legally separate entities are, in substance, part of the City's operations.

The City Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as if it were part of the primary government because its sole purpose is to operate, maintain, and finance the costs of the City's street improvements using taxes collected under Section 4B of the Development Corporation Act of 1979. Separate financial statements are not available.

#### B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues.

## City of Bedford, Texas

### Notes to the Financial Statements

The primary effect of internal activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation on the government-wide statement of activities.

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The City reports the following major governmental funds:

- General Fund – is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- Debt Service Fund – is used to account for the accumulation of resources for the payment of general long-term obligations principal, interest and related costs.
- Economic Development 4B Fund – is used to account for revenues and expenses associated with the operation, maintenance and financing of the costs of the City's street improvements. The fund's primary revenue source is sales taxes, and a small amount of interest.
- Capital Projects Fund – is used to account for construction projects funded from major resources such as general obligation bonds, certificates of obligation, short-term obligations and operating funds for governmental purposes.

All proprietary funds account for operations that are primarily financed by user charges.

The City reports the following proprietary funds:

- Water and Sewer Fund – accounts for providing water and sewer services to residential and commercial users in the City.
- Stormwater Utility Fund – accounts for the storm drainage runoff service provided to the residential and commercial users of the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### **C. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

## **City of Bedford, Texas**

### Notes to the Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, charges for services (except for sanitation services), fines and forfeitures, rents, and concessions are recorded as revenues when received in cash because they are generally not measurable until actually received. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

#### **D. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the City considers cash and cash equivalents to be all unrestricted cash and certificates of deposit with an original maturity date of three months or less.

#### **E. Investments**

Investments in debt securities and money market mutual funds are carried at fair value. Fair value is determined using quoted market prices. Investments in nonnegotiable certificates of deposit are carried at cost.

Investments in external investment pools are carried at net asset value or amortized cost, as determined by each pool's individual investment valuation method and whether there is a readily determinable fair value of the pool as of the City's fiscal year end. In instances where pools transact at amortized cost, no readily determinable fair value is deemed available.

#### **F. Receivables**

Accounts receivable consist primarily of amounts due from citizens for various services provided by the City as well as property taxes and sales taxes receivable. Management evaluates the adequacy of the allowance for doubtful accounts based on a review of individual accounts. The primary factors considered in determining the amount of the allowance are collection history, the aging of the accounts and other specific information known to management that may affect collectability.

#### **G. Inventories**

Inventories in the general and proprietary fund types are carried at cost (first-in, first-out method). The City uses the consumption method for determining cost; inventories are recognized as expenditures when consumed.

**City of Bedford, Texas**  
Notes to the Financial Statements

**H. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure such as roads, bridges, drainage systems and lighting systems, are reported at historical cost. Contributed assets are recorded at their acquisition value as of the date received. Depreciation is recorded on each class of depreciable property utilizing the straight-line method over the estimated useful lives of the assets. Estimated useful lives of major categories of property are:

Buildings	20 – 40 years
Infrastructure	20 – 30 years
Water and sewer system	50 years
Improvements	10 – 20 years
Machinery and equipment	3 – 10 years

Interest expense is capitalized on contracts with durations over one-year in the proprietary funds. The minimum capitalization threshold is any item with a total cost greater than \$5,000 and a useful life greater than one-year.

**I. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service from the City.

Vested or accumulated vacation leave 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 only if the compensated absences have matured with unused reimbursable leave outstanding following an employee's resignation or retirement. Vested or accumulated vacation leave within proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of such liabilities. For governmental activities, compensated absences are generally liquidated by the general fund.

**J. Defined Benefit Pension Plans**

For purposes of measuring the net pension liability, pension related deferred outflows of resources and deferred inflows of resources, and pension expense, City specific information about its fiduciary net position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's fiduciary net position have been determined on the same basis as reported by TMRS. For this purpose, plan contributions are recognized in the period compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's total pension liability is obtained from TMRS through a report prepared for the City by TMRS' consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of the liability. For governmental activities, net pension liabilities are generally liquidated by the general fund.

## City of Bedford, Texas

### Notes to the Financial Statements

#### K. Other Post-Employment Benefits (OPEB)

The fiduciary net position of the retiree health plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account. Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of the liability. For governmental activities, net OPEB liabilities are generally liquidated by the general fund.

#### L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources.

This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Employer Contributions – Pensions and OPEB – These contributions are those made after the measurement date through the fiscal year end (January 1st – September 30th) resulting in a cash outlay not yet recognized under GASB 68 and 75. This amount is deferred and recognized in the following fiscal year.
- Investment difference – Pensions and OPEB – These amounts represent the difference in projected and actual earnings on pension and OPEB plan assets. These differences are deferred and amortized over a closed five-year period.
- Assumption changes – Pensions and OPEB – These amounts represent the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category.

- Experience difference – Pensions and OPEB – These amounts represent the difference in expected and actual pension and OPEB experience. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.
- Unavailable revenue – These amounts represent uncollected property taxes, uncollected ambulance revenue and property assessments. These amounts are deferred in the fund's financial statements and recognized once payments are received in the following fiscal year(s).

Fund allocation of pension related balances is determined by individual employee assignment and is modeled by allocation of the net pension liability. This assignment is uniform with regard to liquidation of the net pension liability.

## City of Bedford, Texas

### Notes to the Financial Statements

#### M. Interfund Transactions

During the course of normal City operations, transactions occur between funds, including reimbursement of expenditures and transfers of resources to provide services, construct assets and service debt. There is no interest charged between funds for these advances. Interfund transactions are eliminated upon consolidation in the government-wide financial statements unless the transaction is deemed to be at market or near market value and is reported as revenue, expenditure or expense.

#### N. Net Position

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows. 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 its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, donors, grantors or laws or regulations of other governments.

The net position of the Tourism Development Fund and the Economic Development 4B Fund are restricted by enabling legislation as indicated on the statement of net position. The City's policy is to use restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

#### O. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Balances include items not expected to be converted to cash including inventories and prepaid items.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the City Council, the City's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned – This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council.
- Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

## City of Bedford, Texas

### Notes to the Financial Statements

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds.

Net position restricted for other purposes represents restricted fund balances for miscellaneous donations and NETCO/Motorola Rebranding.

#### **P. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows of resources, deferred inflows of resources and contingent assets and liabilities as of the balance sheet date and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### **Q. New Pronouncements**

The City has adopted and implemented the following GASB statements which have become effective for the fiscal year 2019:

##### **GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period**

- The objective of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement applies to all state and governmental entities and the application method is prospective. This Statement was early implemented and did not capitalize interest costs for fiscal year 2019.

#### **Note 2. Deposits and Investments**

The deposit and investment policies of the City are governed by State Statutes and the adopted City Investment Policy. City policies governing bank deposits require depositories to be insured by the Federal Deposit Insurance Corporation (FDIC). Financial institutions, and depositories must fully collateralize all deposits in excess of FDIC insurance limits.

Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agency securities, repurchase agreements and municipal pools. The City utilizes a pooled investment concept for all its funds to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested.

Investments measured at fair value are categorized within the fair value hierarchy. Fair value refers to the price that would be received to sell as asset or paid to transfer a liability in orderly transaction between market participants at the measurement date.

**City of Bedford, Texas**  
Notes to the Financial Statements

The hierarchy provides a framework for measuring fair value based on three levels. The three level fair value hierarchy describes the inputs that are used to measure assets and liabilities.

- Level 1 Quoted prices in active markets for identical assets or liabilities;
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and
- Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The fair value hierarchy gives the highest priority to Level 1 and the lowest priority to level 3 inputs. If a price for an identical asset or liability is not observable a government should measure fair value using another valuation technique that maximizes the use of an asset inputs from more than one level of the fair value hierarchy. The measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The following table presents the weighted average maturity, credit rating, and fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2019:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Weighted Average Maturity (Days)	Standard & Poor's Credit Rating
September 30, 2019						
Investments by fair value level						
U.S. agency securities	\$ 2,998,530	\$ -	\$ 2,998,530	\$ -	67 days	Aaa/AA+
Money market mutual funds	<u>26,787,142</u>	<u>26,787,143</u>	<u>-</u>	<u>-</u>	1 day	Aaa/AA+
<b>Total investments by fair value level</b>	<u>29,785,672</u>	<u>\$ 26,787,143</u>	<u>\$ 2,998,530</u>	<u>\$ -</u>		
Investments measured at net asset value						
TexSTAR	13,048,450				1 day	AAAm
TexasTERM	280,333				1 day	AAAm
Lone Star Investment Pool	10,292				1 day	AAAm
Texas CLASS	<u>21,396,098</u>				1 day	AAAm
	34,735,173					
Non-negotiable certificate of deposit	<u>40,796,335</u>				235 days	N/A
<b>Total</b>	<u>\$105,317,180</u>					

Investment Pools and non-negotiable Certificates of Deposit are measured at net asset value (NAV) and are exempt from fair value reporting and therefore have been excluded from the hierarchy.

U.S. Government Agency Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

## City of Bedford, Texas

### Notes to the Financial Statements

The TexStar, TexasTerm, Lone Star and Texas CLASS are external investment pools measured at NAV. These investment pool's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The City has no unfunded commitments related to the investment pools. Each of these investment pools has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pool's liquidity. These investment pools are authorized by the Texas Legislature. The Texas Treasury Safekeeping Trust Company is the trustee and is a limited purpose trust company authorized pursuant to Texas Government Code.

Interest Rate Risk — In accordance with its investment policy, the City manages its exposure to declines in fair market values by investing operating funds primarily in short-term securities, money market mutual funds or similar investment pools. Furthermore, unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three years from the date of purchase.

Credit Risk — It is the City's policy to follow statutes, which authorize the City to invest in obligations of the U. S. Treasury agencies and instrumentalities, obligations of the state of Texas and related agencies, obligations of states, agencies, counties, cities and other political subdivisions of any state rated "A" or above by Standard & Poor's Corporation or Moody's, repurchase agreements and designated investment pools. The City's assets in investment pools meet this requirement as noted above.

Custodial Credit Risk — Investments — In accordance with its investment policy, the City minimizes custodial credit risk by limiting investments to the safest types of investment vehicles, prequalifying the financial institutions, brokers/dealers, intermediaries and advisors with which the City will do business and diversifying the investment portfolio so that potential losses on individual investments will be minimized. Currently, all investments are registered in the City's name.

Custodial Credit Risk — Deposits — The City's deposits do not have any exposure to credit risk because all deposits in financial institutions are fully collateralized by U.S. government obligations or obligations of the state of Texas and its agencies that have a value of not less than the principal amount of the deposits. The collateral is held by a third-party custodial bank as the City's agent.

Concentration of Credit Risk — The City limits investments to avoid concentration in securities from a specific issuer or business sector (where appropriate). As noted above, the City's investments are distributed into a variety of allowable investment vehicles. Management does not believe there is a significant risk of loss due to the credit rating and nature of the investments.



**City of Bedford, Texas**  
Notes to the Financial Statements

At the end of the year, the various components of deferred inflows reported in the governmental funds were as follows:

	Unavailable
Delinquent property taxes receivable (General Fund)	\$ 201,898
Delinquent property taxes receivable (Debt Service Fund)	110,971
Delinquent ambulance receivable (General Fund)	209,703
Assessments (Nonmajor Governmental)	241,340
<b>Total deferred inflows for governmental funds</b>	<b>\$ 763,912</b>

**Note 4. Property Tax**

Property taxes attach as an enforceable lien on property as of January 1. The City's property tax is levied each October 1, on the assessed value listed as of the prior January 1, for all real property and personal business property located in the City. The assessed value upon which the fiscal 2019 levy was based was \$4,311,393,586. The appraisal function is performed by the Tarrant County Appraisal District.

General property taxes are limited by the Texas Constitution to \$2.50 per \$100 of assessed valuation and by Home Rule Charter to \$1.50 per \$100 of assessed valuation for general governmental services and payment of principal and interest on long-term debt. The combined tax rate to finance general governmental service and debt service for the year ended September 30, 2019, was \$0.561862 per \$100 of assessed valuation.

Taxes are due by January 31 following the levy date. Current tax collection for the year ended September 30, 2019, was 99.7% of the tax levy.

Uncollected property taxes levied for the current fiscal year are recognized as receivables, and are deemed collectible in full.

**City of Bedford, Texas**  
Notes to the Financial Statements

**Note 5. Interfund Transfers**

Interfund transfers are payments between funds that are designed to cover various operating and overhead expenses and to allocate charges for services performed by one fund on behalf of another fund.

Individual fund transfers for the year ended September 30, 2019, were:

	Transfer In				Total
	General	Debt Service	Nonmajor Governmental	Water and Sewer	
Transfers out					
General Fund	\$ -	\$ -	\$ 15,000	\$ -	\$ 15,000
Economic Development 4B	-	40,936	-	-	40,936
Nonmajor Governmental	110,685	-	-	-	110,685
Water and Sewer	2,534,486	-	-	-	2,534,486
Stormwater Utility	329,707	-	-	221,823	551,530
<b>Total transfers out</b>	<b>\$ 2,974,878</b>	<b>\$ 40,936</b>	<b>\$ 15,000</b>	<b>\$ 221,823</b>	<b>\$ 3,252,637</b>

**Note 6. Interfund Assets/Liabilities**

Interfund balances reflect payments made by one fund on behalf of another fund for which cash settlement has not been made as of the end of the accounting period. Amounts due to and from other funds will be settled within the next accounting period. As of September 30, 2019 interfund balances outstanding was between the General Fund and a Nonmajor Governmental Fund as follows:

	Due From Nonmajor Governmental	Total
	Due To General Fund	\$ 5,579
<b>Total</b>	<b>\$ 5,579</b>	<b>\$ 5,579</b>

The due to the General Fund from the Various Grants Fund is the result of the General Fund funding purchases prior to the receipt of grant funding.

**City of Bedford, Texas**  
Notes to the Financial Statements

**Note 7. Capital Assets**

The following tables summarize changes in capital assets during the year ended September 30, 2019:

	Beginning Balance	Additions	Retirements	Reclassifications	Ending Balance
<b>Governmental Activities</b>					
Capital assets, not being depreciated					
Land	\$ 7,261,343	\$ 3,204,990	\$ -	\$ -	\$ 10,466,333
Construction in progress	1,518,280	1,862,813	(22,500)	(1,556,573)	1,802,020
Total assets not being depreciated	8,779,623	5,067,803	(22,500)	(1,556,573)	12,268,353
Capital assets, being depreciated					
Buildings and improvements	25,773,834	-	-	-	25,773,834
Equipment	32,124,089	714,825	(691,379)	-	32,147,535
Improvements other than buildings	130,223,784	528,184	-	1,556,573	132,308,541
Total capital assets being depreciated	188,121,707	1,243,009	(691,379)	1,556,573	190,229,910
Less accumulated depreciation					
Buildings and improvements	(14,280,633)	(705,230)	-	-	(14,985,863)
Equipment	(28,448,083)	(1,438,646)	691,379	-	(29,195,350)
Improvements other than buildings	(118,310,053)	(1,953,670)	-	-	(120,263,723)
Total accumulated depreciation	(161,038,769)	(4,097,546)	691,379	-	(164,444,936)
Total capital assets being depreciated, net	27,082,938	(2,854,537)	-	1,556,573	25,784,974
<b>Governmental activities capital assets, net</b>	<b>\$ 35,862,561</b>	<b>\$ 2,213,266</b>	<b>\$ (22,500)</b>	<b>\$ -</b>	<b>\$ 38,053,327</b>
<b>Business-type Activities</b>					
Capital assets, not being depreciated					
Land	\$ 100,255	\$ -	\$ -	\$ -	\$ 100,255
Construction in progress	11,821,377	5,899,304	-	(15,622,189)	2,098,492
Total assets not being depreciated	11,921,632	5,899,304	-	(15,622,189)	2,198,747
Capital assets, being depreciated					
Buildings and improvements	675,277	-	-	-	675,277
Equipment	4,009,220	47,000	-	-	4,056,220
Utility distributions	84,903,872	56,142	-	15,622,189	100,582,203
Total capital assets being depreciated	89,588,369	103,142	-	15,622,189	105,313,700
Less accumulated depreciation					
Buildings and improvements	(546,870)	(10,030)	-	-	(556,900)
Equipment	(3,609,226)	(208,581)	-	-	(3,817,807)
Utility distributions	(37,707,125)	(1,893,348)	-	-	(39,600,473)
Total accumulated depreciation	(41,863,221)	(2,111,959)	-	-	(43,975,180)
Total capital assets being depreciated, net	47,725,148	(2,008,817)	-	15,622,189	61,338,520
<b>Business-type activities capital assets, net</b>	<b>\$ 59,646,780</b>	<b>\$ 3,890,487</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 63,537,267</b>

**City of Bedford, Texas**  
Notes to the Financial Statements

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General government	\$ 133,041
Community services	94,935
Public services	1,602,726
Public safety	1,113,937
Leisure services	1,080,425
Administrative services	72,482
	<hr/>
<b>Total depreciation expense – governmental activities</b>	<b>\$ 4,097,546</b>
	<hr/> <hr/>
Business-type Activities	
Water and sewer	\$ 1,792,585
Stormwater collection and disposal	319,374
	<hr/>
<b>Total depreciation expense – business-type activities</b>	<b>\$ 2,111,959</b>
	<hr/> <hr/>

**Note 8. Long-term Liabilities**

The following is a summary of the long-term liabilities of the City for the year ended September 30, 2019:

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due Within One-Year
Governmental Activities					
General Bonds/Certificates/Tax notes	\$ 72,965,000	\$ 2,750,000	\$ (4,465,000)	\$ 71,250,000	\$ 4,005,000
Premium on debt	3,140,673	126,830	(289,843)	2,977,660	284,539
Capital lease	517,710	-	(252,422)	265,288	220,799
Compensated absences	3,865,161	2,615,695	(2,405,723)	4,075,133	1,358,378
Net pension liability	10,562,276	1,960,843	-	12,523,119	-
Other post-employment benefits	2,598,929	-	(86,361)	2,512,568	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Governmental activities long-term liabilities</b>	<b>\$ 93,649,749</b>	<b>\$ 7,453,368</b>	<b>\$ (7,499,349)</b>	<b>\$ 93,603,768</b>	<b>\$ 5,868,716</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Business-type Activities					
General Obligation Bonds	\$ 8,760,000	\$ -	\$ (455,000)	\$ 8,305,000	\$ 545,000
Certificates of obligation	55,850,000	3,990,000	(1,675,000)	58,165,000	1,835,000
Premiums on debt	558,621	66,539	(52,806)	572,354	56,133
Compensated absences	252,858	240,034	(241,243)	251,649	83,883
Net pension liability	1,173,587	217,871	-	1,391,458	-
Other post-employment benefits	5,208	-	(173)	5,035	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Business-type activities long-term liabilities</b>	<b>\$ 66,600,274</b>	<b>\$ 4,514,444</b>	<b>\$ (2,424,222)</b>	<b>\$ 68,690,496</b>	<b>\$ 2,520,016</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In March 2019, the City issued \$3,990,000 of Combination Tax and Surplus Revenue Certificate of Obligation, Series 2019 for the purpose of improving and extending the City's waterworks system. The obligations are payable over the next 20 years bearing interest rates of 3.125-4.0%.

In March 2019, the City issued \$2,750,000 Tax Note, Series 2019. These certificates have biannual payments in February and August with an interest rate ranging from 3.0 to 5.0%, maturing February 1, 2024. Proceeds from this issuance are for capital outlay.

**City of Bedford, Texas**  
Notes to the Financial Statements

Governmental long-term debt consists of the following individual issues at September 30, 2019:

Series	Original Issue	Interest Rate	Debt Outstanding
General Obligation Bonds			
Series 2005 General Obligation Refunding Bonds	28,600,000	3.25% – 5.0%	\$ 355,000
Series 2010 General Obligation Bonds	4,885,000	2.0% – 5.0%	3,330,000
Series 2011 General Obligation Refunding and Improvement Bonds	8,185,000	2.0% – 4.375%	1,315,000
Series 2013 General Obligation Refunding and Improvement Bonds	5,375,000	2.0% – 4.0%	2,935,000
Series 2014 General Obligation Bonds	3,200,000	2.0% – 4.0%	2,625,000
Series 2018 General Obligation Bonds	57,540,000	3.125% - 5.0%	55,225,000
Certificates of Obligation			
Series 2011 General Tax and Revenue Certificates of Obligation	6,590,000	2.0% – 4.375%	1,055,000
Contractual Obligations			
Series 2014 Public Property Finance Contractual Obligations	2,300,000	1.0% – 2.5%	1,210,000
Tax Notes			
Series 2016 Tax Notes	1,105,000	1.30%	450,000
Series 2019 Tax Notes	2,750,000	3.0% - 5.0%	2,750,000
<b>Total General Obligation, Certificates of Obligation Contractual Bonds, and Tax Notes</b>			<b>\$ 71,250,000</b>

**City of Bedford, Texas**  
Notes to the Financial Statements

Business-type long-term debt consists of the following individual issues at September 30, 2019:

Series	Original Issue	Interest Rate	Debt Outstanding
General Obligation Bonds			
Series 2011 General Obligation Refunding and Improvement Bonds	\$ 8,185,000	2.0% – 4.375%	\$ 2,195,000
Series 2018 General Obligation Refunding and Improvement Bonds	6,380,000	3.125% - 5.0%	6,110,000
Certificates of Obligation			
Series 2010 Certificates of Obligation	2,035,000	3.0% – 4.125%	1,390,000
Series 2011 Combination Tax and Revenue Certificates of Obligation	6,590,000	2.0% – 4.375%	2,815,000
Series 2012 Combination Tax and Revenue Certificates of Obligation	630,000	0.09% – 1.4%	420,000
Series 2012A Combination Tax and Revenue Certificates of Obligation	4,270,000	1.0% – 2.75%	3,035,000
Series 2015 Combination Tax and Revenue Certificates of Obligation	30,000,000	0.22% – 3.210%	27,420,000
Series 2017 Combination Tax and Revenue Certificates of Obligation	20,000,000	0.69% - 3.0%	19,095,000
Series 2019 Combination Tax and Revenue Certificates of Obligation	3,990,000	3.125% - 4.0%	3,990,000
<b>Total General Obligation and Certificates of Obligation</b>			<b>\$ 66,470,000</b>

Capital leases entered into prior to fiscal year 2019 totaled \$1,013,619, is classified as equipment, and has an amortized value of approximately \$397,505 at September 30, 2019.

Capital lease amortization expense has been included in depreciation expense for the year ended September 30, 2019.

The annual debt service requirement to amortize the bonds, certificates of obligation and capital lease obligations outstanding at September 30, 2019, are as follows:

Governmental Activities:

Year Ending September 30,	Bonded Debt Obligations	Capital Lease	Interest	Total
2020	\$ 4,005,000	\$ 220,799	\$ 2,723,457	\$ 6,949,256
2021	4,200,000	44,489	2,527,948	6,772,437
2022	4,210,000	-	2,360,439	6,570,439
2023	3,870,000	-	2,195,141	6,065,141
2024	4,040,000	-	2,029,750	6,069,750
2025-2029	16,950,000	-	7,796,091	24,746,091
2030-2034	18,610,000	-	4,197,966	22,807,966
2035-2039	15,365,000	-	1,096,634	16,461,634
	<b>\$ 71,250,000</b>	<b>\$ 265,288</b>	<b>\$ 24,927,426</b>	<b>\$ 96,442,714</b>

**City of Bedford, Texas**  
Notes to the Financial Statements

Business-type Activities:

Year Ending September 30,	Debt Obligations	Interest	Total
2020	\$ 2,380,000	\$ 1,932,907	\$ 4,312,907
2021	2,490,000	1,838,890	4,328,890
2022	2,585,000	1,781,723	4,366,723
2023	2,650,000	1,717,960	4,367,960
2024	2,750,000	1,647,334	4,397,334
2025-2029	14,155,000	7,027,755	21,182,755
2030-2034	12,285,000	5,098,643	17,383,643
2035-2039	11,810,000	3,429,524	15,239,524
2040-2044	11,040,000	1,719,814	12,759,814
2045-2047	4,325,000	218,973	4,543,973
	<u>\$ 66,470,000</u>	<u>\$ 26,413,523</u>	<u>\$ 92,883,523</u>

**Note 9. Retirement Plan**

**A. Plan Description**

The City participates as one of 887 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmrs.com](http://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 payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

**City of Bedford, Texas**  
Notes to the Financial Statements

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5 years
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20
Updated service credit	0%
Annuity increase (to retirees)	0% of CPI

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	69
Inactive employees entitled to but not yet receiving benefits	150
Active employees	<u>343</u>
<b>Total</b>	<u><u>562</u></u>

**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 are required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 9.01% and 9.02% in calendar years 2018 and 2019, respectively. The city's contributions to TMRS for the year ended September 30, 2019, were \$2,118,005 and were equal to the required contributions.

**D. Net Pension Liability**

The City's Net Pension Liability (NPL) was measured as of December 31, 2018, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.00% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

## City of Bedford, Texas

### Notes to the Financial Statements

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality 16 rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2017, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	17.5%	4.30%
International Equity	17.5%	6.10%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.39%
Real Return	10.0%	3.78%
Real Estate	10.0%	4.44%
Absolute Return	10.0%	3.54%
Private Equity	5.0%	7.75%
<b>Total</b>	100.0%	

#### Discount Rate

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

**City of Bedford, Texas**  
Notes to the Financial Statements

Changes in the Net Pension Liability

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2017	\$ 34,590,673	\$ 22,854,810	\$ 11,735,863
Changes for the year			
Service cost	2,996,009	-	2,996,009
Interest on total pension liability	2,410,946	-	2,410,946
Effect of difference in expected and actual experience	(131,459)	-	(131,459)
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(741,916)	(741,916)	-
Administrative expenses	-	(13,231)	13,231
Employer contributions	-	2,137,293	(2,137,293)
Net investment income	-	(687,085)	687,085
Employee contributions	-	1,660,496	(1,660,496)
Other	-	(691)	691
Net changes	<u>4,533,580</u>	<u>2,354,866</u>	<u>2,178,714</u>
<b>Balances at December 31, 2018</b>	<b><u>\$ 39,124,253</u></b>	<b><u>\$ 25,209,676</u></b>	<b><u>\$ 13,914,577</u></b>

Sensitivity of the net pension liability to changes in the discount rate

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

	1% Decrease (5.75%)	Current Single Rate Assumption (6.75%)	1% Increase (7.75%)
City's net pension liability	\$ 19,540,777	\$ 13,914,577	\$ 9,186,524

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.tmr.com](http://www.tmr.com).

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

For the year ended September 30, 2019, the City recognized pension expense of \$2,563,246.

**City of Bedford, Texas**  
Notes to the Financial Statements

At September 30, 2019, 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 experience	\$ -	\$ (536,363)
Difference in assumptions changes	363,653	-
Difference between projected and actual earnings on pension plan investments	1,179,772	-
Contributions subsequent to the measurement date	1,537,188	-
<b>Total</b>	<b>\$ 3,080,613</b>	<b>\$ (536,363)</b>

\$1,537,188 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2019 (i.e. recognized in fiscal year ending September 30, 2020).

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Net Deferred Outflows (Inflows) of Resources
2020	\$ 322,166
2021	166,286
2022	166,976
2023	421,978
2024	(36,667)
Thereafter	(33,677)
<b>Total</b>	<b>\$ 1,007,062</b>

**Note 10. Post-employment Health Care Plan**

**A. Plan Description and Funding Policy**

The City provides post-employment medical care (OPEB) for employees through a single-employer defined benefit medical plan. The plan provides medical benefits for eligible retirees, their spouses and dependents through the City's group health insurance plans, which cover both active and retired members. The benefit levels and contribution rates are approved annually by the City management and the City Council as part of the budget process. Since an irrevocable trust has not been established, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

**City of Bedford, Texas**  
Notes to the Financial Statements

Starting January 1, 2010, the City began requiring participants who are active employees with less than 20 years of service or 60 years or more of age with less than 5 years of service to contribute an age-based full-cost premium if they choose to remain on the City's health care plan upon retirement. In return, the City will make scheduled annual contributions into a retiree health savings plan in the name of each eligible employee who has 10 years of service or more. Employees are 50% vested at 20 years of service and 100% vested at 30 years of service.

Retiring employees will pay either age-based or blended premiums depending on their status as "grandfathered" or "non-grandfathered." Blended premiums blend the cost of providing health coverage to both active employees and retirees, and will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

**B. Grandfathered Employees and Non-Grandfathered Employees**

As of January 1, 2010, employees that have 20 years of continuous service with the City or employees having 5 years of continuous service and have reached the age of 60 will be eligible to purchase City health benefits at blended rates upon the date of their retirement if they are less than age 65. Employees who meet the requirements to stay on the plan will continue to pay both employee and employer required contributions for the retiree health plan chosen for themselves and eligible dependents. Employer and employee required contributions are determined annually by plan as part of the City's annual budget. If the spouse or eligible dependents are on the plan at the time of the employee's retirement, they can remain on the plan, until which time they are no longer eligible.

Employees who do not meet the eligibility requirements to stay on the plan will pay age-based premiums for the retiree health plan chosen for themselves and eligible dependents. These employees will participate in the City's retiree health savings plan.

**C. Benefits Provided**

The City provides post-employment medical and dental care benefits to its retirees. Retirees who elect COBRA cannot later elect retiree coverage. To be eligible for coverage an employee must qualify under all three of the following:

- The retiree must have been covered for medical benefits under the City health plan as an employee immediately prior to termination of employment.
- Apply for pension benefits from TMRS in accordance with their requirements and deadlines, but in no event later than 90 days from termination of employment.
- Enroll for retiree health coverage within 30 days of the date of termination. Annual Funding Policy

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees currently receiving benefits	22
Inactive employees entitled to but not yet receiving benefits	-
Active employees	23
	23
<b>Total</b>	45

## City of Bedford, Texas

### Notes to the Financial Statements

#### D. Policy Information

##### Retiree Health Plan Benefit Eligibility

To be eligible for retiree health benefits, employees must meet the following criteria:

- Any employee who is covered under the City's health plan at the effective date of (the employee's) retirement, who is less than age 65, and who meets the "retiree" definition (as described below) may elect to continue health insurance coverage under the plan.
- Employees who are eligible and elect to stay on the plan will be required to begin paying monthly premiums immediately upon retirement.
- Employees eligible for retiree health insurance may also continue coverage for any dependents following the employee's retirement, provided the dependents were covered under the employee's health insurance as of the effective date of the employee's retirement and the appropriate enrollment forms are completed within 30 days of retirement. Anyone electing this coverage must meet all of the eligibility rules of the plan.

NOTE: When a covered retiree's spouse is employed at the time the City of Bedford employee retires, an exception to this policy may be made. The spouse may elect coverage under the City's health plan if the spouse's employment ends or the spouse's employer discontinues coverage.

- Dependents who are covered under the retiree's health insurance at the time of the retiree's death may continue coverage as follows: (a) the spouse may continue coverage following the death of the retiree until such time as the spouse remarries, dies or reaches age 65 (b) any other eligible dependent(s), as defined by the City's self-funded plan, may continue to be covered under retiree health insurance as long as all eligibility requirements of the City's plan are met.

##### Retiree Health Plan Benefit Coverage

Retirees are able to maintain retiree coverage through the City until they reach age 65 (see section below). Retirees cannot drop the City's plan and re-elect retiree benefits at a later date unless they become re-employed by the City. If this is the case, they must re-enroll into the City's retiree insurance program within 30 days of the termination from the City's re-employment.

- Retirees are able to choose from and elect the same plans offered to active employees during open enrollment each year until they reach age 65.
- Retirees who decide to elect the City's retiree health benefits will pay either age based on blended premiums depending on their status as "grandfathered" or "non-grandfathered."
- Blended premiums blend the cost of providing health coverage to both active employees and retirees, will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

##### Retirees Age 65 or Older

Effective January 1, 2010, retirees who are Medicare eligible or age 65 or older will have access to a more cost effective and comparable Medicare Supplement or Medicare Advantage Plan and will no longer have access to the City's health plan. Retirees will continue to have access to the City's dental plan.

- Retirees who choose to obtain coverage elsewhere may later elect one of the City's Medicare Supplement or Medicare Advantage plans when they become eligible for Medicare.
- Retirees' dependents who are under 65 years of age will be able to maintain coverage through the City's health plan. Once a dependent reaches age 65, the dependent will no longer be able to access the City's health plan, but will be able to select either the Medicare Supplement or Medicare Advantage Plan which is less expensive than the current retiree premiums and is comparable to or offers a richer benefit than the City's health plan.

## City of Bedford, Texas

### Notes to the Financial Statements

- If the employee is 65 years of age or older, but is not Medicare eligible, the City will evaluate the cost of Medicare Part A premiums each year and determine whether the City will reimburse the employee for the purchase of Medicare Part A (on behalf of the retiree or whether to allow the retiree to pay the premium to stay on the City's health plan). Retirees in this situation will be notified of this determination at the end of each year for the following plan year.

#### **E. Applicability**

This policy applies to all regular full-time employees.

#### **F. Definitions**

*Retiree* — is defined as an employee who has effected retirement with the City and is eligible to retire according to the City's pension plan guidelines.

#### **G. Policy Authority**

The City Council authorizes this policy. The City's management team and Human Resources are responsible for interpreting and enforcing this policy.

#### **H. Implementation Procedures**

Employees eligible for retiree health insurance will be given written notification from Human Resources explaining their eligibility to elect retiree health insurance, the applicable premium rates for the type of coverage(s) they are eligible to continue and the procedures the employee must follow in order to elect retiree health insurance. They will also be given an election form on which to make their health insurance elections.

Employees eligible for retiree health insurance must complete the retiree health insurance election form and remit the appropriate premium payment as outlined in the retiree medical information packet within 30 days following the effective date of the employee's retirement; otherwise, the retiree will automatically forfeit his/her right to continue health insurance under this policy, except as provided by federal law.

Retirees who are not age 65 and who are eligible for and elect retiree coverage through the City will receive notification from the City's Human Resources Department of the discontinuation of their retiree coverage along with enrollment information for the Medicare Supplement and Medicare Advantage plans upon turning age 65.

#### **Termination of Retiree Health Plan Coverage**

Retiree health insurance will automatically terminate for the retiree and/or covered dependents upon the earliest of the following occurrences:

- The City ceases to provide group health insurance.
- Retiree/retiree's dependent(s) fail to remit the monthly premium payment to the City's Human Resources Department by the last day of each month.
- The retiree returns to active employment status with the City and becomes covered under a City sponsored health plan.
- Dependent(s) of the retiree cease to meet the eligibility requirements of the City's medical plan.

**City of Bedford, Texas**  
Notes to the Financial Statements

**I. Net OPEB Liability**

Valuation of Assets

For purposes of calculating the Total OPEB Liability, the plan is considered to be unfunded and therefore no assets are accumulated for OPEB.

Actuarial Assumptions

The OPEB Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.50% to 10.50% including inflation
Discount rate	3.71%
Retirees share of benefit-related costs	\$0

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

In the December 31, 2018, actuarial valuation, the Projected Unit Credit Cost method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses) and an annual health care cost trend rate of 9.0% initially, reduced by decrements to an ultimate rate of 4.5% after a number of years. Both rates include a 2.50% inflation assumption. The actuarial value of the plan's assets was set equal to the reported market value of assets. The assets are allocated among the divisions based on liabilities valued at 4.5%. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2018, was 24 years.

Discount Rate

Because the Retiree Healthcare Plan is considered an unfunded trust under GASB Statement No. 75, the relevant discount rate for calculating the Total OPEB Liability is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

**City of Bedford, Texas**  
Notes to the Financial Statements

Changes in the OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at December 31, 2017	\$ 2,641,483	\$ 37,346	\$ 2,604,137
Changes for the year:			
Service cost	33,282	-	33,282
Interest	86,615	-	86,615
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	-	-	-
Effect of difference in expected and actual experience	5,923	-	5,923
Effect of assumptions changes or inputs	(131,216)	-	(131,216)
Employer contributions	-	82,737	(82,737)
Net investment income	-	(1,599)	1,599
Benefit payments	(82,737)	(82,737)	-
Administrative expense	-	-	-
Net changes	(88,133)	(1,599)	(86,534)
Balance at December 31, 2018	<u>\$ 2,553,350</u>	<u>\$ 35,747</u>	<u>\$ 2,517,603</u>

Sensitivity of the OPEB Liability to Changes in the Discount Rate

The following presents the OPEB liability of the City, calculated using the discount rate of 3.71%, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.71%) or one-percentage-higher (4.71%) than the current rate:

	1% Decrease (2.71%)	Current Discount Rate (3.71%)	1% Increase (4.71%)
Total OPEB liability	\$ 2,865,902	\$ 2,517,603	\$2,229,895

Sensitivity of the OPEB Liability to Healthcare Cost Trends

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	\$ 2,197,118	\$ 2,517,603	\$2,905,114

**City of Bedford, Texas**  
Notes to the Financial Statements

**J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.**

For the year ended September 30, 2019, the City recognized OPEB expense of \$134,543.

At September 30, 2019, 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
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience, liability	\$ 3,429	\$ -
Changes in assumptions and other inputs	25,943	(75,965)
Net difference between projected and actual earnings, assets	2,702	-
Contributions made subsequent to measurement date	53,047	-
	<u>                    </u>	<u>                    </u>
<b>Total</b>	<u><u>\$ 85,121</u></u>	<u><u>\$ (75,965)</u></u>

\$53,047 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the measurement year ending December 31, 2019 (i.e. recognized in fiscal year ending September 30, 2020). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Years Ending September 30,	Net Deferred Outflows (Inflows) of Resources
<u>                    </u>	<u>                    </u>
2020	\$ (26,182)
2021	(19,147)
2022	632
2023	806
2024	-
Thereafter	-
	<u>                    </u>
<b>Total</b>	<u><u>\$ (43,891)</u></u>

**Note 11. Tax Abatements and Economic Incentive Agreements**

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of Bedford. This program rebates property and sales and use taxes and is authorized under Chapter 380 of the Texas Local Government Code. The various agreements are detailed below that rebate a percentage of property and/or sales & use taxes.

Agreements for rebate of property taxes generally call for rebates of taxes on incremental values for usually up to 10 years. The agreements for sales and use taxes provides for a rebate of 50% to 100% of the City 2% taxes on incremental values for usually up to 10 years, with the maximum being 12 years. For fiscal year 2019, the City rebated property taxes of \$46,585, or 0.2% of the total levy of \$22.4 million. Sales and use taxes rebated totaled \$225,653 or 2.6% of the General Fund collections of \$8.6 million.

## City of Bedford, Texas

### Notes to the Financial Statements

#### **Retail Development Agreements**

In order to promote economic development and diversity, increase employment, reduce unemployment and underemployment, expand commerce, and stimulate business and commercial activity in the State of Texas, Tarrant County, and the City of Bedford, Texas, the City, agreed to pay sales tax grants to certain developers. These grants require the construction or improvement of a minimum square feet of retail space and obtaining certificates of occupancy for certain major retailers within a specified time period, all of which have been met during the 2019 fiscal year.

An agreement was executed in August 2010 with State National. This agreement includes a rebate of 50% of the City's incremental property taxes on improvements for 10 years. The max payout per the agreement is \$290,000. The City paid \$5,130 during the current year of the grant.

An agreement was executed in January 2016 with Movie Tavern. The agreement includes a rebate of 75% of the City's sales tax of 2% for a period of ten years. The City recorded a liability for the \$83,547 incurred in the current year of the agreement.

An agreement was executed in November 2012 with Cheddar's Casual Café. The agreement includes a rebate of 100% of the City's sales tax of 1% and 100% of the City's incremental property tax for a period of ten years. The City recorded a liability for the \$41,861 incurred in the current year of the agreement.

An agreement was executed in March 2013 with Chilis's Brinker Texas. The agreement includes a rebate of 50% of the City's sales tax of 2% for a period of seven years. The City recorded a liability for the \$28,084 incurred in the current year of the agreement. The City paid \$73,464 during the current year of the grant.

An agreement was executed in January 2013 with Twisted Root Burger. The agreement includes rebates of 100% (years 1-3), 80% (years 4-7) and 60% (years 8-10) of the City's sales tax of 2% and 100% of the incremental property taxes on improvements for a period of ten years. The City recorded a liability for the \$18,031 incurred in the current year of the agreement. The City paid \$18,432 during the current year of the grant.

An agreement was executed in April 2014 with Mexican Inn. The agreement includes a rebate of 50% of the City's sales tax of 2% and 100% of the City's incremental property tax for a period of six years. The City recorded a liability for the \$15,685 incurred in the current year of the agreement. The City paid \$22,022 during the current year of the grant.

An agreement was executed in December 2014 with Texas Harley-Davidson. The agreement includes a rebate of 80% (years 1-3), 60% (years 4-7) and 40% (years 8-10) of the City's sales tax of 1% and 80% of the City's incremental property tax for a period of ten years. The City recorded a liability for the \$30,189 incurred in the current year of the agreement.

An agreement was executed in December 2016 with Chipotle. The agreement includes a rebate of 25% of the City's sales tax of 2% for a period of twelve years. The City recorded a liability for the \$9,459 incurred in the current year of the agreement.

An agreement was executed in May 2017 with American Motorcycle. The agreement includes a rebate of 100% of the City's sales tax of 1% and 100% of the City's incremental property tax for a period of ten years. The City recorded a liability for the \$2,747 incurred in the current year of the agreement.

## City of Bedford, Texas

### Notes to the Financial Statements

#### Note 12. Commitments and Contingencies

##### A. Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City participates in the Texas Municipal League Intergovernmental Risk Pool (Risk Pool) to provide insurance for workers' compensation benefits, liability and property coverage.

At September 30, 2019, the Risk Pool was self-sustaining based on premiums charged, so that total contributions plus compounded earnings on these contributions will be sufficient to satisfy claims and liabilities and other expenses. Premiums are assessed based on the rates set by the Texas State Board of Insurance and may be adjusted, on an annual basis, by the Risk Pool's Board of Trustees for each participating political subdivision's experience. The City is not liable for payments beyond the annual contributions.

The Risk Pool has purchased stop-loss coverage to protect the assets of the pool from catastrophic losses. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years, and there have been no significant reductions in insurance coverage during the current year.

##### B. Trinity River Authority of Texas

In 1972, the City entered into a contract with the Trinity River Authority (TRA) for the purchase of water. The contract shall remain in effect until all bonds, including refunding bonds, have been paid.

Under the terms of the contract, the City is obligated to pay its proportional share of operating and maintenance expenses and debt service charges by the TRA based on the ratio of estimated water usage for the ensuing year to the total estimated water usage. Total purchases during fiscal year 2019 were \$8,078,959.

In 1973, the City entered into a 50-year contract with the TRA for the transportation, treatment, and disposal of sanitary sewage actually discharged and to share in the cost of operation and maintenance of the system. Total payments of \$4,574,658 were made in fiscal year 2019. Additionally, \$438,162 was spent with the City of Hurst for the transportation, treatment and disposal of sanitary sewage as well.

##### C. Litigation

Various claims and lawsuits are pending against the City. In the opinion of the City's legal counsel and management, the potential loss on all claims after insurance will not be significant to the City's financial statements.

##### D. State and Federal Programs

The City has received federal and state grants for specific purposes that are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. In the opinion of management of the City, disallowed costs, if any, should not be material.

## Required Supplementary Information

# City of Bedford, Texas

## Schedule of Changes in the City's Net Pension Liability and Related Ratios Texas Municipal Retirement System Last Five Measurement Years

	Year Ended December 31				
	2018	2017	2016	2015	2014
<b>TOTAL PENSION LIABILITY</b>					
Service cost	2,996,009	2,703,744	\$ 2,676,451	\$ 2,515,193	\$ 1,588,982
Interest (on the Total Pension Liability)	2,410,946	2,139,669	1,866,228	1,643,314	1,439,551
Changes of benefit terms	-	-	-	-	1,308,563
Changes in assumptions	-	-	-	711,649	-
Difference between expected and actual experience	(131,459)	(246,817)	77,844	(368,820)	(233,110)
Benefit payments, including refunds of employee contributions	(741,916)	(705,692)	(460,701)	(359,420)	(335,835)
Net change in total pension liability	4,533,580	3,890,904	4,159,822	4,141,916	3,768,151
Total pension liability - beginning	34,590,673	30,699,769	26,539,947	22,398,031	18,629,880
Total pension liability - ending (a)	39,124,253	34,590,673	30,699,769	26,539,947	22,398,031
<b>PLAN FIDUCIARY NET POSITION</b>					
Contributions - employer	2,137,293	1,919,893	1,705,987	1,611,071	1,032,810
Contributions - employee	1,660,496	1,503,273	1,489,019	1,387,526	972,517
Net investment income	(687,085)	2,458,477	949,763	16,795	525,939
Benefit payments, including refunds of employee contributions	(741,916)	(705,692)	(460,701)	(359,420)	(335,835)
Administrative expense	(13,231)	(12,708)	(10,700)	(10,223)	(5,486)
Other	(691)	(643)	(577)	(505)	(451)
Net change in plan fiduciary net position	2,354,866	5,162,600	3,672,791	2,645,244	2,189,494
Plan fiduciary net position - beginning	22,854,810	17,692,210	14,019,419	11,374,175	9,184,681
Plan fiduciary net position - ending (b)	25,209,676	22,854,810	17,692,210	14,019,419	11,374,175
<b>NET PENSION LIABILITY - ending (a) - (b)</b>	<b>\$13,914,577</b>	<b>\$11,735,863</b>	<b>\$13,007,559</b>	<b>\$12,520,528</b>	<b>\$11,023,856</b>
Plan fiduciary net position as a percentage of total pension liability	64.43%	66.07%	57.63%	52.82%	50.78%
Covered payroll	\$23,721,371	\$21,475,333	\$21,258,547	\$21,351,384	\$19,450,346
City's net pension liability as a percentage of covered payroll	58.66%	54.65%	61.19%	58.64%	56.68%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

**City of Bedford, Texas**  
 Schedule of City Contributions  
 Texas Municipal Retirement System  
 Last Five Fiscal Years

	Year Ended September 30				
	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 2,118,005	\$ 2,035,140	\$ 1,924,529	\$ 1,680,982	\$ 1,399,303
Contributions in relation to the actuarially determined contribution	2,118,005	2,035,140	1,924,529	1,680,982	1,399,303
<b>Contribution deficiency (excess)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Covered payroll</b>	<u>\$ 23,488,350</u>	<u>\$ 22,630,160</u>	<u>\$ 22,147,313</u>	<u>\$ 22,649,265</u>	<u>\$ 23,602,275</u>
Contributions as a percentage of covered payroll	9.02%	8.99%	8.69%	7.42%	5.93%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

## City of Bedford, Texas

### Notes to the Schedule of City Contributions

#### Last Five Fiscal Years

Valuation Date: December 31, 2018

Actuarial determined contribution rates are calculated as of December 31st, each year and become effective in January, 13 months and a day 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 2015 valuation pursuant to an experience study of the period 2010 – 2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

#### Other Information:

There were no benefit changes during the year.

## City of Bedford, Texas

### Schedule of Changes in the City's Other Post-Employment Benefits Liabilities and Related Ratios – Retiree Healthcare Plan Last Two Measurement Years

	Year Ended December 31	
	2018	2017
Total OPEB liability		
Service cost	\$ 33,282	\$ 28,394
Interest	86,615	91,716
Changes of benefit terms	-	-
Difference between expected and actual experience	5,923	-
Change in assumptions	(131,216)	164,339
Employer contributions	(82,737)	(72,029)
Net investment income	1,599	(3,092)
Benefit payments	-	-
Net changes	(86,534)	209,328
Total OPEB liability - beginning	2,604,137	2,394,809
<b>Total OPEB liability - ending</b>	<b>\$ 2,517,603</b>	<b>\$ 2,604,137</b>
Plan fiduciary net position as a percentage of total OPEB liability	1.40%	1.41%
Covered employee payroll	\$ 2,024,772	\$ 1,995,448
Total OPEB liability as a percentage of covered employee payroll	124.34%	130.50%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

## City of Bedford, Texas

### Schedule of Contributions – Retiree Healthcare Plan Last Two Fiscal Years

	Year Ended September 30	
	2019	2018
Actuarially determined contribution	\$ 70,556	\$ -
Contributions in relation to the actuarially determined contribution	70,556	-
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered payroll</b>	<b>\$ 1,704,133</b>	<b>\$ 2,105,853</b>
Contributions as a percentage of covered payroll	4.14%	0.00%

## City of Bedford, Texas

### Notes to the Schedule of Contributions – Retiree Healthcare Plan Last Two Fiscal Years

Valuation Date: December 31, 2018

#### Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Discount Rate	3.71%
Retirees' share of benefit-related cost	\$0
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2014 as conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-district RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Participation Rates	Before age 65, participation rates vary from 30% to 70% based on years of City service. For the plan participants that are expected to not qualify for Medicare, 40% of current pre-65 retirees and 25% of current active employees were assumed to participate in the City's plan after the age of 65.
Healthcare cost trend rates	Initial rates of 7.50% declining to ultimate rates of 5.50% after 9 years; Ultimate trend rate includes a 1.25% adjustment for the excise tax.
Notes:	The discount rate changes from 3.31% as of December 31, 2017 to 3.71% as of December 31, 2018.

**City of Bedford, Texas**  
 Budgetary Comparison Schedule General Fund  
 Year Ended September 30, 2019

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes, penalty and interest	26,007,640	\$ 26,007,640	\$ 26,385,338	\$ 377,698
Licenses, permits, and fees	818,750	818,750	993,418	174,668
Charges for services	3,048,950	3,048,950	3,065,471	16,521
Fines and forfeits	1,755,500	1,755,500	1,317,179	(438,321)
Support from other governmental entities	372,567	372,567	333,308	(39,259)
Interest	116,250	116,250	345,491	229,241
Miscellaneous	67,400	67,400	137,771	70,371
Total revenues	32,187,057	32,187,057	32,577,976	390,919
<b>EXPENDITURES</b>				
General government				
City Council	220,135	220,135	134,582	85,553
City Manager	742,933	742,933	742,389	544
City Secretary	290,419	290,419	287,926	2,493
Information systems	793,347	793,347	780,303	13,044
Human Resources	505,846	505,846	457,292	48,554
Total general government	2,552,680	2,552,680	2,402,492	150,188
Community services				
Economic development	841,922	841,922	751,336	90,586
Planning and zoning	403,060	403,060	398,811	4,249
Total community services	1,244,982	1,244,982	1,150,147	94,835
Public services				
Facilities maintenance	785,598	785,598	733,868	51,730
Maintenance services	939,593	939,593	831,018	108,575
Streets	1,013,383	1,013,383	860,312	153,071
Total public services	2,738,574	2,738,574	2,425,198	313,376
Administrative services				
Finance	614,294	614,294	643,976	(29,682)
Nondepartmental	1,178,760	1,178,760	1,219,544	(40,784)
Municipal court	697,179	697,179	655,144	42,035
Teen court	186,079	186,079	127,264	58,815
Total administrative services	2,676,312	2,676,312	2,645,928	30,384

**City of Bedford, Texas**

Budgetary Comparison Schedule General Fund – Continued

Year Ended September 30, 2019

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
Public safety				
Administration	1,067,829	1,067,829	959,372	108,457
Animal control	404,420	404,420	372,787	31,633
Criminal investigation division	1,958,995	1,958,995	1,839,084	119,911
Community services	1,058,228	1,058,228	1,067,708	(9,480)
Code compliance	485,617	485,617	346,359	139,258
Patrol	4,971,296	4,971,296	4,952,560	18,736
Traffic	798,456	798,456	572,367	226,089
Dispatch	847,730	847,730	835,308	12,422
Jail	899,086	899,086	867,097	31,989
Records	405,392	405,392	383,002	22,390
Repeat victimization unit	333,634	333,634	325,625	8,009
Fire operations	7,876,742	7,876,742	8,107,993	(231,251)
Total public safety	<u>21,107,425</u>	<u>21,107,425</u>	<u>20,629,262</u>	<u>478,163</u>
Leisure services				
Library	1,496,869	1,496,869	1,486,745	10,124
Parks	1,430,915	1,430,915	1,391,256	39,659
Recreation	653,514	653,514	684,130	(30,616)
Senior citizens	289,636	289,636	249,065	40,571
Splash	457,184	457,184	428,507	28,677
Total leisure services	<u>4,328,118</u>	<u>4,328,118</u>	<u>4,239,703</u>	<u>88,415</u>
Capital outlay	175,400	175,400	2,554,644	(2,379,244)
Debt service	258,501	258,501	259,600	(1,099)
Total expenditures	<u>35,081,992</u>	<u>35,081,992</u>	<u>36,306,974</u>	<u>(1,224,982)</u>
Excess (deficiency) of revenues over expenditures	<u>(2,894,935)</u>	<u>(2,894,935)</u>	<u>(3,728,998)</u>	<u>(834,063)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,981,218	2,981,218	2,974,878	(6,340)
Transfer out	-	-	(15,000)	(15,000)
Proceeds from capital leases	-	-	-	-
Proceeds from sale of capital asset	5,000	5,000	14,063	9,063
Insurance proceeds	15,000	15,000	339	(14,661)
Total other financing sources (uses)	<u>3,001,218</u>	<u>3,001,218</u>	<u>2,974,280</u>	<u>(26,938)</u>
Net change in fund balance	106,283	106,283	(754,718)	(861,001)
<b>FUND BALANCE, beginning of year, restated</b>	<u>13,647,548</u>	<u>13,647,548</u>	<u>13,647,548</u>	<u>-</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 13,753,831</u>	<u>\$ 13,753,831</u>	<u>\$ 12,892,830</u>	<u>\$ (861,001)</u>

**City of Bedford, Texas**  
 Budgetary Comparison Schedule  
 Economic Development 4B Fund  
 Year Ended September 30, 2019

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes, penalty and interest	\$ 2,700,000	\$ 2,700,000	\$ 2,934,711	\$ 234,711
Interest	30,000	30,000	78,654	48,654
Total revenues	2,730,000	2,730,000	3,013,365	283,365
<b>EXPENDITURES</b>				
Current				
Public services	2,859,734	2,859,734	2,774,170	85,564
Capital outlay	438,300	438,300	429,288	9,012
Total expenditures	3,298,034	3,298,034	3,203,458	94,576
Excess (deficiency) of revenues over expenditures	(568,034)	(568,034)	(190,093)	377,941
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(40,800)	(40,800)	(40,936)	(136)
Total other financing sources (uses)	(40,800)	(40,800)	(40,936)	(136)
Net changes in fund balance	(608,834)	(608,834)	(231,029)	377,805
<b>FUND BALANCE, beginning of year</b>	3,680,941	3,680,941	3,680,941	-
<b>FUND BALANCE, end of year</b>	\$ 3,072,107	\$ 3,072,107	\$ 3,449,912	\$ 377,805

## **City of Bedford, Texas**

Notes to the Budgetary Comparison Schedules

Year Ended September 30, 2019

### **Stewardship, Compliance and Accountability**

#### **Budgetary Information**

Annual budgets are adopted for the General, Debt Service, Court Security, Court Technology, Tourism Development, Park Donation, Bedford Beautification, Economic Development, Red Light Cameras and Public Safety Training funds using the modified accrual basis of accounting.

The City Council follows these procedures in establishing budgetary data reflected in the financial statements:

- Prior to August 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to September 30, the budget is legally enacted through passage of an ordinance.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council after public hearings.
- All unexpended appropriations lapse at year-end.

# Combining Fund Statements and Schedules

## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

**Special Revenue Funds** – are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The City's nonmajor special revenue funds are as follows:

**Miscellaneous Donations Fund** – This fund is used to account for miscellaneous designated contributions from citizens and other governments.

**Court Security Fund** – This fund accounts for monies collected under state statute designated to provide security for the Municipal Court facilities.

**Court Technology Fund** – This fund is used for monies collected under state statute designed to provide increased technology for the Municipal Court facilities.

**Park Donation Fund** – This fund is used for contributions from citizens designated for park improvements.

**Drug Forfeiture Fund** – This fund accounts for monies received from participation in federal drug enforcement activities.

**Bedford Beautification Fund** – This fund accounts for revenue and expenditures related to various citywide beautification programs proposed by the City's Beautification Commission.

**Public Safety Training Fund** – This fund accounts for funds received from state surplus to be used for police training.

**Tourism Development Fund** – This fund accounts for hotel/motel taxes received.

**Red Light Cameras Fund** – This fund accounts for revenues generated from red light camera fines.

**SWAT Netcast Fund** – This fund accounts for revenue and expenditures for the SWAT related activities.

**NETCO/Motorola Rebanding Fund** – This fund accounts for the City's portion of proceeds received from Motorola for Northeast Tarrant County Trunked Radio Consortium (NETCO). Resolution No. 07-53.

**Various Grants Fund** – This fund accounts for revenues and expenditures from multiple grants, the majority of which pertain to energy conservation.

### **Capital Projects Funds**

**Capital Projects Funds** – are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

**Street and Drainage Fund** – to account for construction projects funded by developer agreements and assessments.

**City of Bedford, Texas**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 September 30, 2019

	Special Revenue Funds					
	Miscellaneous Donation	Court Security	Court Technology	Park Donation	Drug Forfeiture	Bedford Beautification
<b>ASSETS</b>						
Cash and cash equivalents	\$ 81,085	\$ 77	\$ 76,212	\$ 94,261	\$ 83,158	\$ 56,433
Investments	-	-	-	-	-	-
Receivables						
Accounts	270	-	-	478	-	-
Other	-	-	-	-	-	-
	<u>81,355</u>	<u>77</u>	<u>76,212</u>	<u>94,739</u>	<u>83,158</u>	<u>56,433</u>
Total assets	<u>\$ 81,355</u>	<u>\$ 77</u>	<u>\$ 76,212</u>	<u>\$ 94,739</u>	<u>\$ 83,158</u>	<u>\$ 56,433</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities						
Accounts and contract payable	\$ 1,288	\$ -	\$ 6,500	\$ -	\$ 149	\$ 406
Due to other funds	-	-	-	-	-	-
	<u>1,288</u>	<u>-</u>	<u>6,500</u>	<u>-</u>	<u>149</u>	<u>406</u>
Total liabilities	<u>1,288</u>	<u>-</u>	<u>6,500</u>	<u>-</u>	<u>149</u>	<u>406</u>
Deferred inflows of resources						
Unavailable revenue	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Restricted for						
Street and drainage improvements	-	-	-	-	-	-
Public safety	-	77	69,712	-	83,009	-
Parks and beautification	-	-	-	94,739	-	56,027
Economic development	-	-	-	-	-	-
Other	80,067	-	-	-	-	-
	<u>80,067</u>	<u>77</u>	<u>69,712</u>	<u>94,739</u>	<u>83,009</u>	<u>56,027</u>
Total fund balances	<u>80,067</u>	<u>77</u>	<u>69,712</u>	<u>94,739</u>	<u>83,009</u>	<u>56,027</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, OF RESOURCES AND FUND BALANCES</b>	<u>\$ 81,355</u>	<u>\$ 77</u>	<u>\$ 76,212</u>	<u>\$ 94,739</u>	<u>\$ 83,158</u>	<u>\$ 56,433</u>

Special Revenue Funds						Capital Projects Fund	Total Nonmajor Governmental Funds
Public Safety Training	Tourism Development	Red Light Cameras	NETCO/ Motorola Rebanding	SWAT Netcast	Various Grants	Street and Drainage	
\$ 11,440	\$ 127,986	\$ 13,838	\$ 3,962	\$ 38,172	\$ -	\$ 934,372	\$ 1,520,996
-	-	-	-	-	-	1,520,737	1,520,737
-	185,166	-	-	-	5,637	2,045	193,596
-	-	-	-	-	-	241,340	241,340
<u>\$ 11,440</u>	<u>\$ 313,152</u>	<u>\$ 13,838</u>	<u>\$ 3,962</u>	<u>\$ 38,172</u>	<u>\$ 5,637</u>	<u>\$ 2,698,494</u>	<u>\$ 3,476,669</u>
\$ -	\$ 170,395	\$ 2,613	\$ -	\$ 4,895	\$ 58	\$ -	\$ 186,304
-	-	-	-	-	5,579	-	5,579
-	170,395	2,613	-	4,895	5,637	-	191,883
-	-	-	-	-	-	241,340	241,340
-	-	-	-	-	-	2,457,154	2,457,154
11,440	-	11,225	-	33,277	-	-	208,740
-	-	-	-	-	-	-	150,766
-	142,757	-	-	-	-	-	142,757
-	-	-	3,962	-	-	-	84,029
<u>11,440</u>	<u>142,757</u>	<u>11,225</u>	<u>3,962</u>	<u>33,277</u>	<u>-</u>	<u>2,457,154</u>	<u>3,043,446</u>
<u>\$ 11,440</u>	<u>\$ 313,152</u>	<u>\$ 13,838</u>	<u>\$ 3,962</u>	<u>\$ 38,172</u>	<u>\$ 5,637</u>	<u>\$ 2,698,494</u>	<u>\$ 3,476,669</u>

**City of Bedford, Texas**  
Combining Statement of Revenues,  
Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended September 30, 2019

	Special Revenue Funds					
	Miscellaneous Donation	Court Security	Court Technology	Park Donation	Drug Forfeiture	Bedford Beautification
<b>REVENUES</b>						
Taxes, penalty and interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-	-	-
Licenses Permits and Fees	-	-	-	-	-	-
Fines and forfeitures	-	24,179	32,240	-	-	-
Support from governmental entities	-	-	-	-	11,853	-
Interest	1,667	47	1,662	1,979	1,834	1,239
Miscellaneous	48,287	-	-	16,354	-	10,000
<b>Total revenues</b>	<b>49,954</b>	<b>24,226</b>	<b>33,902</b>	<b>18,333</b>	<b>13,687</b>	<b>11,239</b>
<b>EXPENDITURES</b>						
Current						
Community services	-	-	-	-	-	-
Public safety	6,349	-	-	-	17,382	-
Administrative services	5,921	-	55,772	-	-	-
Leisure services	20,352	-	-	5,087	-	12,709
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>32,622</b>	<b>-</b>	<b>55,772</b>	<b>5,087</b>	<b>17,382</b>	<b>12,709</b>
Excess (deficiency) of revenues over (under) expenditures	17,332	24,226	(21,870)	13,246	(3,695)	(1,470)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	(25,660)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(25,660)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>17,332</b>	<b>(1,434)</b>	<b>(21,870)</b>	<b>13,246</b>	<b>(3,695)</b>	<b>(1,470)</b>
<b>FUND BALANCE, beginning of year</b>	<b>62,735</b>	<b>1,511</b>	<b>91,582</b>	<b>81,493</b>	<b>86,704</b>	<b>57,497</b>
<b>FUND BALANCE, end of year</b>	<b>\$ 80,067</b>	<b>\$ 77</b>	<b>\$ 69,712</b>	<b>\$ 94,739</b>	<b>\$ 83,009</b>	<b>\$ 56,027</b>

Special Revenue Funds						Capital Projects Fund	Total Nonmajor Governmental Funds
Public Safety Training	Tourism Development	Red Light Cameras	NETCO/Motorola Rebanding	SWAT Netcast	Various Grants	Street and Drainage	
\$ -	\$ 1,022,188	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,022,188
-	297,040	-	-	-	-	-	297,040
-	-	-	-	-	-	9,930	9,930
-	-	102,794	-	-	-	-	159,213
7,134	-	-	-	45,000	123,695	-	187,682
317	7,268	258	86	732	-	56,524	73,613
-	582	-	-	-	-	-	75,223
7,451	1,327,078	103,052	86	45,732	123,695	66,454	1,824,889
-	1,213,525	-	-	-	-	-	1,213,525
15,682	-	100,182	-	32,462	80,598	-	252,655
-	-	-	-	-	-	-	61,693
-	-	-	-	-	27,097	-	65,245
-	429,217	-	-	-	16,000	-	445,217
15,682	1,642,742	100,182	-	32,462	123,695	-	2,038,335
(8,231)	(315,664)	2,870	86	13,270	-	66,454	(213,446)
-	-	-	-	15,000	-	-	15,000
-	(85,025)	-	-	-	-	-	(110,685)
-	(85,025)	-	-	15,000	-	-	(95,685)
(8,231)	(400,689)	2,870	86	28,270	-	66,454	(309,131)
19,671	543,446	8,355	3,876	5,007	-	2,390,700	3,352,577
\$ 11,440	\$ 142,757	\$ 11,225	\$ 3,962	\$ 33,277	\$ -	\$ 2,457,154	\$ 3,043,446

## Nonmajor Governmental Funds

### Special Revenue Funds

Annual budgets are adopted using the modified accrual basis of accounting for the following funds.

## City of Bedford, Texas

### Individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual Nonmajor Special Revenue Funds Year Ended September 30, 2019

	Court Security			
	Original Budget	Final Budget	Actual	Variance from Budget
<b>REVENUES</b>				
Taxes, penalty and interest	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Fines and forfeitures	35,000	35,000	24,179	(10,821)
Support from governmental entities	-	-	-	-
Interest	-	-	47	47
Miscellaneous	-	-	-	-
Total revenues	35,000	35,000	24,226	(10,774)
<b>EXPENDITURES</b>				
Current				
Community services	-	-	-	-
Public safety	-	-	-	-
Administrative services	-	-	-	-
Leisure services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	35,000	35,000	24,226	(10,774)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(32,000)	(32,000)	(25,660)	6,340
Total other financing sources (uses)	(32,000)	(32,000)	(25,660)	6,340
<b>NET CHANGES IN FUND BALANCE</b>	3,000	3,000	(1,434)	(4,434)
<b>FUND BALANCE, beginning of year</b>	1,511	1,511	1,511	-
<b>FUND BALANCE, end of year</b>	\$ 4,511	\$ 4,511	\$ 77	\$ (4,434)

Court Technology				Park Donation			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
45,000	45,000	32,240	(12,760)	-	-	-	-
-	-	-	-	-	-	-	-
200	200	1,662	1,462	500	500	1,979	1,479
-	-	-	-	14,000	14,000	16,354	2,354
45,200	45,200	33,902	(11,298)	14,500	14,500	18,333	3,833
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
55,830	55,830	55,772	58	-	-	-	-
-	-	-	-	10,000	10,000	5,087	4,913
-	-	-	-	-	-	-	-
55,830	55,830	55,772	58	10,000	10,000	5,087	4,913
(10,630)	(10,630)	(21,870)	(11,240)	4,500	4,500	13,246	8,746
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(10,630)	(10,630)	(21,870)	(11,240)	4,500	4,500	13,246	8,746
91,582	91,582	91,582	-	81,493	81,493	81,493	-
\$ 80,952	\$ 80,952	\$ 69,712	\$ (11,240)	\$ 85,993	\$ 85,993	\$ 94,739	\$ 8,746

## City of Bedford, Texas

### Individual Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual Nonmajor Special Revenue Funds – Continued Year Ended September 30, 2019

	Bedford Beautification			
	Original Budget	Final Budget	Actual	Variance from Budget
<b>REVENUES</b>				
Taxes, penalty and interest	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Fines and forfeitures	-	-	-	-
Support from governmental entities	-	-	-	-
Interest	200	200	1,239	1,039
Miscellaneous	10,000	10,000	10,000	-
Total revenues	10,200	10,200	11,239	1,039
<b>EXPENDITURES</b>				
Current				
Community services	-	-	-	-
Public safety	-	-	-	-
Administrative services	-	-	-	-
Leisure services	40,000	40,000	12,709	27,291
Capital outlay	-	-	-	-
Total expenditures	40,000	40,000	12,709	27,291
Excess (deficiency) of revenues over (under) expenditures	(29,800)	(29,800)	(1,470)	28,330
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<b>NET CHANGES IN FUND BALANCE</b>	(29,800)	(29,800)	(1,470)	28,330
<b>FUND BALANCE, beginning of year</b>	57,497	57,497	57,497	-
<b>FUND BALANCE, end of year</b>	\$ 27,697	\$ 27,697	\$ 56,027	\$ 28,330

Public Safety Training				Tourism Development			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
\$ -	\$ -	\$ -	\$ -	\$ 1,075,000	\$ 1,075,000	\$ 1,022,188	\$ (52,812)
-	-	-	-	392,950	392,950	297,040	(95,910)
-	-	-	-	-	-	-	-
5,900	5,900	7,134	1,234	-	-	-	-
200	200	317	117	8,000	8,000	7,268	(732)
-	-	-	-	650	650	582	(68)
6,100	6,100	7,451	1,351	1,476,600	1,476,600	1,327,078	(149,522)
-	-	-	-	1,390,459	1,390,459	1,213,525	176,934
3,150	3,150	15,682	(12,532)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	429,217	(429,217)
3,150	3,150	15,682	(12,532)	1,390,459	1,390,459	1,642,742	(252,283)
2,950	2,950	(8,231)	(11,181)	86,141	86,141	(315,664)	(401,805)
-	-	-	-	(85,025)	(85,025)	(85,025)	-
-	-	-	-	(85,025)	(85,025)	(85,025)	-
2,950	2,950	(8,231)	(11,181)	1,116	1,116	(400,689)	(401,805)
19,671	19,671	19,671	-	543,446	543,446	543,446	-
\$ 22,621	\$ 22,621	\$ 11,440	\$ (11,181)	\$ 544,562	\$ 544,562	\$ 142,757	\$ (401,805)

## City of Bedford, Texas

### Individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual Nonmajor Special Revenue Funds – Continued Year Ended September 30, 2019

	Red Light Cameras			Variance
	Original Budget	Final Budget	Actual	from Budget
<b>REVENUES</b>				
Taxes, penalty and interest	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Fines and forfeitures	100,000	100,000	102,794	2,794
Support from governmental entities	-	-	-	-
Interest	-	-	258	258
Miscellaneous	-	-	-	-
Total revenues	100,000	100,000	103,052	3,052
<b>EXPENDITURES</b>				
Current				
Community services	-	-	-	-
Public safety	73,501	73,501	100,182	(26,681)
Administrative services	-	-	-	-
Leisure services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	73,501	73,501	100,182	(26,681)
Excess (deficiency) of revenues over (under) expenditures	26,499	26,499	2,870	(23,629)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<b>NET CHANGES IN FUND BALANCE</b>	26,499	26,499	2,870	(23,629)
<b>FUND BALANCE, beginning of year</b>	8,355	8,355	8,355	-
<b>FUND BALANCE, end of year</b>	\$ 34,854	\$ 34,854	\$ 11,225	\$ (23,629)

## Debt Service Fund

**Debt Service Fund** is used to account for the accumulation of resources for the repayment of long-term debt.

**City of Bedford, Texas**

Schedule of Revenues, Expenditures and Changes  
in Fund Balance – Budget and Actual  
Debt Service Fund  
Year Ended September 30, 2019

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes, penalty and interest	\$ 7,796,119	\$ 7,796,119	\$ 7,790,490	\$ (5,629)
Interest	20,000	20,000	51,035	31,035
Total revenues	7,816,119	7,816,119	7,841,525	25,406
<b>EXPENDITURES</b>				
Principal retirement	4,465,000	4,465,000	4,465,000	-
Interest and fiscal agent fees	3,392,570	3,392,570	3,379,938	12,632
Total expenditures	7,857,570	7,857,570	7,844,938	12,632
Excess (deficiency) of revenues over expenditures	(41,451)	(41,451)	(3,413)	38,038
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	40,800	40,800	40,936	136
<b>NET CHANGES IN FUND BALANCE</b>	(651)	(651)	37,523	38,174
<b>FUND BALANCE, beginning of year</b>	1,049,549	1,049,549	1,049,549	-
<b>FUND BALANCE, end of year</b>	\$ 1,048,898	\$ 1,048,898	\$ 1,087,072	\$ 38,174

## **Statistical Section (Unaudited)**

## Statistical Section

This part of the City of Bedford’s Comprehensive 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. The tables herein, are unaudited.

### Contents

Page

Financial Trends ..... 95

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

Revenue Capacity ..... 105

These schedules contain trend information to help the reader assess the factors affecting the City’s ability to generate its property and sales taxes.

Debt Capacity..... 113

These schedules contain trend 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 ..... 121

The schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place and to help make comparisons over time with other governments.

Operating Information ..... 127

The schedules contain information about the City’s operations and resources to help the reader understand how the City’s financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules are derived from Comprehensive Annual Financial Reports for the relevant year.

# Financial Trends

**City of Bedford, Texas**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

**Table 1**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015*	2016**	2017***	2018	2019
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 15,639,418	\$ 18,342,224	\$ 18,908,115	\$ 14,323,066	\$ 10,378,086	\$ 12,689,825	\$ 16,607,993	\$ 16,730,480	\$ 20,557,161	\$ 26,261,635
Restricted	7,306,010	3,638,843	5,213,292	8,426,186	6,081,351	6,583,532	9,411,339	9,064,137	7,368,500	7,222,051
Unrestricted	6,795,025	4,537,414	1,035,005	(20,696)	5,653,694	(3,086,535)	(3,727,742)	(3,770,175)	(1,847,912)	(3,266,088)
<b>Total governmental activities net position</b>	<b>\$ 29,740,453</b>	<b>\$ 26,518,481</b>	<b>\$ 25,156,412</b>	<b>\$ 22,728,556</b>	<b>\$ 22,113,131</b>	<b>\$ 16,186,822</b>	<b>\$ 22,291,590</b>	<b>\$ 22,024,442</b>	<b>\$ 26,077,749</b>	<b>\$ 30,217,598</b>
<b>Business-type Activities</b>										
Net investment in capital assets	\$ 26,993,812	\$ 26,915,595	\$ 25,139,719	\$ 20,170,192	\$ 32,812,435	\$ 33,942,144	\$ 34,388,626	\$ 35,250,028	\$ 36,338,584	\$ 37,905,271
Restricted	576,397	-	-	-	158,872	-	-	6,691	6,691	6,691
Unrestricted	1,547,031	3,806,277	7,136,012	11,845,248	5,256,555	4,062,030	4,454,409	5,099,493	6,262,758	5,762,416
<b>Total business-type activities, net position</b>	<b>\$ 29,117,240</b>	<b>\$ 30,721,872</b>	<b>\$ 32,275,731</b>	<b>\$ 32,015,440</b>	<b>\$ 38,227,862</b>	<b>\$ 38,004,174</b>	<b>\$ 38,843,035</b>	<b>\$ 40,356,212</b>	<b>\$ 42,608,033</b>	<b>\$ 43,674,378</b>
<b>Primary Government</b>										
Net investment in capital assets	\$ 42,633,230	\$ 45,257,819	\$ 44,047,834	\$ 34,493,258	\$ 43,190,521	\$ 46,631,969	\$ 50,996,619	\$ 51,980,508	\$ 56,895,745	\$ 64,166,906
Restricted	7,882,407	3,638,843	5,213,292	8,426,186	6,240,223	6,583,532	9,411,339	9,070,828	7,375,191	7,228,742
Unrestricted	8,342,056	8,343,691	8,171,017	11,824,552	10,910,249	975,495	726,667	1,329,318	4,414,846	2,496,328
<b>Total primary government net position</b>	<b>\$ 58,857,693</b>	<b>\$ 57,240,353</b>	<b>\$ 57,432,143</b>	<b>\$ 54,743,996</b>	<b>\$ 60,340,993</b>	<b>\$ 54,190,996</b>	<b>\$ 61,134,625</b>	<b>\$ 62,380,654</b>	<b>\$ 68,685,782</b>	<b>\$ 73,891,976</b>

\*Amounts for 2015 were restated from the effects of GASB Statement No. 68

\*\*Amounts for 2016 were restated to reflect the effects of prior period adjustment as described in Note 14

\*\*\*Amounts for 2017 were restated to reflect the effects of GASB Statement No. 75

**City of Bedford, Texas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year		
	2010	2011	2012
<b>Expenses</b>			
Governmental activities			
General government and administration	\$ 4,117,515	\$ 3,906,050	\$ 4,796,677
Community services	1,883,752	1,848,795	1,986,123
Public services	9,038,955	8,876,104	8,354,007
Public safety	18,500,766	18,358,228	17,292,190
Leisure services	4,100,548	4,754,190	3,690,814
Interest expense	2,140,046	2,213,384	2,169,120
Total governmental activities expense	<u>1,022,188</u>	<u>3,209,965</u>	<u>12,761,870</u>
Business-type activities			
Water and sewer services	15,094,351	16,294,807	15,112,250
Stormwater collection and disposal	-	-	-
Total business-type activities expenses	<u>15,825,460</u>	<u>17,245,567</u>	<u>16,448,616</u>
<b>Total primary government program expenses</b>	<u><u>\$ 55,607,042</u></u>	<u><u>\$ 57,202,318</u></u>	<u><u>\$ 54,737,547</u></u>
<b>Program revenues</b>			
Governmental activities			
Charges for services			
General government and administration	\$ 90,428	\$ 88,135	\$ 84,733
Community services	405,255	1,061,313	652,376
Public services	210,354	1,362,564	1,687,163
Public safety	3,472,196	2,541,942	2,386,756
Leisure services	1,001,728	1,129,453	1,174,702
Operating grants and contributions	3,092,958	711,749	599,111
Capital grants and contributions	-	1,695,184	44,102
Total governmental activities program revenues	<u>8,272,919</u>	<u>8,590,340</u>	<u>6,628,943</u>
Business-type activities			
Charges for services			
Water and sewer services	16,104,703	19,811,255	18,915,135
Stormwater collection and disposal	1,291,249	1,290,285	1,291,856
Capital grants and contributions	267,469	26,446	147,360
Total business-type activities program revenues	<u>17,663,421</u>	<u>21,127,986</u>	<u>20,354,351</u>
<b>Total primary government program revenues</b>	<u><u>\$ 25,936,340</u></u>	<u><u>\$ 29,718,326</u></u>	<u><u>\$ 26,983,294</u></u>

Table 2

		Fiscal Year											
		2013	2014	2015	2016	2017	2018	2019					
\$	4,688,432	\$	5,688,961	\$	5,393,564	\$	5,429,870	\$	5,172,343	\$	5,358,893	5,387,669	
	2,017,011		1,549,075		1,744,633		1,876,441		1,811,320		2,316,201	2,624,216	
	3,486,148		3,431,383		3,655,287		5,983,295		5,421,724		5,696,229	6,823,307	
	22,828,761		23,669,141		22,264,933		20,780,556		22,016,970		22,212,547	22,491,378	
	3,765,867		3,823,403		4,068,948		4,364,247		5,418,465		5,315,999	5,399,457	
	1,724,511		1,288,725		1,301,208		932,371		750,473.00		1,264,535	2,945,605	
	<u>38,510,730</u>		<u>39,450,688</u>		<u>38,428,573</u>		<u>39,366,781</u>		<u>40,591,295</u>		<u>42,164,404</u>	<u>45,671,632</u>	
	15,645,261		16,560,909		16,746,182		17,510,256		18,565,424.00		19,193,627	19,954,614	
	1,256,126		926,258		956,824		874,192		873,153		972,189	1,156,338	
	<u>16,901,387</u>		<u>17,487,167</u>		<u>17,703,006</u>		<u>18,384,448</u>		<u>19,438,577</u>		<u>20,165,816</u>	<u>21,110,952</u>	
\$	<u>55,412,117</u>	\$	<u>56,937,855</u>	\$	<u>56,131,579</u>	\$	<u>57,751,229</u>	\$	<u>60,029,872</u>	\$	<u>62,330,220</u>	\$	<u>66,782,584</u>
\$	76,647	\$	86,874	\$	159,473	\$	91,702	\$	92,875.00	\$	92,114	\$	87,355
	358,167		586,449		274,561		310,534		330,216.00		1,277,634		1,115,387
	218,646		261,846		1,111,453		1,102,811		934,551		644		983
	3,374,638		4,083,939		4,227,029		3,837,145		4,030,313		4,281,278		3,921,718
	1,158,956		1,210,305		1,126,884		1,158,145		1,091,945		1,068,533		1,051,300
	610,603		599,930		61,067		41,653		24,828		45,842		63,548
	-		93,556		79,783		135,258		511,184		731,673		282,931
	<u>5,797,657</u>		<u>6,922,899</u>		<u>7,040,250</u>		<u>6,677,248</u>		<u>7,015,912</u>		<u>7,497,718</u>		<u>6,523,222</u>
	17,908,621		18,607,795		19,102,535		20,267,092		20,995,798.00		22,528,181		22,243,765
	1,290,624		1,312,932		1,302,656		1,303,734		1,660,438		1,695,337		1,633,428
	-		6,263,044		325,496		162,647		625,677		209,972		56,143
	<u>19,199,245</u>		<u>26,183,771</u>		<u>20,730,687</u>		<u>21,733,473</u>		<u>23,281,913</u>		<u>24,433,490</u>		<u>23,933,336</u>
\$	<u>24,996,902</u>	\$	<u>33,106,670</u>	\$	<u>27,770,937</u>	\$	<u>28,410,721</u>	\$	<u>30,297,825</u>	\$	<u>31,931,208</u>	\$	<u>30,456,558</u>

**City of Bedford, Texas**  
**Changes in Net Position – Continued**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year		
	2010	2011	2012
Net (expense) revenues			
Governmental activities	\$ (31,508,663)	\$ (31,366,411)	\$ (31,659,988)
Business-type activities	1,837,961	3,882,419	3,905,735
Total primary government net expense	<u>(29,670,702)</u>	<u>(27,483,992)</u>	<u>(27,754,253)</u>
General revenues and other			
Changes in net position			
Governmental activities			
Taxes			
Property	13,714,212	13,968,871	13,735,255
Sales	9,531,017	9,060,295	9,363,047
Franchise and occupancy	3,278,385	3,405,709	3,325,941
Other	869,071	919,452	875,838
Unrestricted grants and contributions	34,631	34,355	-
Investment earnings	151,108	131,541	26,459
Miscellaneous	229,001	451,896	594,715
Transfers	2,086,467	2,336,631	2,376,664
Total governmental activities	<u>29,893,892</u>	<u>30,308,750</u>	<u>30,297,919</u>
Business-type activities			
Investment earnings	17,046	55,527	21,051
Miscellaneous	112,282	3,317	3,734
Transfers	(2,086,467)	(2,336,631)	(2,376,664)
Total business-type activities	<u>(1,957,139)</u>	<u>(2,277,787)</u>	<u>(2,351,879)</u>
Total primary government	<u>27,936,753</u>	<u>28,030,963</u>	<u>27,946,040</u>
Change in net position			
Government activities	(1,614,771)	(1,057,661)	(1,362,069)
Business-type activities	(119,178)	1,604,632	1,553,856
<b>Total primary government</b>	<u>\$ (1,733,949)</u>	<u>\$ 546,971</u>	<u>\$ 191,787</u>

Table 2

		Fiscal Year											
		2013	2014	2015	2016	2017	2018	2019					
\$	(32,713,073)	\$	(32,527,789)	\$	(31,388,323)	\$	(32,689,533)	\$	(33,575,383)	\$	(34,666,686)	\$	(39,148,410)
	2,297,858		8,696,604		3,027,681		3,349,025		3,843,336		4,267,674		2,822,384
	(30,415,215)		(23,831,185)		(28,360,642)		(29,340,508)		(29,732,047)		(30,399,012)		(36,326,026)
	14,488,399		14,297,275		14,543,198		15,507,727		16,273,095		19,143,856		22,131,826
	9,629,427		9,985,658		11,048,748		10,787,539		10,905,398		10,936,716		11,739,682
	3,338,307		3,584,311		3,555,243		3,432,957		3,331,500		3,432,589		3,209,965
	901,956		1,028,447		1,236,319		1,358,741		1,070,774		954,751		1,032,118
	-		-		-		-		231,388		237,958		-
	33,521		43,393		45,552		86,353		227,800		987,778		2,184,375
	535,474		466,677		425,314		4,526,458		140,792		126,100		126,100
	2,414,451		2,506,603		2,479,790		2,644,416		2,697,694.00		2,827,805		2,864,193
	31,341,535		31,912,364		33,334,164		38,344,191		34,878,441		38,647,553		43,288,259
	47,321		22,421		14,955		174,144		356,632		811,952		1,006,994
	11,406		-		-		(39,892)		-		-		101,160
	(2,414,451)		(2,506,603)		(2,479,790)		(2,644,416)		(2,697,694)		(2,827,805)		(2,864,193)
	(2,355,724)		(2,484,182)		(2,464,835)		(2,510,164)		(2,341,062)		(2,015,853)		(1,756,039)
	28,985,811		29,428,182		30,869,329		35,834,027		32,537,379		36,631,700		41,532,220
	(1,371,538)		(615,425)		1,945,841		5,654,658		1,303,058		3,980,867		4,139,849
	(57,866)		6,212,422		562,846		838,861		1,502,274		2,251,821		1,066,345
\$	(1,429,404)	\$	5,596,997	\$	2,508,687	\$	6,493,519	\$	2,805,332	\$	6,232,688	\$	5,206,194

**City of Bedford, Texas**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

**Table 3**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General fund</b>										
Reserved/nonspendable	\$ 336,227	\$ 326,807	\$ 360,284	\$ 357,761	\$ 724,210	\$ 326,676	\$ 236,097	\$ 30,104	\$ 24,572	\$ 33,491
Restricted	-	-	-	-	478,872	-	35,464	35,464	35,464	35,464
Assigned	-	-	-	-	-	-	140,000	-	-	-
Committed - special projects	-	-	-	-	-	-	4,486,890	-	-	-
Unassigned	5,666,237	4,087,163	4,764,530	5,751,658	6,172,841	7,199,906	7,437,211	11,873,958	13,587,512	12,823,875
<b>Total general fund</b>	<b>\$ 6,002,464</b>	<b>\$ 4,413,970</b>	<b>\$ 5,124,814</b>	<b>\$ 6,109,419</b>	<b>\$ 7,375,923</b>	<b>\$ 7,526,582</b>	<b>\$ 12,335,662</b>	<b>\$ 11,939,526</b>	<b>\$ 13,647,548</b>	<b>\$ 12,892,830</b>
<b>All other governmental funds</b>										
Reserved/nonspendable	\$ 1,240,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for										
2019	1,022,188	3,209,965	12,761,870							
Debt service	-	1,219,755	1,108,669	1,060,593	977,409	936,907	944,473	973,557	1,049,549	1,087,072
Street and drainage improvements	-	1,815,920	1,824,024	1,832,971	1,839,601	1,848,957	2,274,285	2,392,382	2,390,700	2,457,154
Capital acquisition and construction	-	3,254,958	1,830,699	3,274,169	7,015,936	3,207,349	1,184,007	828,271	61,113,475	62,640,687
Economic development	-	-	-	1,903,735	2,697,890	3,713,371	4,515,434	4,465,576	4,224,387	3,592,669
Public safety	-	625,514	308,698	248,091	284,840	277,111	279,938	210,675	212,830	208,740
Parks and beautification	-	83,481	505,923	715,438	982,540	1,234,435	109,323	120,624	138,990	150,766
Other	-	52,482	54,960	48,909	75,590	95,032	68,415	68,215	66,611	84,029
Assigned										
Unreserved, reported in										
Special revenue funds	2,781,166	-	-	-	-	-	-	-	-	-
Capital projects	3,057,292	-	-	-	-	-	-	-	-	-
Unassigned	-	(204,412)	-	-	-	-	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 7,079,327</b>	<b>\$ 8,031,311</b>	<b>\$ 7,134,448</b>	<b>\$ 9,083,906</b>	<b>\$ 13,873,806</b>	<b>\$ 11,313,162</b>	<b>\$ 9,375,875</b>	<b>\$ 9,059,300</b>	<b>\$ 69,196,542</b>	<b>\$ 70,221,117</b>

**City of Bedford, Texas**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

**Table 4**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>REVENUES</b>										
Taxes, penalties and interest	\$ 27,283,735	\$ 27,322,766	\$ 27,950,618	\$ 28,278,856	\$ 29,072,928	\$ 30,729,516	\$ 30,859,702	\$31,805,280	\$34,728,875	\$38,132,727
Licenses and permits	710,722	521,463	863,709	456,761	628,484	871,081	692,700	#####	1,004,797	1,003,348
Charges for services	2,522,870	2,817,269	2,822,239	3,097,437	3,177,429	3,591,135	3,959,448	3,332,863	3,651,650	3,335,686
Fines and forfeitures	1,920,400	2,109,088	2,078,895	1,502,737	2,220,906	1,949,006	1,660,311	1,742,325	1,802,258	1,476,392
Support from governmental entities	3,034,152	2,329,053	654,732	661,413	689,840	647,946	365,533	694,134	686,310	520,990
Interest	151,108	131,541	26,459	33,521	43,393	45,552	86,353	227,800	987,779	2,184,375
Miscellaneous	300,394	577,387	557,599	622,819	425,913	486,410	4,792,905	223,805	228,312	239,819
<b>Total revenues</b>	<b>35,923,381</b>	<b>35,808,567</b>	<b>34,954,251</b>	<b>34,653,544</b>	<b>36,258,893</b>	<b>38,320,646</b>	<b>42,416,952</b>	<b>39,082,534</b>	<b>43,089,981</b>	<b>46,893,337</b>
<b>EXPENDITURES</b>										
General government	1,881,419	1,637,817	1,574,751	1,627,934	1,791,511	2,229,137	2,005,931	#####	2,387,709	2,402,492
Community services	1,814,002	1,780,483	1,912,686	1,953,414	1,488,981	1,682,326	1,806,262	1,744,784	2,175,457	2,457,588
Public services				2,457,948	2,452,901	2,622,977	3,263,538	2,937,472	3,326,194	5,199,368
Administrative services	1,946,935	1,903,157	2,081,900	1,946,533	2,261,952	2,057,540	2,194,218	2,659,858	2,741,039	2,707,621
Public safety	17,144,215	16,986,248	16,126,751	16,797,850	18,051,735	18,346,405	19,383,973	20,243,699	20,602,308	20,909,014
Leisure services	3,666,662	3,782,933	3,661,546	3,751,588	3,804,071	4,046,351	4,290,997	4,306,461	4,221,724	4,277,851
Capital outlay	9,192,117	5,272,761	2,281,440	1,243,851	2,114,252	5,154,812	2,943,455	2,917,962	1,460,298	6,274,316
Debt service										
Interest and fiscal agent fees	2,047,707	2,265,090	1,921,115	1,689,615	1,462,845	1,358,233	1,119,668	912,214.00	847,728	4,717,422
Principal retirement	4,405,000	4,610,000	5,186,621	5,066,888	5,268,055	5,775,675	5,698,767	5,914,341	7,069,573	3,433,233
Bond issuance costs	-	-	-	72,818	96,476	-	-	-	-	-
<b>Total expenditures</b>	<b>45,776,854</b>	<b>41,735,816</b>	<b>37,455,229</b>	<b>36,608,439</b>	<b>38,792,779</b>	<b>43,273,456</b>	<b>42,706,809</b>	<b>43,972,076</b>	<b>44,832,030</b>	<b>52,378,905</b>

**City of Bedford, Texas**

**Table 4 (Continued)**

Changes in Fund Balances of Governmental Funds - Continued  
 Last Ten Fiscal Years  
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(9,853,473)</u>	<u>(5,927,249)</u>	<u>(2,500,978)</u>	<u>(1,954,895)</u>	<u>(2,533,886)</u>	<u>(4,952,810)</u>	<u>(289,857)</u>	<u>(4,889,542)</u>	<u>(1,742,049)</u>	<u>(5,485,568)</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Issuance of general obligation bonds	4,885,000	6,115,000	-	5,375,000	5,500,000	-	-	1,105,000	57,540,000	2,750,000
Premium on bonds issued	-	-	-	-	-	-	-	-	2,667,427	126,830
Lease purchase proceeds	-	-	339,011	228,370	221,936	-	-	323,221	462,030	-
Proceeds from sale of capital assets	43,152	44,797	219,723	77	40,764	35,550	11,489	8,329	4,733	14,063
Premium on debt	-	97,085	-	75,085	61,948	-	-	-	-	-
Payments to escrow account	-	(3,313,090)	-	(3,682,267)	-	-	-	-	-	-
Insurance proceeds	55,023	10,288	41,100	45,073	30,669	27,485	55,635	42,587	85,318	339
Transfers in	4,803,148	3,909,807	3,863,681	3,896,716	3,999,750	3,956,299	4,658,149	4,218,256	4,407,859	3,030,814
Transfers out	<u>(2,616,681)</u>	<u>(1,573,176)</u>	<u>1,487,017</u>	<u>(1,482,265)</u>	<u>(1,493,147)</u>	<u>(1,476,509)</u>	<u>(2,013,733)</u>	<u>(1,520,562)</u>	<u>(1,580,054)</u>	<u>(166,621)</u>
Total other financing sources (uses)	<u>7,169,642</u>	<u>5,290,711</u>	<u>5,950,532</u>	<u>4,455,789</u>	<u>8,361,920</u>	<u>2,542,825</u>	<u>2,711,540</u>	<u>4,176,831</u>	<u>63,587,313</u>	<u>5,755,425</u>
<b>NET CHANGED IN FUND BALANCES</b>	<u>\$ (2,683,831)</u>	<u>\$ (636,538)</u>	<u>\$ 3,449,554</u>	<u>\$ 2,500,894</u>	<u>\$ 5,828,034</u>	<u>\$ (2,409,985)</u>	<u>\$ 2,421,683</u>	<u>\$ (712,711)</u>	<u>\$61,845,264</u>	<u>\$ 269,857</u>
Debt Service as a Percentage of Noncapital Expenditures	17.9%	17.6%	18.9%	20.2%	19.3%	18.6%	18.7%	17.1%	17.3%	17.7%

# Revenue Capacity

**City of Bedford, Texas****Tax Revenues by Source – Governmental Funds  
Last Ten Fiscal Years****Table 5**

<u>Fiscal Years Ended</u>	<u>Ad Valorem</u>	<u>Hotel/Motel</u>	<u>Franchise</u>	<u>Sales and Other</u>	<u>Total</u>
2009	\$ 13,486,685	\$ 434,495	\$ 3,407,455	\$ 9,360,239	\$ 26,661,297
2010	13,714,212	557,129	3,278,385	9,531,017	27,060,530
2011	13,968,871	663,291	3,405,709	9,060,295	27,098,166
2012	13,735,255	723,745	3,325,941	9,363,047	27,147,988
2013	14,488,399	749,612	3,338,307	9,629,427	28,129,068
2014	14,297,275	840,119	3,584,311	9,985,658	28,884,962
2015	14,543,198	1,027,473	3,555,243	11,048,748	30,174,662
2016	15,507,727	1,123,421	3,432,957	11,022,859	31,086,964
2017	16,266,220	1,070,774	3,331,500	11,136,786	31,805,280
2018	19,452,182	954,751	3,432,589	10,936,716	34,776,238
2019	22,048,319	1,022,188	3,209,965	11,739,682	38,020,154

**City of Bedford, Texas**

Water Revenue  
Last Ten Fiscal Years

**Table 6**

Fiscal Year	Number of Customers	Gallons Billed (000's)	Water Revenue	Revenue Per Customer	Revenue Per 1,000 Gallons
2010	23,085	2,486,470	\$ 10,038,233	\$ 435	\$ 4.04
2011	23,090	2,945,337	12,673,013	549	4.30
2012	23,035	2,674,949	12,185,112	529	4.56
2013	23,018	2,511,415	11,834,377	514	4.71
2014	23,041	2,337,171	11,855,648	515	5.07
2015	23,116	2,235,456	12,309,854	533	5.51
2016	23,172	2,355,706	12,806,549	553	5.44
2017	23,216	2,282,073	13,165,148	567	5.77
2018	23,225	2,445,290	14,121,583	608	5.78
2019	23,246	2,177,551	13,414,821	577	6.16

**City of Bedford, Texas**  
Principal Water Customers  
Fiscal Year Ended September 30, 2019

**Table 7**

Customer Name	Gallons Consumed (000's)	Percent Total	Amount Billed	Total Percent
Texas Health Resources-HEB Hospital	49,246	2.26%	\$ 398,353	2.97%
Walden Residential Property Apartments	34,502	1.58%	174,790	1.30%
Colonial Village @ Willow Creek	29,271	1.34%	152,010	1.13%
Colonial Village @ Shoal Creek	26,724	1.23%	143,930	1.07%
City of Bedford	22,530	1.03%	168,828	1.26%
S2 Oak Creek. LLC	21,568	0.99%	112,076	0.84%
Cornerstone Summerstone	16,241	0.75%	82,422	0.61%
Amherst Apartments - 2007 Amherst LP	15,934	0.73%	75,203	0.56%
The Creek on Park Place	15,633	0.72%	109,525	0.82%
Windmill Terrace	15,594	0.72%	80,451	0.60%
<b>Top Ten Total</b>	<b>247,243</b>	<b>11.35%</b>	<b>\$ 1,497,587</b>	<b>11.16%</b>
City Total	2,177,551	100.00%	\$ 13,414,821	100.00%

**City of Bedford, Texas**

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**

**Table 8**

Fiscal Year	Real Property	Personal Property	Total Appraised Value	Less: Tax-exempt Property	Net Taxable Value	Total Direct Tax Rate	Estimated Net Taxable Value
2010	\$3,091,012,419	\$ 190,186,408	\$ 3,281,198,827	\$ 346,224,096	\$ 2,934,974,731	0.4633480	\$ 2,934,974,731
2011	2,986,569,350	179,267,541	3,165,836,891	363,395,164	2,802,441,727	0.4916090	2,802,441,727
*2012	3,095,960,546	168,619,714	3,264,580,260	387,551,829	2,877,028,431	0.5043290	2,877,028,431
2013	3,235,990,575	159,315,402	3,395,305,977	429,317,650	2,965,988,327	0.4991150	2,970,991,006
2014	3,202,304,589	161,052,296	3,363,356,885	402,262,501	2,961,094,384	0.4948303	2,961,094,384
2015	3,372,021,008	165,181,254	3,537,202,262	449,152,253	3,088,050,009	0.4948303	3,121,183,647
2016	3,359,873,966	168,488,758	3,528,362,724	451,210,531	3,077,152,193	0.4948303	3,192,632,438
2017	3,683,978,396	169,722,606	3,853,701,002	463,425,828	3,390,275,174	0.4765090	3,566,086,055
2018	4,159,701,044	192,718,639	4,352,419,683	546,896,067	3,805,523,616	0.5200000	3,939,845,851
2019	4,617,406,859	215,528,570	4,832,935,429	575,776,312	4,257,159,117	0.5618620	4,315,127,332

Source: Tarrant Appraisal District (Reports)

**\*Note:** Net Taxable Value and Estimated Net Taxable Value Columns are based on the July Certified Appraisal roles with the exception of 2012. 2012 Total Taxable Assessed Value and Estimated Actual Taxable Value columns are based on the September Certified Appraisal roles due to the timing of re-evaluation of properties. If the July role would have been used, the taxable value would have been materially understated.

**City of Bedford, Texas**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

**Table 9**

Taxpayer	2019		2010	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
CMF 15 Portfolio LLC	\$ 118,300,000	1 3.00%	\$ 54,800,000	1 1.88%
SOF Woods of Bedford Owners LP	58,350,000	2 1.48%	-	
Bedford Medical Properties LLC	53,332,174	3 1.35%	-	
S2 Oak Creek LLC	47,000,000	4 1.19%	-	
Logan AI LP The	46,470,000	5 1.18%	-	
Point Loma Woods Dallas LLC	30,350,000	6 0.77%	-	
Allmark Central Park LP	28,000,000	7 0.71%	-	
SW Verity/Verity Mid Cities CO	27,593,569	8 0.70%	26,264,050	2 0.90%
Stanton Road Capital LLC	25,500,000	9 0.65%	-	
Wal-Mart Real Estate Bus Trust/Wal-Mart Stores TX	23,321,586	10 0.59%	-	
Oncor Electric Delivery CO LLC	-		19,901,489	4 0.68%
PEM 121 Airport S L.P.	-		19,123,000	3 0.66%
WDOP SUB II	-		17,885,473	5 0.61%
Shops Dunhill Ratel, LLC	-		16,421,105	6 0.56%
Texas Health Resources	-		13,289,796	7 0.46%
ML Casa III, L.P.	-		11,734,612	8 0.40%
Leeward Strategic Properties	-		10,731,100	9 0.37%
State National Insurance Co. Inc.	-		10,700,000	10 0.37%
<b>Total</b>	<b>\$ 458,217,329</b>	<b>11.63%</b>	<b>\$ 200,850,625</b>	<b>6.89%</b>
Total Taxable Assessed Value	\$ 3,939,845,851		\$ 2,913,981,116	

**City of Bedford, Texas**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

**Table 10**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 13,688,110	\$ 13,566,375	99.11%	\$ 55,547	\$ 13,621,922	99.52%
2011	13,897,299	13,799,107	99.29%	93,693	13,892,800	99.97%
2012	14,374,422	14,201,336	98.80%	63,934	14,265,271	99.24%
2013	14,437,257	14,263,591	98.80%	51,369	14,314,960	99.15%
2014	14,524,393	14,414,247	99.24%	15,728	14,429,974	99.35%
2015	15,079,653	14,817,417	98.26%	33,488	14,850,904	98.48%
2016	15,294,958	15,244,866	99.67%	18,242	15,263,108	99.79%
2017	16,266,337	16,194,415	99.56%	18,080	16,212,495	99.67%
2018	19,162,258	19,052,625	99.43%	46,281	19,098,906	99.67%
2019	22,188,910	22,117,645	99.68%	69,655	22,187,300	99.99%

**Source:** Tarrant County Tax Office (YTD Summary - Part C)

# Debt Capacity

**City of Bedford, Texas**

Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years

**Table 11**

Fiscal Year	Governmental Activities					Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Contractual Obligations	Certificates of Obligation	Tax Notes	Capital Leases	Water Revenue Bonds	General Obligation Bonds	Certificates of Obligation			
2010	\$47,575,000	\$ -	\$ -	\$ 375,000	\$ -	\$ 3,395,000	\$ -	\$ 6,490,000	\$57,835,000	3.68%	1,231
2011	43,580,000	-	2,440,000	190,000	-	4,150,000	-	10,810,000	61,170,000	3.77%	1,302
2012	38,738,000	-	2,285,000	-	339,000	-	4,510,000	9,832,000	55,704,000	3.39%	1,185
2013	35,680,000	-	2,120,000	-	478,872	-	3,945,000	14,330,000	56,553,872	3.50%	1,164
*2014	34,926,852	2,309,788	1,977,498	-	395,817	-	3,703,018	13,756,004	57,068,977	3.32%	1,171
2015	29,462,886	2,098,809	1,805,970	-	310,142	-	3,395,766	13,097,194	50,170,767	2.83%	1,023
2016	24,083,919	1,882,830	1,634,443	-	221,375	-	3,078,513	41,798,385	72,699,465	4.10%	1,482
2017	18,809,953	1,661,852	1,452,915	885,000	370,255	-	2,751,261	40,459,576	66,390,812	3.65%	1,351
2018	72,728,413	1,440,873	1,266,387	670,000	517,710	-	9,267,684	55,900,937	141,792,004	7.77%	2,880
2019	68,477,704	1,214,894	1,074,860	3,326,830	265,288	-	8,763,517	58,278,838	141,401,931	7.20%	2,861

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Personal income and population information can be found in Table 16

\*Beginning Fiscal Year 2014, balances are net of bond premium/discounts.

**City of Bedford, Texas**

**Table 12**

Ratio of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding				Percentage of Actual Taxable Value of Property	Per Capita
	Gross Bonded Debt	Less Debt Service	Less Debt Payable from Enterprise	Net General Bonded Debt		
2010	\$ 54,065,000	\$ 1,240,869	\$ 6,490,000	\$ 46,334,131	1.58%	927
2011	56,830,000	1,219,755	13,340,000	42,270,245	1.51%	900
2012	55,365,000	1,108,669	12,725,000	41,531,331	1.44%	884
2013	56,075,000	1,070,702	12,075,000	42,929,298	1.44%	884
2014	54,363,372	977,409	17,459,022	35,926,940	1.21%	737
2015	47,761,816	936,908	16,492,960	30,331,948	0.97%	618
2016	70,595,260	944,475	44,876,898	24,773,888	0.78%	504
2017	63,473,704	973,557	43,210,837	19,289,310	0.54%	392
2018	139,163,423	1,049,549	55,900,937	82,212,936	2.09%	1,668
2019	136,594,919	1,087,072	58,278,838	77,229,009	1.79%	1,562

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
Property value data can be found in Table 8  
Population data can be found in Table 16

**City of Bedford, Texas**  
 Direct and Overlapping  
 Governmental Activities Debt  
 September 30, 2019

**Table 13**

Taxing Jurisdiction	Taxable Assessed Value (000's) 2018/2019	Debt Outstanding	Estimated Percentage Applicable *	Estimated Share of Direct and Overlapping Debt
Hurst-Eules-Bedford Independent School District	13,378,936	\$ 434,025,255	30.04%	\$ 130,381,187
Tarrant County	180,110,822	266,375,000	2.30%	6,126,625
Tarrant County College District	180,908,726	-	2.30%	-
Tarrant County Hospital District	180,270,255	33,290,000	2.30%	765,670
Subtotal overlapping debt		733,690,255		137,273,482
City of Bedford	4,257,159	74,359,576	100.00%	74,359,576
<b>Total direct and overlapping debt</b>		\$ 808,049,831		\$ 211,633,057

**Source:** Debt outstanding data provided by each governmental unit or obtained from Municipal Advisory Council of Texas.

\*The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

**City of Bedford, Texas**  
 Legal Debt Margin Information  
 Last Ten Fiscal Years

**Table 14**

<u>Fiscal Year</u>	<u>Total taxable assessed value (AV)</u>	<u>Debt limit 2.5% of Assessed Value (AV)</u>	<u>Total Net Debt Applicable to the Limit</u>	<u>Legal Debt Margin</u>	<u>Total net debt applicable to the limit as a % of Taxable AV</u>	<u>% of Debt Limit Available</u>
2010	\$ 2,934,974,731	\$ 73,374,368	\$ 54,440,000	\$ 18,934,368	1.9%	25.8%
2011	2,802,441,727	70,061,043	57,020,000	13,041,043	2.0%	18.6%
2012	2,877,028,431	71,925,711	55,365,000	16,560,711	1.9%	23.0%
2013	2,965,988,327	74,149,708	56,075,000	18,074,708	1.9%	24.4%
2014	2,961,094,384	74,027,360	56,673,160	17,354,200	1.9%	23.4%
2015	3,121,183,647	78,029,591	49,860,625	28,168,966	1.6%	36.1%
2016	3,077,152,193	76,928,805	72,478,091	4,450,714	2.4%	5.8%
2017	3,390,275,174	84,756,879	66,020,556	18,736,323	1.9%	22.1%
2018	3,805,523,616	95,138,090	72,728,413	22,409,677	1.9%	23.6%
2019	4,257,159,117	106,428,978	68,477,704	37,951,274	1.6%	35.7%

**\*Note:** The City of Bedford does not have a legal debt limit prescribed by state law. However, Article XI, Section 5 of the State Constitution provide that a maximum tax rate of \$2.50 per \$100 assessed valuation may be imposed for any one year. Additionally, no debt shall be created by any city, unless at the same time provision be made to assess and collect annually a sufficient sum to pay the interest thereon and creating an interest and sinking fund of at least 2 percent thereon.

Although Section 6.01 of the Bedford City Charter states a maximum tax rate of \$1.50 per \$100 assessed valuation, this particular table will address the City of Bedford's legal debt limit by using Article XI, Section 5 of the State Constitution because the City does not officially have a legal debt limit for general obligation bonds as well as certificate of obligations

**City of Bedford, Texas**  
Pledged Revenue Coverage  
Last Ten Fiscal Years

**Table 15**

Fiscal Year	Water Revenue Bonds							
	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service		Revenue Bond Coverage	Average Annual Debt Service	Average Requirements
				Principal	Interest			
2010	\$ 16,104,703	\$ 13,531,696	\$ 2,573,007	\$ 185,000	\$ 167,908	7.29	\$ 283,163	9.09
2011	19,811,255	14,552,568	5,258,687	195,000	158,533	2.95	316,165	16.63
* 2012	18,915,135	13,473,986	5,441,149	-	-	-	-	-
2013	17,908,621	13,900,489	4,008,132	-	-	-	-	-
2014	18,607,795	14,575,557	4,032,238	-	-	-	-	-
2015	19,102,535	14,623,282	4,479,253	-	-	-	-	-
2016	20,267,092	14,853,564	5,413,528	-	-	-	-	-
2017	20,995,798	15,753,352	5,242,446	-	-	-	-	-
2018	22,528,121	15,832,882	6,695,239	-	-	-	-	-
2019	22,243,765	16,531,568	5,712,197	-	-	-	-	-

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Operating expenses do not include interest, depreciation, or amortization expenses.

\* 2012 - Annual Debt Service Variance is due to the city refunded its 1998 and 2002 revenue bonds, so no longer own revenue bonds which impact the calculation.

## **Demographic and Economic Information**

**City of Bedford, Texas**  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years

**Table 16**

Calendar Year	Population	(000's) Personal Income	Per Capita Personal Income	Average Household Income	Median Age	School Enrollment	Unemployment Rate
2010	49,979	1,673,647	\$ 33,487	\$ 81,109	39	50,537	6.8%
2011	46,979	1,620,682	34,498	75,462	34	20,898	6.8%
2012	47,001	1,641,557	34,926	61,584	40	20,762	5.2%
2013	48,566	1,615,499	33,264	78,521	40	21,814	5.3%
2014	48,721	1,719,705	35,297	78,372	41	22,138	4.7%
2015	49,054	1,773,155	36,147	80,275	41	22,180	4.6%
2016	49,151	1,819,154	37,001	82,240	41	22,762	3.6%
2017	49,234	1,824,415	37,056	82,321	41	23,090	3.2%
2018	49,282	1,869,217	37,929	83,807	42	23,578	3.3%
2019	49,428	1,964,714	39,749	87,623	42	23,707	3.2%

**Sources:** Population: North Central Texas Council of Governments (NCTOG)  
 Per Capita Personal Income and Average Household Income: Alteryx  
 Median Age and Unemployment Rate: Alteryx  
 School Enrollment: HEB ISD/About/Quick Facts  
 Unemployment Rate: Texas Labor Market and Career Information (TWC)

**City of Bedford, Texas**  
Principal Employers  
Current Year and Nine Years Ago

**Table 17**

Employer	2019		2010	
	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
Texas Health - HEB	1,587	5.35%	1,600	5.55%
Carter Blood Care	899	3.03%	1,100	3.82%
HEB ISD (Admin Offices/Bedford Campuses)	553	1.86%	250	0.87%
Warrantech	530	1.79%	415	1.44%
State National Companies	498	1.68%	300	1.04%
Walmart Supercenter	407	1.37%	435	1.51%
City of Bedford	359	1.21%	372	1.29%
Daystar Television Network	287	0.97%	200	0.69%
Kroger Foods, Inc.	152	0.51%	-	0.00%
Grubbs Nissan	95	0.32%	-	0.00%
Boeryl	-	0.00%	400	
Transamerica Insurance	-	0.00%	250	0.87%
	<u>29,684</u>	<u>18.08%</u>	<u>28,825</u>	<u>17.08%</u>

**Sources:**

Information comes from City of Bedford, Economic Development Department - Demographics data  
Total City Employment information can be found Texas Workforce Commission Website via  
(<http://www.tracer2.com/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE>)  
- this link only gives the grand total

**City of Bedford, Texas**  
 Direct and Overlapping Tax Rates  
 Last Ten Fiscal Years

**Table 18**

Fiscal Year	City Direct Rates			Overlapping Rates			
	Operating / General Rate	General Obligation Debt Service	Total Direct Rate	Hurst-Eules-Bedford ISD	Tarrant County	Tarrant County Hospital District	Tarrant County Community College
2010	0.299096	0.164252	0.463348	1.2955	0.2640	0.2280	0.1377
2011	0.309075	0.182534	0.491609	1.2882	0.2640	0.2279	0.1376
2012	0.311257	0.193072	0.504329	1.4140	0.2640	0.2279	0.1490
2013	0.306043	0.193072	0.499115	1.4075	0.2640	0.2279	0.1490
2014	0.303214	0.191616	0.494830	1.3875	0.2640	0.2279	0.1495
2015	0.289907	0.204923	0.494830	1.3750	0.2640	0.2279	0.1495
2016	0.299332	0.195498	0.494830	1.3500	0.2640	0.2279	0.1495
2017	0.303747	0.172762	0.476509	1.3160	0.2540	0.2279	0.1447
2018	0.340560	0.179440	0.520000	1.2630	0.2440	0.2244	0.1401
2019	0.344135	0.217727	0.561862	1.2730	0.2340	0.2244	0.1361

Sources: City of Bedford Budget Office, Tarrant Appraisal District

# Operating Information

**City of Bedford, Texas**

**Table 19**

Full-time Equivalent City Governmental Employees by Function/Program  
Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Management and										
Communication	6.0	6.0	6.0	6.0	7.5	7.5	9.5	9.5	9.5	9.5
Finance	13.0	12.0	12.0	12.5	11.5	11.5	11.5	11.5	11.5	11.5
Municipal Court										
and Teen Court	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Development and Planning	18.0	12.8	12.8	6.0	6.0	6.0	6.0	6.0	13.0	13.0
Library	16.4	16.4	17.2	19.7	19.6	19.6	19.5	19.5	19.5	19.5
Support Services	7.0	11.0	11.0	10.0	11.0	11.0	22.0	23.0	18.0	18.0
Police										
Officers	83.0	86.3	84.3	80.0	80.0	80.0	81.0	80.0	80.0	81.0
Civilians	51.7	48.6	49.6	55.0	53.0	56.0	57.0	56.0	59.0	59.0
Animal Control	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Fire										
Firefighters and Officers	64.0	64.0	64.0	63.0	63.0	63.0	63.0	63.0	63.0	66.0
Civilians	2.0	2.0	2.0	8.0	8.0	9.0	10.0	10.0	3.0	3.0
Parks and Recreation										
Management and Communication	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Parks and Recreation	41.3	37.8	36.4	37.5	37.6	37.1	39.1	39.4	38.9	39.8
Senior Citizens Center	4.0	4.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Tourism and Special Events	-	3.5	3.5	4.4	4.5	5.5	6.0	6.0	6.5	6.5
Public works										
Engineering	6.1	6.0	6.0	5.5	5.5	8.0	8.0	8.0	8.0	8.0
Water	12.0	15.0	13.0	13.8	12.5	12.5	13.3	14.3	14.3	14.3
Wastewater	10.0	8.0	7.0	7.0	7.5	7.5	7.5	7.5	7.5	7.5
Stormwater	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Streets	11.0	10.0	11.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
*Fleet Maintenance	4.0	4.0	4.0	4.0	4.0	4.0	-	-	5.0	5.0
<b>Total</b>	<b>372.5</b>	<b>370.4</b>	<b>367.3</b>	<b>369.9</b>	<b>368.7</b>	<b>375.7</b>	<b>390.9</b>	<b>391.2</b>	<b>394.2</b>	<b>399.2</b>

Source: City Finance - Position Control Report

\*2016 - Fleet Maintenance moved from Public Works to Support Services (5.0 FTE)

\*2017 - Inspections moved from Fire Department to Development and Planning (7.0 FTE)

**City of Bedford, Texas**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

**Table 20**

Function/Program by Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Inspections</b>										
Residential & Commercial Permits Issued	762	800	995	761	778	535	650	843	625	802
Estimated Value	27,144,564	10,216,130	44,479,341	19,951,220	29,646,601	37,315,837	29,813,302	52,625,480	36,744,807	31,099,840
<b>Police</b>										
Physical Arrests	2,607	3,490	3,285	2,715	2,534	1,982	1,992	2,275	2,267	2,632
Parking Violations	114	150	207	135	47	90	229	108	115	111
Traffic Violations	14,740	15,945	15,929	11,848	19,807	16,056	10,898	12,512	13,765	9,121
<b>Fire</b>										
Emergency Responses	7,312	7,550	8,218	8,114	8,155	8,042	8,431	8,070	8,857	9,028
Patients Transported	2,462	2,628	2,989	3,015	3,038	3,198	3,118	3,000	3,396	3,435
Fires Extinguished	88	145	90	103	106	199	115	90	142	96
Inspections	2,705	2,438	2,901	2,835	3,096	3,152	3,366	3,050	3,210	3,190
<b>Culture and Recreation</b>										
Parks and Recreation:										
Athletic League Spring Team	39	12	8	-	-	-	-	-	-	12
Athletic League Fall Team	13	10	-	-	-	-	-	-	-	8
Community Center Registration	3,666	3,633	3,945	4,040	4,112	4,795	4,483	3,994	3,220	3,652
Annual Recreation Revenue	267,648	281,047	306,587	289,285	332,189	508,903	511,242	489,555	420,446	452,693
<b>Library</b>										
Population Service	49,700	49,700	46,979	48,566	48,721	49,054	49,151	49,234	49,234	49,330
Number of Library Visits	256,674	265,674	279,991	252,506	244,388	221,177	219,543	214,899	178,866	190,788
Volumes in Collection	99,104	90,602	101,395	112,644	118,095	114,573	149,071	143,007	118,978	149,263
Total Volumes Borrowed	252,401	525,401	552,737	579,572	584,917	567,290	545,126	632,599	601,086	623,042
Turnover Rate	0	6	5	5	5	4	3	4	5	4
Total Operating Expenditures	1,141,421	1,141,421	1,119,609	1,249,419	1,309,275	1,320,502	1,457,919	1,487,263	1,538,473	1,538,473
Cost Per Population Served	23	23	24	26	27	27	30	30	31	31
Total Paid Staff (FTE)	16	16	16	20	20	19	19	19	19	19
<b>Public Works</b>										
Street Repair - Asphalt sq. yard	3,055	40,988	36,004	21,850	26,425	27,186	60,935	37,977	90,446	49,616
Street Repair - Concrete sq. yard	602	22,661	3,693	3,655	311	6,216	19,623	3,524	-	11,982
Sidewalk Installation/Repairs - sq. feet	4,947	1,684	10,503	5,630	5,950	6,500	9,255	1,383	9,135	17,532
<b>Water and Sewer</b>										
New Connections - Water	(31)	36	5	(14)	23	75	57	44	7	10
New Connections - Sewer	(14)	63	(7)	6	(4)	51	63	49	8	16
Water Main Breaks	24	39	67	46	46	62	31	16	25	12
Stated in Thousands of Gallons:										
Average Daily Consumption	7,600	8,988	7,329	6,881	6,403	6,125	6,810	6,252	6,147	5,793
Peak Daily Consumption	12,932	16,232	12,375	10,141	9,588	14,133	13,136	11,840	10,951	11,668

**Source:** Various City Departments

**City of Bedford, Texas**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

**Table 21**

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	15	15	15	17	17	17	17	22	22	21
Other Units: CID-SWAT-PSO	58	58	58	50	59	63	65	77	76	76
<b>Fire</b>										
Stations	3	3	3	3	3	3	3	3	3	3
Fire Equipment Units	5	5	5	5	5	5	5	5	5	5
EMS Units	4	4	4	4	4	4	5	5	5	5
Other Units	11	11	11	11	11	11	11	11	11	11
Regional Grant Units - Homeland Security	11	11	11	-	-	-	2	2	2	2
<b>Other Public Works</b>										
Streets (Miles)	460	460	460	455	456	456	456	460	460	460
Streetlights	1,738	1,738	1,738	1,738	1,738	1,738	1,751	1,753	1,753	1,753
Traffic Signals	24	24	24	25	25	26	26	26	25	26
<b>Parks and Recreation</b>										
Park Acreage	150	150	150	150	150	155	155	155	140	140
Playgrounds	17	17	17	17	17	16	16	16	16	16
Swimming Pools	3	3	3	4	4	4	4	4	4	4
Soccer/Baseball/Softball Fields	6	6	6	11	11	11	11	11	11	11
Community Centers	3	3	3	3	3	3	3	3	1	1
<b>Water</b>										
Water Mains (Miles)	147	147	147	148	149	165	167	192	192	192
Fire Hydrants <sup>a</sup>	1,425	1,425	1,425	1,425	1,800	1,800	1,802	1,818	1,818	1,818
Storage Capacity										
(One Ground Well - 250,000 gallons)	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250
(Elevated Storage - 5 million gallons)										
<b>Stormwater</b>										
Storm Sewers (Miles)	91	91	91	92	92	93	173	198	198	198

**Source:** Various City Departments



# Council Agenda Background

**PRESENTER:** Kenneth Overstreet, Public Works Director

**DATE:** 02/25/20

**Council Mission Area:** Protect the vitality of neighborhoods.

**ITEM:**

Consider a resolution authorizing the Interim City Manager to purchase Hot Mix Asphalt Concrete (HMAC), in an amount not to exceed \$650,500, from Reynolds Asphalt & Construction Company, through the Tarrant County Master Interlocal Cooperative Purchasing Agreement.

**City Attorney Review:** N/A

**SUMMARY:**

This item is requesting authorization to purchase Hot Mix Asphalt Concrete (HMAC) from Reynolds Asphalt & Construction Company, in an amount not to exceed \$650,500. The purchased HMAC will be used for the overlay that is scheduled to be completed by Tarrant County Precinct 3 (March 2020) and for asphalt repairs to be completed by in-house staff.

**BACKGROUND:**

The City Council approved utilizing the Cooperative Purchasing Agreement with Tarrant County on July 16, 1996. The purchased HMAC will be supplied by Reynolds Asphalt & Construction Company, utilizing the Tarrant County Master Interlocal Cooperative Purchasing Agreement.

The interlocal agreement with Tarrant County for an asphalt overlay on Forest Ridge Drive, from the service road of SH183 to Pipeline Road, as well as Brown Trail, from service road of SH183 to Bedford Road, has an asphalt budget of \$590,500. Tarrant County is scheduled to begin the asphalt overlay on March 3, 2020.

Staff also utilizes this company to purchase HMAC for in-house street maintenance for pothole repairs, street repairs due to failures, and repairs to asphalt roads after a utility line repair. The budgeted amount is \$60,000 for in-house repairs in the Street Improvement Economic Development Corporation (SIEDC) budget.

If approved, funding would come from the Fiscal Year 2019/2020 SIEDC budget.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the Interim City Manager to purchase Hot Mix Asphalt Concrete (HMAC), in an amount not to exceed \$650,500, from Reynolds Asphalt & Construction Company, through the Tarrant County Master Interlocal Cooperative Purchasing Agreement.

**FISCAL IMPACT:**

FY 2019/2020 SIEDC Budget: \$650,500

**ATTACHMENTS:**

Resolution

**RESOLUTION NO. 2020-**

**A RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER TO PURCHASE HOT MIX ASPHALT CONCRETE (HMAC), IN AN AMOUNT NOT TO EXCEED \$650,500, FROM REYNOLDS ASPHALT & CONSTRUCTION COMPANY, THROUGH THE TARRANT COUNTY MASTER INTERLOCAL COOPERATIVE PURCHASING AGREEMENT.**

**WHEREAS, the City Council of Bedford, Texas has determined that the purchase of asphalt is necessary for asphalt roadway maintenance to protect the vitality of the neighborhoods; and,**

**WHEREAS, the City Council of Bedford, Texas recognizes the importance of providing asphalt road maintenance to be responsive to the needs of the community.**

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

**SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**

**SECTION 2. That the Interim City Manager is authorized to purchase Hot Mix Asphalt Concrete (HMAC) from Reynolds Asphalt & Construction Company, through the Tarrant County Master Interlocal Cooperative Purchasing Agreement, in an amount not to exceed \$650,500.**

**SECTION 3. That funding will come from the Fiscal Year 2019/2020 Street Improvement Economic Development Corporation budget.**

**PRESENTED AND PASSED this 25th day of February 2020, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.**

\_\_\_\_\_  
**Michael Boyter, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michael Wells, City Secretary**



# Council Agenda Background

**PRESENTER:** Kenneth Overstreet, Public Works Director

**DATE:** 02/25/20

**Council Mission Area:** Protect the vitality of neighborhoods.

## **ITEM:**

Consider a resolution authorizing the Interim City Manager to enter into a contract with Don Smith Concrete, LLC, in the amount of \$391,252.50, for the 2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels, Driveway and Curb and Gutter Reconstruction at Various Locations Project.

**City Attorney Review:** Yes

## **SUMMARY:**

Each year, staff solicits bids for various concrete repairs. The repairs include concrete street panels, sidewalks, accessibility ramps, curb and gutters throughout the City. Eight bids were received, with the lowest qualified bidder being Don Smith Concrete, LLC. Staff requests authorizing the Interim City Manager to enter into a contract with Don Smith Concrete, LLC for the 2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels, Driveway, and Curb and Gutter Reconstruction at Various Locations Project.

## **BACKGROUND:**

Concrete street panels, sidewalks, accessibility ramps, curb and gutters at various locations throughout the City are in need of repair. Staff and property owners have identified these areas of concern. The severity of the concrete damage, combined with a ranking scale performed by City staff, determines the level of priority for repairs. A repair list was developed based on these areas of concern.

A majority of concrete and asphalt repairs are performed by two crews within the Public Works Street Division. The repair of streets and sidewalks, due to water and sanitary sewer repairs, encompass a large portion of the work load performed by the Street Division employees. With an increased list of identified repairs and a continuous repair workload, the Street Division is faced with demands that continue to grow. The ability to enlist the assistance of a contractor allows the City to work towards minimizing the identified repairs, and allows for day-to-day operations to continue seamlessly.

A bid opening was held on January 23, 2020. Don Smith Concrete, LLC. of Midlothian, Texas, submitted the lowest qualified bid. Eight bids were received. The bids varied as follows:

- Lowest: \$391,252.50
- Average: \$545,670.63
- Highest: \$915,750.00
- Budget: \$450,000.00

The proposed contract includes removing and replacing 12,000 square feet of sidewalk, 10 accessibility ramps, 2,000 linear feet of curb and gutter, 750 square feet of concrete driveways, 500 square feet of valley gutter, 12,000 square feet of street panels and yard restoration.

Staff recommends entering into a contract with Don Smith Concrete, LLC. Staff contacted the references that were supplied by the contractor, including the City of Cleburne, Ellis County Precinct 4, Rockwall County, Royce City ISD, and the City of Crowley. The projects that were

completed for the references were of similar scope, and no negative comments were received from the references.

If approved, funding in the amount of \$391,252.50 would come from the Fiscal Year 2019/2020 Street Improvement Economic Development Corporation budget.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the Interim City Manager to enter into a contract with Don Smith Concrete, LLC, in the amount of \$391,252.50, for the 2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels, Driveway and Curb and Gutter Reconstruction at Various Locations Project.

**FISCAL IMPACT:**

FY 2019/2020 SIEDC Budget:	\$450,000.00
Bid Amount:	<u>\$391,252.50</u>
Remaining Project Balance:	\$58,747.50

**ATTACHMENTS:**

Resolution  
Bid Tabulation  
Contract Document

RESOLUTION NO. 2020-

A RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER TO ENTER INTO A CONTRACT WITH DON SMITH CONCRETE, LLC, IN THE AMOUNT OF \$391,252.50, FOR THE 2020 CONCRETE SIDEWALK, ACCESSIBILITY RAMPS, CONCRETE STREET PANELS, DRIVEWAY AND CURB AND GUTTER RECONSTRUCTION AT VARIOUS LOCATIONS PROJECT.

WHEREAS, the City Council of Bedford, Texas recognizes that the repair and maintenance of concrete sidewalks, accessibility ramps, concrete street panels, driveways, curb and gutters is necessary to protect the vitality of neighborhoods; and,

WHEREAS, the City Council of Bedford, Texas recognizes the importance of providing improvements to aging and broken concrete in order to be responsive to the needs of the community.

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

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the Interim City Manager is authorized to enter into a contract with Don Smith Concrete, LLC, in the amount of \$391,252.50, for the 2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels, Driveway and Curb and Gutter Reconstruction at Various Locations project.

SECTION 3. That funding in the amount of \$391,252.50 will come from the Fiscal Year 2019/2020 Street Improvement Economic Development Corporation budget.

PRESENTED AND PASSED this 25th day of February 2020 by a vote of \_\_\_ ayes, \_\_\_ nays, and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

---

Michael Boyter, Mayor

ATTEST:

---

Michael Wells, City Secretary

**2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels, Driveway and Curb and Gutter Reconstruction**  
**Bid Reference Number: SIEDC (4B)-20-04**  
**Bid Date: Thursday, January 23, 2020 at 2:00 P.M.**  
**Bid Tabulation Summary**

**BIDDERS**

	<b>Don Smith Concrete, LLC Midlothian, TX</b>	<b>Cidrax Texas, LLC McKenney, TX</b>	<b>Ken-Do Construction, LP Desoto, TX</b>	<b>Urban Infraction, LLC Fort Worth, TX</b>
<b>TOTAL AMOUNT BID</b>	<b>\$391,252.50</b>	<b>\$434,400.00</b>	<b>\$479,050.00</b>	<b>\$479,937.50</b>
	<b>Recommended Bid</b>			
	<b>Cam-Crete Contracting, Inc. Cedar Hill, TX</b>	<b>GROD Construction, LLC Boyd, TX</b>	<b>XTI Paving &amp; Construction, Inc. Waxachachie, TX</b>	<b>2L Construction, LLC Rhome, TX</b>
<b>TOTAL AMOUNT BID</b>	<b>\$494,125.00</b>	<b>\$540,850.00</b>	<b>\$660,000.00</b>	<b>\$915,750.00</b>
	<b>AVERAGE BID</b>			
	<b>\$545,670.63</b>			

**STANDARD FORM OF AGREEMENT  
BETWEEN THE CITY OF BEDFORD AND CONTRACTOR**

THIS AGREEMENT is dated as of the 25th day of February in the year **2020** by and between the City of Bedford (hereinafter called OWNER) and **Don Smith Concrete, LLC** of the City of **Midlothian** County of **Ellis**, State of Texas (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

**Article 1. PROJECT SCOPE.**

The PROJECT for the WORK detailed under the Contract Documents (see Article 8 of this Agreement for items included in the Contract Documents) is generally identified as following:

**City of Bedford  
Tarrant County, Texas  
Bid Reference Number: SIEDC (4B)-20-04  
2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels,  
Driveway and Curb and Gutter Reconstruction at Various Locations**

**Article 2. CONTRACT TIME.**

The Work shall be completed **120** calendar days from the date of the "Notice to Proceed" in accordance with Item 103.6 of the General Provisions; and, ready for payment in accordance with Item 109.5.4 of the General Provisions.

**Article 3. CONTRACT PRICE.**

3.1. OWNER shall pay CONTRACTOR the prices in the CONTRACTOR'S bid proposal plus additional work performed or when authorized by OWNER.

**Article 4. PAYMENT PROCEDURES.**

4.1. Payment to CONTRACTOR will be monthly upon receipt of invoices from the CONTRACTOR. All charges are to be less sales tax as OWNER is tax exempt.

**Article 5. CONTRACTOR'S REPRESENTATIONS.**

In order to induce OWNER to enter into this agreement, CONTRACTOR makes the following representations:

5.1. CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents and Specifications.

5.2. CONTRACTOR has correlated the results of all such observations and studies with the terms and conditions of the Contract Documents.

5.3. CONTRACTOR has given OWNER written notice of all conflicts, errors or discrepancies that he has discovered in the Contract Documents and the written resolution by OWNER is acceptable to CONTRACTOR.

## **Article 6. MISCELLANEOUS.**

6.1. ASSIGNMENTS: No assignments by a party hereto of any rights under or interest in the Contract Documents will be binding on another party hereto without written consent of the party sought to be bound; and specifically but without limitation moneys that may come due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may limited by law), and unless specifically stated to the contrary in written consent to an assignment will release the assignor from any duty or responsibility under the Contract Documents.

6.2. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

6.3. TERMINATION: OWNER may terminate the Contract by giving CONTRACTOR notice in writing. Upon delivery of such notice by OWNER to CONTRACTOR, CONTRACTOR shall discontinue all services in connection with the performance of the Contract and shall proceed to cancel promptly all existing orders and contracts insofar as such orders or contracts are chargeable to this Contract. As soon as practicable after receipt of notice of termination, CONTRACTOR shall submit a statement, showing in detail the services performed under this Contract to the date of termination. OWNER shall then pay CONTRACTOR that portion of the prescribed charges which the services actually preformed under this Contract bear to the total services called for under this Contract less such payments on account of the charges as have been previously made.

### **6.4. SUBCONTRACTING:**

1. CONTRACTOR shall not award any work to any subcontractor until CONTRACTOR submits to OWNER a written statement concerning the proposed award to the subcontractor, which statement shall contain such information as OWNER may require prior to execution of this contract. CONTRACTOR must submit three viable references of all subcontractors associated with this project. OWNER has the right to reject any subcontractor with unfavorable references or prior unfavorable projects in the City at its own discretion.

2. CONTRACTOR shall be fully responsible to OWNER for the acts and omissions of his subcontractors, and of persons either directly or indirectly employed by them, as he is for acts and omissions of persons directly employed by him.

3. Nothing contained in this Contract shall create any contractual relation between any subcontractor and OWNER. CONTRACTOR is an independent contractor.

#### **Article 7. GOVERNING LAWS, VENUE.**

The Contract shall be construed according to the laws of the State of Texas; and, venue shall lie in the State district courts of Tarrant County, Texas.

#### **Article 8. CONTRACT DOCUMENTS.**

The Contract Documents which comprise the entire agreement between the OWNER and CONTRACTOR, same being attached hereto and incorporated herein as Exhibit A, consist of the following:

- 8.1 Standard Form of Agreement.
- 8.2 Performance Bond.
- 8.3 Payment Bond.
- 8.4 Maintenance Bond.
- 8.5 Certificate of Insurance.
- 8.6 General Provisions.
- 8.7 Material, Equipment, and Construction Specifications.
- 8.8 Addenda numbers  0  to  0  inclusive.
- 8.9 CONTRACTOR'S Bid Proposal Form.
- 8.10 Documentation submitted by CONTRACTOR prior to Notice of Award.
- 8.11 The following which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto: All Written Amendments and other documents amending, modifying or supplementing the Contract Documents pursuant to Article 1.20.2 of the General Provisions. The documents listed in paragraphs 6.2 et seq. above are attached to this Agreement (except as expressly noted otherwise above).
- 8.12 Contractor's References  
There are no Contract Documents other than those listed above in this Article 8. The Contract Documents may only be amended, modified or supplemented as provided in Article 1.20.2 of the General Provisions.

**Article 9. INDEMNIFICATION.**

The CONTRACTOR hereby agrees to defend, indemnify, and hold the City and all of its officers, agent, employees, and elected officials whole and harmless against any and all claims for damages, cost, and expenses of persons or property that may arise out of, or be occasioned by, of from any negligent act, or omission of the CONTRACTOR, or any agent, servant, or employee of the CONTRACTOR in the execution of performance of this Contract, without regard to whether such persons are under the direction of City agents or employees.

Executed on behalf of the CONTRACTOR by its owner shown below, and on behalf of the OWNER by its City Manager, or authorized representative, this agreement will be effective on the 25th day of February, 2020

**OWNER:**

CITY OF BEDFORD  
2000 FOREST RIDGE DRIVE  
BEDFORD, TEXAS 76021

By: \_\_\_\_\_  
Clifford Blackwell  
Interim City Manager

**CONTRACTOR:**

Name: Don Smith Concrete, LLC

Address: 1071A Enterprise Drive

City: Midlothian

State & Zip: Texas, 76065

By: \_\_\_\_\_  
Donald W. Smith  
Managing Member

\_\_\_\_\_  
Telephone Number

CONTRACTOR'S Seal (if incorporated)

(City Attorney review if Contracted Service Cost is Greater than \$15,000)

Approved as to Form and Legality this 25th day of February, 2020.

\_\_\_\_\_  
OWNER's Attorney

**PERFORMANCE BOND**

STATE OF TEXAS                    §  
   § **KNOW ALL MEN BY THESE PRESENTS:**  
COUNTY OF TARRANT           §

**THAT Don Smith Concrete, LLC** hereinafter called the Principal, and \_\_\_\_\_, hereinafter called the Surety, are held and firmly bound unto the City of Bedford as Owner, in the sum of **Three hundred ninety one, two hundred fifty two dollars, and fifty cents (\$391,252.50)** for the payment whereof the Principal and the Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

**WHEREAS**, the Principal has, by means of a written agreement, dated **February 25, 2020**, entered into a Contract with the Owner for:

**City of Bedford  
Tarrant County, Texas  
Bid Reference Number: SIEDC (4B)-20-04  
2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels,  
Driveway and Curb and Gutter Reconstruction at Various Locations**

as set out in said Contract, a copy of which is by reference made a part hereof;

**NOW THEREFORE** the conditions of this obligation are such that, if the Principal shall faithfully perform the Contract in accordance with the plans, specifications and contract documents and shall fully indemnify and save harmless the Owner from all cost and damage which Owner may suffer by reason of Principal's default or failure so to do, and shall fully reimburse and repay the Owner all outlay and expense which the Owner may incur in making good any such default or failure;

**AND FURTHER**, that if the Principal shall pay all persons, who have contracts directly with the Principal for labor and/or materials, failing which such persons shall have a direct right of action against the Principal and the Surety under this obligation, subject to Owner's priority, then the obligation shall be null and void, otherwise it shall remain in full force and effect.

**AND PROVIDED**, that any alterations which may be made in the terms of the Contract or in the work to be done under it, or the giving by the Owner of any extension of time for the performance of the contract, or any other forbearance on the part of either the Owner or the Principal to the other shall not in any way release the Principal and the Surety, or either of them, their heirs, executors, administrators, successors, or assigns from their liability hereunder, notice to the Surety of any alteration, extension or forbearance being hereby waived.

**AND PROVIDED**, in the event Principal is in default under the Contract as defined herein, Surety will within fifteen (15) days of determination by Owner of such default take over and assume completion of said Contract and become entitled to the payment of the balance of the Contract price, subject to Owner's priority.

**AND PROVIDED** that if any suit is brought under this Surety Bond, venue shall lie in Tarrant County, Texas.

**IN WITNESS WHEREOF**, the above bounded parties have executed this instrument under their several seals this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the name and corporate seal of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

**WITNESSED:**

\_\_\_\_\_  
\_\_\_\_\_

**Principal:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Surety:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Attorney-in-fact**

**(SEAL)**

**PAYMENT BOND**

**STATE OF TEXAS §**  
**KNOW ALL MEN BY THESE PRESENTS: §**  
**COUNTY OF TARRANT §**

**THAT WE, Don Smith Concrete, LLC** as Principal, and \_\_\_\_\_, as Surety, are hereby held and firmly bound unto the City of Bedford, as OWNER, in the sum of **Three hundred ninety one, two hundred fifty two dollars, and fifty cents (\$391,252.50)** for the payment, whereof the said Principal and Surety bind themselves, their heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

The Conditions of this obligation are such that whereas the Principal entered into a certain contract, hereto attached, and made a part hereof, with the OWNER dated **February 25, 2020**, for:

**City of Bedford**  
**Tarrant County, Texas**  
**Bid Reference Number: SIEDC (4B)-20-04**  
**2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels,**  
**Driveway and Curb and Gutter Reconstruction at Various Locations**

**NOW THEREFORE**, the conditions of this obligation are such that, if the Principal shall promptly make payment to all claimants as defined in Article 5160 Revised Civil Statutes of Texas, supplying labor and materials in the prosecution of the work provided for in said contract, then this obligation shall be null and void, otherwise, it shall remain in full force and effect.

This bond is made and entered into solely for the protection of all claimants supplying labor and material in the prosecution of the work provided for in said contract, and all such claimants shall have a direct right of action under the bond as provided in Article 5160, Revised Civil Statutes of Texas.

**AND PROVIDED**, that any alterations which may be made in the terms of the contract, or in the work to be done under it, or the giving by the OWNER of any extension of time for the performance of the Contract, or any other forbearance on the part of either the OWNER or the Principal to the other shall not in any way release the Principal and the Surety, or either of them, their heirs, executors, administrators, successors, or assigns from their liability hereunder, notice to the Surety of any alteration, extension or forbearance being hereby waived.

**AND PROVIDED**, that if any suit is brought under this Payment Bond, venue shall lie in Tarrant County, Texas.

**IN WITNESS WHEREOF**, the above bounded parties have executed this instrument under their several seals this \_\_\_\_\_ day of \_\_\_\_\_, 2020, the name and corporate seal of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

**WITNESSED:**

\_\_\_\_\_  
\_\_\_\_\_

**Principal:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Surety:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Attorney-in-fact**

**(SEAL)**

**MAINTENANCE BOND**

**STATE OF TEXAS       §  
COUNTY OF TARRANT §**

**KNOW ALL MEN BY THESE PRESENTS:**

**THAT Don Smith Concrete LLC** as principal (the CONTRACTOR) and, \_\_\_\_\_ a corporation organized under the laws of the State of \_\_\_\_\_ and authorized to do business in the State of Texas as sureties, do hereby expressly acknowledge themselves to be held and bound to pay unto the City of Bedford, a municipal corporation, the sum of:

**Three hundred ninety one, two hundred fifty two dollars, and fifty cents (\$391,252.50)**

(One hundred (100%) percent of final contract price)

**(\$391,252.50)** for the payment of which sum well and truly to be made unto said City of Bedford and its successors, said Principal and Surety do hereby bind themselves, their assigns, and successors jointly and severally. This obligation is conditioned, however, that, whereas said CONTRACTOR has this day entered into a written contract with said City of Bedford to build and construct the following project:

**City of Bedford  
Tarrant County, Texas  
Bid Reference Number: SIEDC (4B)-20-04  
2020 Concrete Sidewalk, Accessibility Ramps, Concrete Street Panels,  
Driveway and Curb and Gutter Reconstruction at Various Locations**

which contract and the plans and specifications therein mentioned and adopted by the **City of Bedford** are hereby expressly made a part thereof as though the same were written and embodied herein.

WHEREAS, under the specifications and contract, it is provided that the CONTRACTOR shall maintain and keep in good repair the work constructed and/or equipment furnished by him as contemplated by the plans, specifications, drawings, etc., and perform for a period of two (2) years. The period shall be two (2) years from the date of final acceptance as shown on the "Letter of Final Acceptance" as issued by the ENGINEER.

The CONTRACTOR agrees to make all necessary repairs, reconstruction and renewal of any part of said construction, and to furnish the labor and materials to make good and to repair any defective condition growing out of or on account of the breakage or failure of any substance or the improper function of any part of the constructed work. The CONTRACTOR shall reimburse the OWNER for the costs of all Engineering and special services required to be furnished by the OWNER which are directly attributable to the

restoration of the constructed work. Said maintenance contemplates the complete restoration of the constructed work to a functional use during the said period as set forth above. It is being understood that the purpose of this section is to require the correction of all defective conditions resulting from materials furnished or work and labor performed by said CONTRACTOR under the conditions prescribed by the Contract Documents. In case the said CONTRACTOR shall fail or refuse to perform as provided within ten (10) days after proper written notifications have been furnished to him by the OWNER, it is agreed that the OWNER may do said work and supply such materials and the said CONTRACTOR and Sureties herein shall be subject to the liquidated damages mentioned in said Contract for each calendar day's failure on its part to comply with the terms of the said provision of the said Contract and this Maintenance Bond.

**NOW THEREFORE**, if the said CONTRACTOR shall keep and perform its said agreement to maintain said work and keep the same in good repair for the said maintenance period as provided above, then these presents shall be null and void and have no further effect, but if default shall be made by the said CONTRACTOR in the performance of its contract to do so maintain and repair damages in the premises, as provided, and it is further understood and agreed that this obligation shall be a continuing one against the principal and sureties hereon, and that successive recoveries may be had hereon for successive breaches until the full amount shall have been exhausted; and it is further understood that the obligation herein to maintain said work shall continue throughout said maintenance period, and the same shall not be changed, diminished, or in any manner affected from any clause during said time.

**IN WITNESS WHEREOF**, \_\_\_\_\_ (CONTRACTOR) has caused by these presents to be executed by \_\_\_\_\_ (CONTRACTOR'S Principal) and \_\_\_\_\_ the said Surety, \_\_\_\_\_, has caused these presents to be executed by its Attorney-In-Fact who has hereto set his/her hand this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

Don Smith Concrete, LLC  
Contractor

\_\_\_\_\_  
Surety

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Address: 1071A Enterprise Drive

Address: \_\_\_\_\_

Midlothian, Texas 76065

\_\_\_\_\_

Attest:

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Company or Employer

Attest:

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Company or Employer

The name and address of the Resident Agent of the Surety is:

\_\_\_\_\_

\_\_\_\_\_  
Firm Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Telephone

NOTES:

1. Power of Attorney must be attached.
2. Amount and Term of Maintenance Bond shall be as stated in the "Special Conditions".
3. The Maintenance Bond effective date will begin when the "Final Letter of Acceptance" is issued by the City.

**STATE SALES TAX / SEPARATED CONTRACT**

TO: CITY OF BEDFORD

DATE: \_\_\_\_\_

2000 Forest Ridge Drive

Bedford, Texas 76021

**SUMMARY SEPARATION OF MATERIALS AND LABOR:**

The total amount bid shall be separated into Materials Costs and Services Charges which results in a "Separated Contract." The Bidder is expected to comply with all the requirements of the State Sales Tax Law, plus separate the total Contract amount, for the total amount bid listed in the Proposal, into material costs and services charges as provided below.

MATERIALS \$ \_\_\_\_\_

SERVICES \$ \_\_\_\_\_

TOTAL AMOUNT BID \$ \_\_\_\_\_

PRINCIPAL

TELEPHONE NUMBER

\_\_\_\_\_

\_\_\_\_\_

SIGNATURE \_\_\_\_\_

\_\_\_\_\_  
NAME AND TITLE

# INSURANCE REQUIREMENTS

## CONTRACTOR'S INSURANCE

Without limiting any of the other obligations or liabilities of the CONTRACTOR, during the term of the contract the CONTRACTOR and each subcontractor, at their own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly approved to do business in the State of Texas and satisfactory to the OWNER. Certificates of each policy shall be delivered to the OWNER before any work is started, along with a written statement from the issuing company stating that said policy shall not be canceled, non-renewed or materially changed without 30 days advance written notice being given to the OWNER, except when the policy is being canceled for nonpayment of premium, in which case 10 days advance written notice is required. Prior to the effective date of cancellation, the CONTRACTOR must deliver to the OWNER a replacement certificate of insurance or proof of reinstatement. Coverage shall be of the following types and not less than the specified amounts.

(a) workers' compensation as required by Texas law, with the policy endorsed to provide a waiver of subrogation as to the OWNER; employer's liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease --- each employee, \$1,000,000 disease-policy limit.

(b) commercial general liability insurance, including independent contractor's liability, completed operations and contractual liability, covering, but not limited to, the liability assumed under the indemnification provisions of this contract, fully insuring CONTRACTOR'S (or subcontractor's) liability for injury to or death of OWNER'S employees and third parties, extended to include personal injury liability coverage with damage to property of third parties, with minimum limits as set forth below:

General Aggregate	\$2,000,000
Products – Components/Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (any one fire)	\$ 100,000
Medical Expense (any one person)	\$ 100,000

The policy shall include coverage extended to apply to operations, asbestos hazards (if this project involves work with asbestos) and XCU (explosion, collapse and underground) hazards. The completed operations coverage must be maintained for a minimum of one year after final completion and acceptance of the work, with evidence of same filed with OWNER.

(c) comprehensive automobile and truck liability insurance, covering owned, hired and non-owned vehicles, with a combined bodily injury and property damage minimum limit of \$1,000,000 per occurrence; or separate limits of \$500,000 for bodily injury (per person), \$750,000 for bodily injury (per accident) and \$250,000 for property

damage. Such insurance shall include coverage for loading and unloading hazards.

### **OWNER'S PROTECTIVE LIABILITY INSURANCE**

CONTRACTOR shall obtain, pay for and maintain at all times during the prosecution of the work under this contract an OWNER'S protective liability insurance policy naming the OWNER and the Engineer as insured for property damage and bodily injury, which may arise in the prosecution of the work or CONTRACTOR'S operations under this contract. Coverage shall be on an "occurrence" basis, and the policy shall be issued by the same insurance company that carries the CONTRACTOR'S liability insurance with a combined bodily injury and property damage minimum limit of \$1,000,000 per occurrence and \$2,000,000 aggregate.

### **"UMBRELLA" LIABILITY INSURANCE**

If required by OWNER, CONTRACTOR shall obtain, pay for and maintain umbrella liability insurance during the contract term, insuring CONTRACTOR for an amount of not less than \$2,000,000 per occurrence combined limit for bodily injury and property damage that follows form and applies in excess of the primary liability coverage required hereinabove. The policy shall provide "drop down" coverage where underlying primary insurance coverage limits are insufficient or exhausted. OWNER and Engineer shall be named as additional insured.

### **POLICY ENDORSEMENTS AND SPECIAL CONDITIONS**

(a) each insurance policy to be furnished by CONTRACTOR shall include the following conditions by endorsement to the policy:

(1) each policy shall name the OWNER as an additional insured as to all applicable coverage;

(2) each policy shall require that 30 days prior to the cancellation, nonrenewal or any material change in coverage, a notice thereof shall be given to OWNER by certified mail. If the policy is canceled for nonpayment of premium, only 10 days written notice to OWNER is required.

(3) the term "OWNER" shall include all authorities, boards, bureaus, commissions, divisions, departments and offices of the OWNER and individual members, employees and agents thereof in their official capacities and/or while acting on behalf of the OWNER;

(4) the policy phrase "other insurance" shall not apply to the OWNER where the OWNER is an additional insured on the policy; and

(5) all provisions of the contract concerning liability, duty and standard of care together with the indemnification provision, shall be underwritten by contractual

liability coverage sufficient to include such obligations within applicable policies.

(b) Insurance furnished by the CONTRACTOR shall be in accordance with the following requirements:

(1) any policy submitted shall not be subject to limitations, conditions or restrictions deemed inconsistent with the intent of the insurance requirements to be fulfilled by the CONTRACTOR. The OWNER'S decision thereon shall be final;

(2) all policies are to be written through companies duly licensed to transact that class of insurance in the State of Texas; and

(3) all liability policies required herein shall be written with an "occurrence" basis coverage trigger.

(c) CONTRACTOR agrees to the following:

(1) CONTRACTOR hereby waives subrogation rights for loss or damage to the extent same are covered by insurance. Insurers shall have no right of recovery or subrogation against the OWNER, it being the intention that the insurance policies shall protect all parties to the contract and be primary coverage for all losses covered by the policies;

(2) companies issuing the insurance policies and CONTRACTOR shall have no recourse against the OWNER for payment of any premiums or assessments for any deductibles, as all such premiums and deductibles are the sole responsibility and risk of the CONTRACTOR;

(3) approval, disapproval or failure to act by the OWNER regarding any insurance supplied by the CONTRACTOR (or any subcontractors) shall not relieve the CONTRACTOR of full responsibility or liability for damages and accidents as set forth in the contract documents. Neither shall the bankruptcy, insolvency or denial of liability by the insurance company exonerate the CONTRACTOR from liability; and

(4) no special payments shall be made for any insurance that the CONTRACTOR and subcontractors are required to carry; all are included in the contract price and the contract unit prices.

Any of such insurance policies required under this section may be written in combination with any of the others, where legally permitted, but none of the specified limits may be lowered thereby.

**WORKERS' COMPENSATION INSURANCE COVERAGE (AS APPLICABLE, CONSISTENT WITH TEXAS LABOR CODE § 406.096)**

- (a) The Contractor shall certify in writing that they provide workers' compensation insurance coverage for each employee of the Contractor employed on the public project.
- (b) Each Subcontractor on the public project shall provide such a certificate relating to coverage of the Subcontractor's employees to the general Contractor, who shall provide the Subcontractor's certificate to the governmental entity.
- (c) A Contractor who has a contract that requires workers' compensation insurance coverage may provide the coverage through a group plan or other method satisfactory to the governing body of the governmental entity.
- (d) The employment of a maintenance employee by an employer who is not engaging in building or construction as the employer's primary business does not constitute engaging in building or construction.
- (e) In this section:
  - (1) "Building or construction" includes:
    - i. erecting or preparing to erect a structure, including a building, bridge, roadway, public utility facility, or related appurtenance;
    - ii. remodeling, extending, repairing, or demolishing a structure; or
    - iii. otherwise improving real property or an appurtenance to real property through similar activities.
  - (2) "Governmental entity" means this state or a political subdivision of this state. The term includes a municipality.

# CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

## FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

### OFFICE USE ONLY

Date Received

**1** Name of vendor who has a business relationship with local governmental entity.

**2**  Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3** Name of local government officer about whom the information is being disclosed.

\_\_\_\_\_  
Name of Officer

**4** Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes       No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes       No

**5** Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

**6**  Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

**7**

\_\_\_\_\_  
Signature of vendor doing business with the governmental entity

\_\_\_\_\_  
Date

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

- (i) a contract between the local governmental entity and vendor has been executed;
- or
- (ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
- (3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

- (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
- (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

- (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
- (B) that the vendor has given one or more gifts described by Subsection (a); or
- (C) of a family relationship with a local government officer.

"General Decision Number: TX20190026 10/04/2019

Superseded General Decision Number: TX20180036

State: Texas

Construction Type: Heavy

Counties: Johnson, Parker and Tarrant Counties in Texas.

Heavy Construction Projects (Including Water and Sewer Lines)

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.60 for calendar year 2019 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.60 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2019. If this contract is covered by the EO and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must pay workers in that classification at least the wage rate determined through the conformance process set forth in 29 CFR 5.5(a) (1) (ii) (or the EO minimum wage rate, if it is higher than the conformed wage rate). The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Modification Number	Publication Date
0	01/04/2019
1	04/12/2019
2	10/04/2019

\* PLUM0146-002 05/01/2019

	Rates	Fringes
PLUMBER/PIPEFITTER.....	\$ 31.68	9.50

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SUTX1990-041 06/01/1990

	Rates	Fringes
CARPENTER.....	\$ 10.40	\$3.64
Concrete Finisher.....	\$ 9.81	
ELECTRICIAN.....	\$ 13.26	
Form Setter.....	\$ 7.86	
Laborers:		
Common.....	\$ 7.25	
Utility.....	\$ 8.09	
PAINTER.....	\$ 10.89	
Pipelayer.....	\$ 8.43	
Power equipment operators:		
Backhoe.....	\$ 11.89	3.30
Bulldozer.....	\$ 10.76	
Crane.....	\$ 13.16	3.30
Front End Loader.....	\$ 10.54	
Mechanic.....	\$ 10.93	
Scraper.....	\$ 10.00	
Reinforcing Steel Setter.....	\$ 10.64	
TRUCK DRIVER.....	\$ 7.34	

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide

employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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## WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION"



**Form TCG 2271**

**VERIFICATION REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2271**

By signing below, Company hereby verifies the following:

1. Company does not boycott Israel; and
2. Company will not boycott Israel during the term of the contract.

**SIGNED BY:** \_\_\_\_\_

**Printed Name/Title:** \_\_\_\_\_

**Company Name:** \_\_\_\_\_

**Date signed:** \_\_\_\_\_

Government Code § 2271.002. Provision Required in Contract

Effective: **September 1, 2019**

A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it:

- (1) does not boycott Israel; and
- (2) will not boycott Israel during the term of the contract.

**The following definitions apply:**

(1) "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

(2) "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit, except that the term does not include a sole proprietorship.

(3) "Governmental entity" means a state agency or political subdivision of this state.

**State law requires verification from a Company for contracts involving goods or services of greater than \$100,000 before the City can enter into the contract.**



# Council Agenda Background

**PRESENTER:** Kenneth Overstreet, Public Works Director

**DATE:** 02/25/20

**Council Mission Area:** Protect the vitality of neighborhoods.

## **ITEM:**

Consider a resolution authorizing the Interim City Manager to enter into a contract with Reynolds Asphalt & Construction Company, in the amount of \$1,091,420, for the 2020 Street Mill and Overlay at Various Locations Project.

**City Attorney Review:** Yes

## **SUMMARY:**

Public Works staff advertises annually to solicit bids for a mill and overlay on various streets construction contract. Ten bids were received this year, with the lowest qualified bidder being Reynolds Asphalt & Construction Company (Reynolds Asphalt). Staff is requesting approval of a resolution authorizing the Interim City Manager to enter into a contract with Reynolds Asphalt for the 2020 Street Mill and Overlay at Various Locations Project.

## **BACKGROUND:**

Preventative and rehabilitative street maintenance is more cost effective than performing a total street reconstruction. Roadways previously identified to have surface roughness, minor deformations, cracking, patches, and irregularities in the pavement surface benefit greatly from a mill and asphalt overlay. Street mill and overlay is a three-phase process. The first phase involves milling of the existing asphalt at a minimum of 2", in a uniform manner across the pavement width and removing it. The second phase includes proof rolling, which utilizes heavy pneumatic tire compaction equipment for locating unstable areas of earth or base. The final phase includes both the application of a liquid tack coat to serve as an adhesive, and the application of 2" of asphalt. Once complete, the final result is a smoother ride quality and an aesthetically pleasing road.

The scope of this project is 74,200 square yards of street mill and overlay at various locations. In addition, adjustments will be made to four sanitary sewer manholes, seven water valves, removing and replacing 20 square yards of valley gutter, and removal and replacement of 200 square feet of residential driveway.

Streets were chosen based on the pavement assessment prepared by Fugro Roadware. The streets included in this project are April Sound Court, Pleasantview Drive, Sugar Tree Court, Autumnwood Wood Court, Windsong Court, Hunters Glen Court, Saddlebrook Drive South, Saddlebrook Drive North, Mulberry Lane, Hackberry Lane, Pinewood Street, Walnut Drive, Aspenwood Drive, Cottonwood Lane, Cherry Blossom Lane, Fox Hollow Drive, Buckingham Court, Oxford Court, Steeplewood Court, and Susan Drive.

The Street Improvement Economic Development Corporation (SIEDC) 2020 budget was approved for mill and overlay in the amount of \$1,400,000 The proposed contract for mill and overlay conforms to the City's specifications, and is included in this contract. Advertisements for this bid were posted on January 21, 2020 and January 27, 2020 to solicit interested parties in bid submissions.

The bid opening was held at Public Works on February 4, 2020. Reynolds Asphalt & Construction Company of Euless, Texas, submitted the lowest qualified bid. The bids varied as follows:

- Lowest: \$1,091,420.00
- Average: \$1,223,343.60
- Highest: \$1,354,950.00
- Budget: \$1,400,000.00

Staff recommends Reynolds Asphalt for this project. The contractor successfully completed a parking lot paving project at the Bedford Boys Ranch in 2016 and paved several private streets in 2019 at the Morrow Green Townhomes through a Right-of-Way Permit. Reynolds Asphalt has been in business since 1981 and has four local asphalt plants. If approved, the contractor would work with a verified subcontractor, TexOP Construction, L.P., for milling the roadways. They will designate a concrete subcontractor at a later time for the small portion of concrete designated in the bid items.

If approved, funding in the amount of \$1,091,420 would come from out of the Fiscal Year 2019/2020 Street Improvement Economic Development Corporation budget.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the Interim City Manager to enter into a contract with Reynolds Asphalt & Construction Company, in the amount of \$1,091,420, for the 2020 Street Mill and Overlay at Various Locations Project.

**FISCAL IMPACT:**

FY 2019/2020 SIEDC Budget:	\$1,400,000
Bid Amount:	<u>\$1,091,420</u>
Balance:	\$ 308,580

**ATTACHMENTS:**

Resolution  
 Bid Tabulation Summary  
 Area Maps  
 Contract Document

**RESOLUTION NO. 2020-**

**A RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER TO ENTER INTO A CONTRACT WITH REYNOLDS ASPHALT & CONSTRUCTION COMPANY, IN THE AMOUNT OF \$1,091,420, FOR THE 2020 STREET MILL AND OVERLAY AT VARIOUS LOCATIONS PROJECT.**

**WHEREAS, the City Council of Bedford, Texas recognizes that the repair and maintenance of asphalt streets is necessary to protect the vitality of neighborhoods; and,**

**WHEREAS, the City Council of Bedford, Texas recognizes the importance of providing improvements to aging and broken asphalt in order to be responsive to the needs of the community.**

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

**SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**

**SECTION 2. That the Interim City Manager is authorized to enter into a contract with Reynolds Asphalt & Construction Company for the 2020 Street Mill and Overlay at Various Locations Project.**

**SECTION 3. That funding in the amount of \$1,091,420 will come from the Fiscal Year 2019/2020 Street Improvement Economic Development Corporation budget.**

**PRESENTED AND PASSED this 25th day of February 2020 by a vote of \_\_\_ ayes, \_\_\_ nays, and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.**

\_\_\_\_\_  
**Michael Boyter, Mayor**

**ATTEST:**

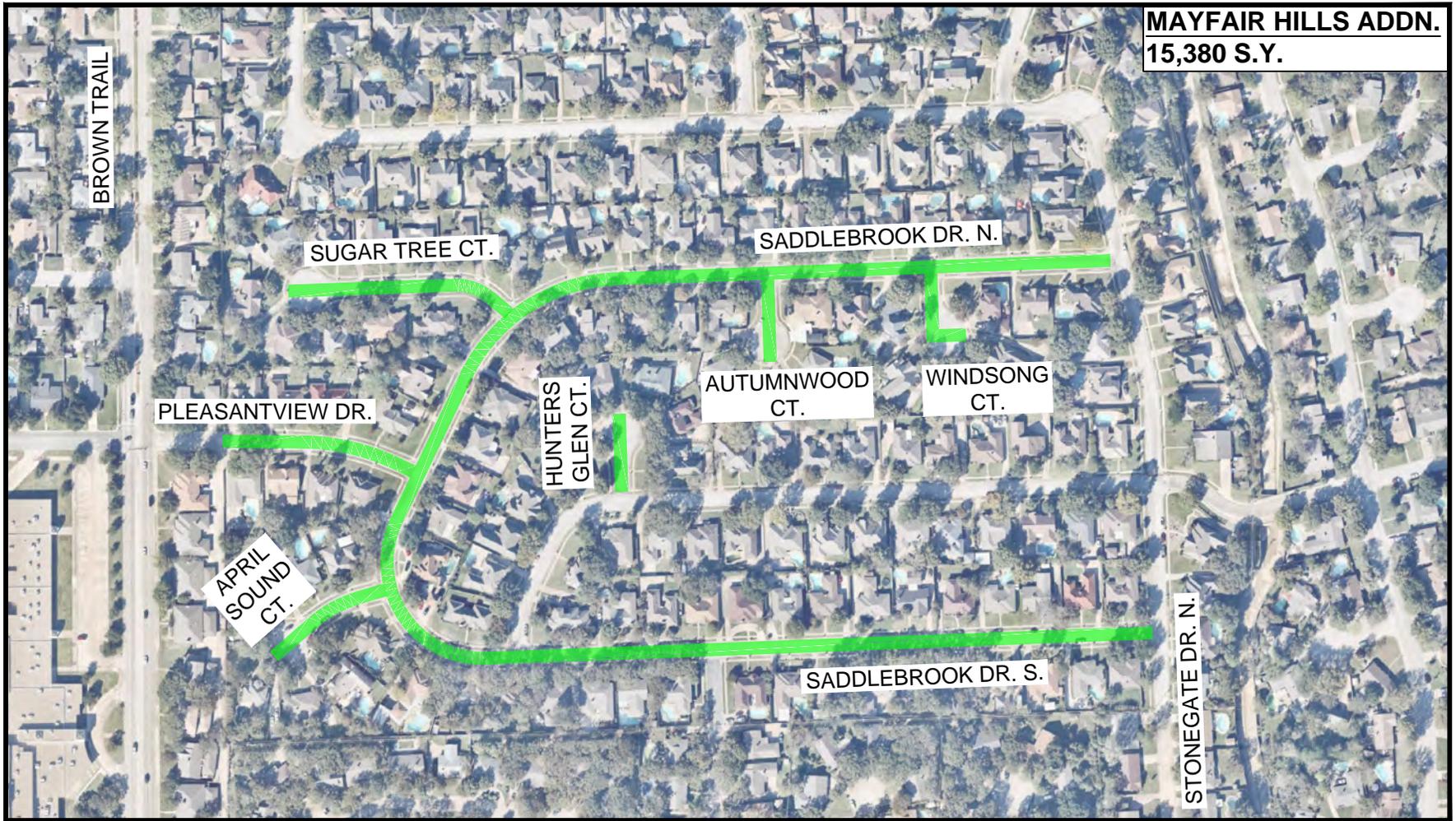
\_\_\_\_\_  
**Michael Wells, City Secretary**

**2020 Street Mill and Overlay at Various Locations**  
**Bid Reference Number: SIEDC (4B)-20-01**  
**Bid Date: Tuesday, February 4, 2020 at 2:00 P.M.**  
**Bid Tabulation Summary**

**BIDDERS**

TOTAL AMOUNT BID	Reynolds Asphalt & Construction Company, Euless, TX	Texas Materials Group Inc., dba TexasBit, Irving, TX	Advanced Paving Company, Dallas, TX	Peachtree Construction, LTD, Keller, TX	Anderson Asphalt & Concrete Paving, LLC Dallas, Tx
	\$1,091,420.00	\$1,143,632.02	\$1,162,760.00	\$1,169,305.00	\$1,227,000.00
	Recommended Bid				
TOTAL AMOUNT BID	GROD Construction, LLC, Boyd, TX	Pavecon Public Works, Grand Prairie, TX	Austin Bridge and Road, Irving, TX	Reyes Group Grand Prairie, TX	Reliable Paving Inc. Arlington, TX
	\$1,231,610.00	\$1,264,905.00	\$1,283,810.00	\$1,304,044.00	\$1,354,950.00
	AVERAGE BID				
	\$1,223,343.60				

**MAYFAIR HILLS ADDN.**  
**15,380 S.Y.**

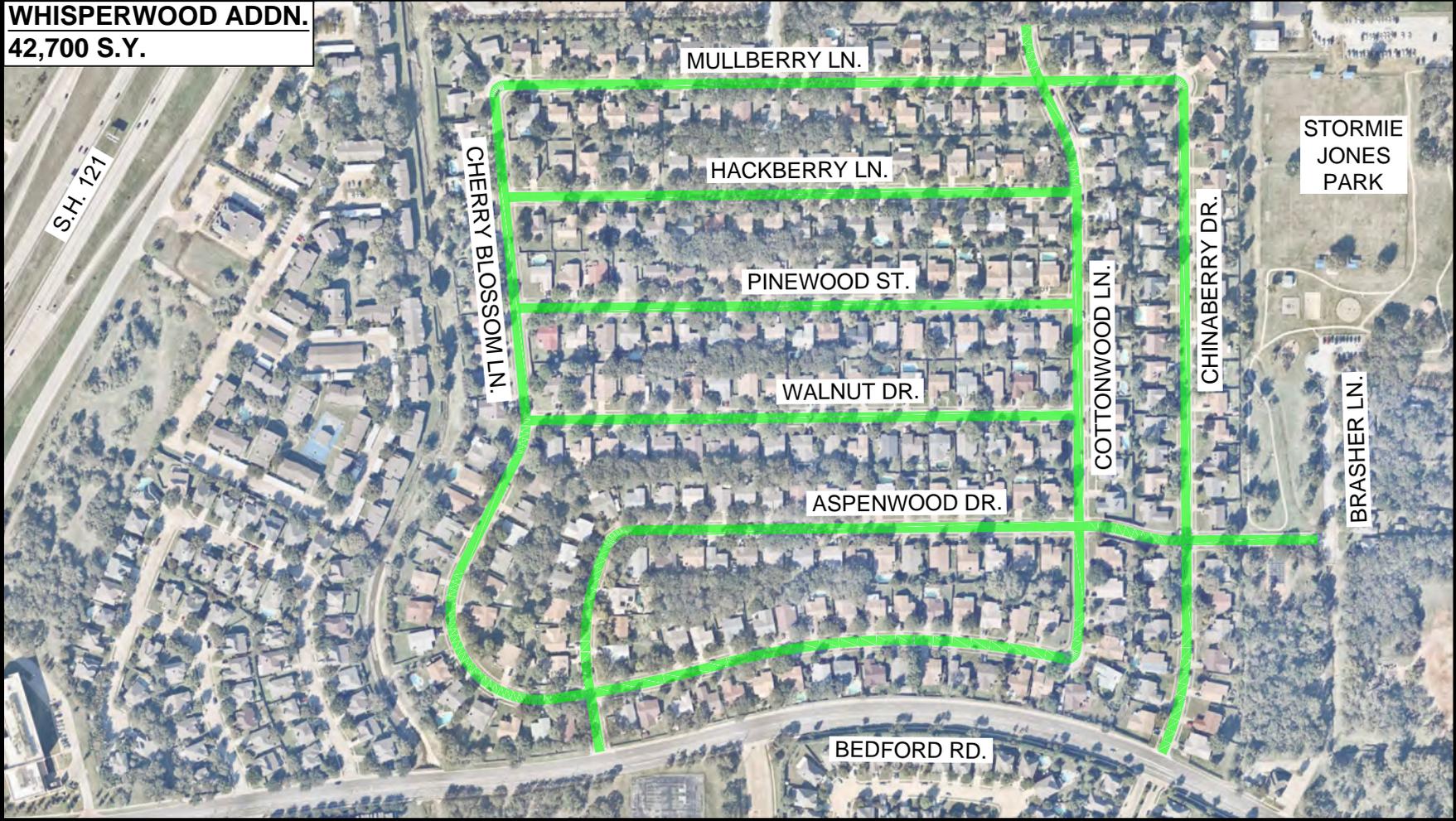


# 2020 STREET MILL AND OVERLAY SIEDC (4B)-20-01 LOCATION A, MAYFAIR HILLS ADDITION

 MILL AND OVERLAY LIMITS



**WHISPERWOOD ADDN.**  
**42,700 S.Y.**

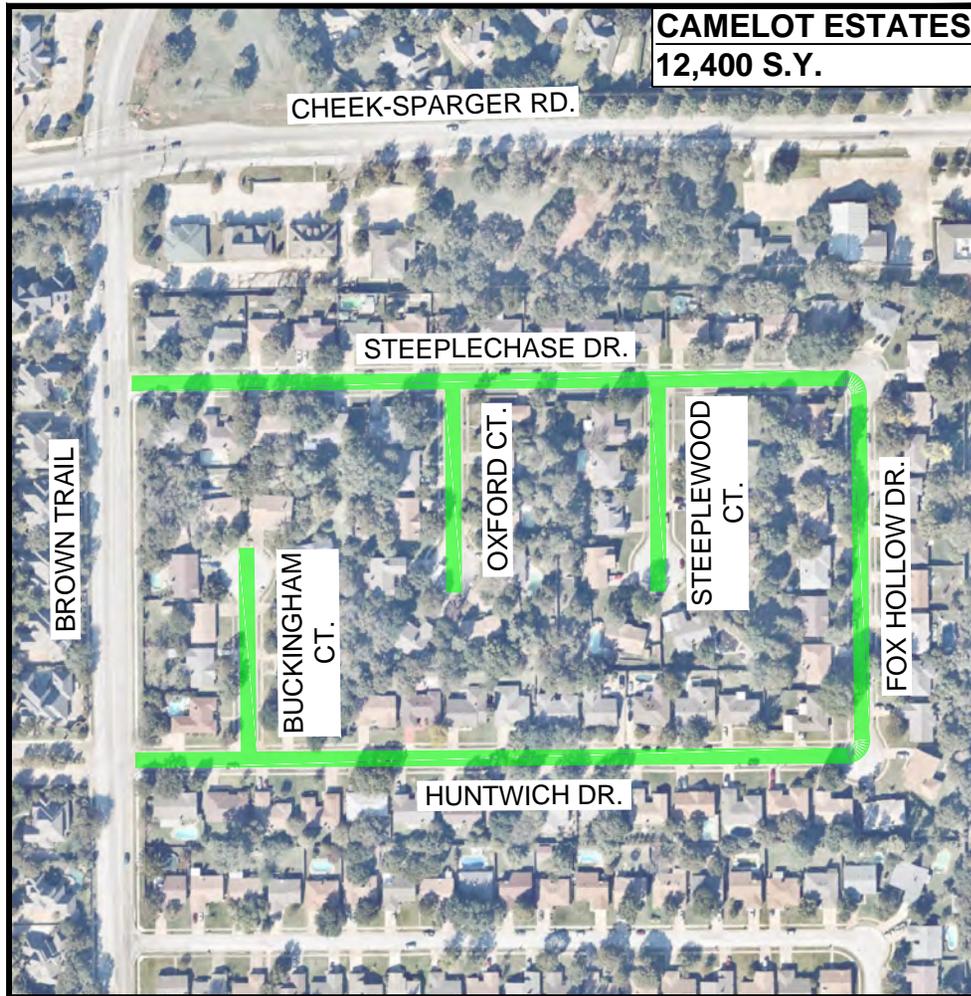


SCALE IN FEET

# 2020 STREET MILL AND OVERLAY SIEDC (4B)-20-01 LOCATION B, WHISPERWOOD ADDITION

 MILL AND OVERLAY LIMITS





## 2020 STREET MILL AND OVERLAY SIEDC (4B)-20-01

LOCATION C, CAMELOT ETATES  
LOCATION D, OAK RIDGE ESTATES

 MILL AND OVERLAY LIMITS



**STANDARD FORM OF AGREEMENT  
BETWEEN THE CITY OF BEDFORD AND CONTRACTOR**

THIS AGREEMENT is dated as of the 25th day of February in the year **2020** by and between the City of Bedford (hereinafter called OWNER) and **Reynolds Asphalt & Construction Company** of the City of Eules County of Tarrant, State of Texas (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

**Article 1. PROJECT SCOPE.**

The PROJECT for the WORK detailed under the Contract Documents (see Article 8 of this Agreement for items included in the Contract Documents) is generally identified as following:

**City of Bedford  
Tarrant County, Texas  
Bid Reference Numbers: SIEDC (4B)-20-01  
2020 Street Mill and Overlay at Various Locations**

**Article 2. CONTRACT TIME.**

The Work shall be completed **180** calendar days from the date of the "Notice to Proceed" in accordance with Item 103.6 of the General Provisions; and, ready for payment in accordance with Item 109.5.4 of the General Provisions.

**Article 3. CONTRACT PRICE.**

3.1. OWNER shall pay CONTRACTOR the prices in the CONTRACTOR'S bid proposal plus additional work performed or when authorized by OWNER.

**Article 4. PAYMENT PROCEDURES.**

4.1. Payment to CONTRACTOR will be monthly upon receipt of invoices from the CONTRACTOR. All charges are to be less sales tax as OWNER is tax exempt.

**Article 5. CONTRACTOR'S REPRESENTATIONS.**

In order to induce OWNER to enter into this agreement, CONTRACTOR makes the following representations:

5.1. CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents and Specifications.

5.2. CONTRACTOR has correlated the results of all such observations and studies with the terms and conditions of the Contract Documents.

5.3. CONTRACTOR has given OWNER written notice of all conflicts, errors or discrepancies that he has discovered in the Contract Documents and the written resolution by OWNER is acceptable to CONTRACTOR.

## **Article 6. MISCELLANEOUS.**

6.1. ASSIGNMENTS: No assignments by a party hereto of any rights under or interest in the Contract Documents will be binding on another party hereto without written consent of the party sought to be bound; and specifically but without limitation moneys that may come due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may limited by law), and unless specifically stated to the contrary in written consent to an assignment will release the assignor from any duty or responsibility under the Contract Documents.

6.2. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

6.3. TERMINATION: OWNER may terminate the Contract by giving CONTRACTOR notice in writing. Upon delivery of such notice by OWNER to CONTRACTOR, CONTRACTOR shall discontinue all services in connection with the performance of the Contract and shall proceed to cancel promptly all existing orders and contracts insofar as such orders or contracts are chargeable to this Contract. As soon as practicable after receipt of notice of termination, CONTRACTOR shall submit a statement, showing in detail the services performed under this Contract to the date of termination. OWNER shall then pay CONTRACTOR that portion of the prescribed charges which the services actually performed under this Contract bear to the total services called for under this Contract less such payments on account of the charges as have been previously made.

### **6.4. SUBCONTRACTING:**

1. CONTRACTOR shall not award any work to any subcontractor until CONTRACTOR submits to OWNER a written statement concerning the proposed award to the subcontractor, which statement shall contain such information as OWNER may require prior to execution of this contract. CONTRACTOR must submit three viable references of all subcontractors associated with this project. OWNER has the right to reject any subcontractor with unfavorable references or prior unfavorable projects in the City at its own discretion.

2. CONTRACTOR shall be fully responsible to OWNER for the acts and omissions of his subcontractors, and of persons either directly or indirectly employed by them, as he is for acts and omissions of persons directly employed by him.

3. Nothing contained in this Contract shall create any contractual relation between any subcontractor and OWNER. CONTRACTOR is an independent contractor.

#### **Article 7. GOVERNING LAWS, VENUE.**

The Contract shall be construed according to the laws of the State of Texas; and, venue shall lie in the State district courts of Tarrant County, Texas.

#### **Article 8. CONTRACT DOCUMENTS.**

The Contract Documents which comprise the entire agreement between the OWNER and CONTRACTOR, same being attached hereto and incorporated herein as Exhibit A, consist of the following:

- 8.1 Standard Form of Agreement.
- 8.2 Performance Bond.
- 8.3 Payment Bond.
- 8.4 Maintenance Bond.
- 8.5 Certificate of Insurance.
- 8.6 General Provisions.
- 8.7 Material, Equipment, and Construction Specifications.
- 8.8 Addenda numbers 0 to 0 inclusive.
- 8.9 CONTRACTOR'S Bid Proposal Form.
- 8.10 Documentation submitted by CONTRACTOR prior to Notice of Award.
- 8.11 The following which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto: All Written Amendments and other documents amending, modifying or supplementing the Contract Documents pursuant to Article 1.20.2 of the General Provisions. The documents listed in paragraphs 6.2 et seq. above are attached to this Agreement (except as expressly noted otherwise above).
- 8.12 Contractor's References  
There are no Contract Documents other than those listed above in this Article 8. The Contract Documents may only be amended, modified or supplemented as provided in Article 1.20.2 of the General Provisions.

**Article 9. INDEMNIFICATION.**

The CONTRACTOR hereby agrees to defend, indemnify, and hold the City and all of its officers, agent, employees, and elected officials whole and harmless against any and all claims for damages, cost, and expenses of persons or property that may arise out of, or be occasioned by, of from any negligent act, or omission of the CONTRACTOR, or any agent, servant, or employee of the CONTRACTOR in the execution of performance of this Contract, without regard to whether such persons are under the direction of City agents or employees.

Executed on behalf of the CONTRACTOR by its owner shown below, and on behalf of the OWNER by its City Manager, or authorized representative, this agreement will be effective on the 25th day of February, 2020

**OWNER:**

CITY OF BEDFORD  
2000 FOREST RIDGE DRIVE  
BEDFORD, TEXAS 76021

By: \_\_\_\_\_  
Clifford Blackwell  
Interim City Manager

**CONTRACTOR:**

Name: Reynolds Asphalt & Construction Company

Address: PO Box 370

City: Eules

State & Zip: Texas, 76039

By: \_\_\_\_\_  
Ned Tankersley, Vice President

\_\_\_\_\_  
Telephone Number

CONTRACTOR'S Seal (if incorporated)

(City Attorney review if Contracted Service Cost is Greater than \$15,000)

Approved as to Form and Legality this 25th day of February, 2020.

\_\_\_\_\_  
OWNER's Attorney

## PERFORMANCE BOND

STATE OF TEXAS

§

§ KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TARRANT

§

THAT Reynolds Asphalt & Construction Company hereinafter called the Principal, and \_\_\_\_\_, hereinafter called the Surety, are held and firmly bound unto the City of Bedford as Owner, in the sum of One million, ninety one thousand, four hundred twenty dollars (\$1,091,420.00) for the payment whereof the Principal and the Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

**WHEREAS**, the Principal has, by means of a written agreement, dated February 25, 2020, entered into a Contract with the Owner for:

**City of Bedford  
Tarrant County, Texas  
Bid Reference Numbers: SIEDC (4B)-20-01  
2020 Street Mill and Overlay at Various Locations**

as set out in said Contract, a copy of which is by reference made a part hereof;

**NOW THEREFORE** the conditions of this obligation are such that, if the Principal shall faithfully perform the Contract in accordance with the plans, specifications and contract documents and shall fully indemnify and save harmless the Owner from all cost and damage which Owner may suffer by reason of Principal's default or failure so to do, and shall fully reimburse and repay the Owner all outlay and expense which the Owner may incur in making good any such default or failure;

**AND FURTHER**, that if the Principal shall pay all persons, who have contracts directly with the Principal for labor and/or materials, failing which such persons shall have a direct right of action against the Principal and the Surety under this obligation, subject to Owner's priority, then the obligation shall be null and void, otherwise it shall remain in full force and effect.

**AND PROVIDED**, that any alterations which may be made in the terms of the Contract or in the work to be done under it, or the giving by the Owner of any extension of time for the performance of the contract, or any other forbearance on the part of either the Owner or the Principal to the other shall not in any way release the Principal and the Surety, or either of them, their heirs, executors, administrators, successors, or assigns from their liability hereunder, notice to the Surety of any alteration, extension or forbearance being hereby waived.

**AND PROVIDED**, in the event Principal is in default under the Contract as defined

herein, Surety will within fifteen (15) days of determination by Owner of such default take over and assume completion of said Contract and become entitled to the payment of the balance of the Contract price, subject to Owner's priority.

**AND PROVIDED** that if any suit is brought under this Surety Bond, venue shall lie in Tarrant County, Texas.

**IN WITNESS WHEREOF**, the above bounded parties have executed this instrument under their several seals this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the name and corporate seal of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

**WITNESSED:**

\_\_\_\_\_  
\_\_\_\_\_

**Principal:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Surety:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Attorney-in-fact**

**(SEAL)**

**PAYMENT BOND**

**STATE OF TEXAS** §  
**KNOW ALL MEN BY THESE PRESENTS:** §  
**COUNTY OF TARRANT** §

**THAT WE, Reynolds Asphalt & Construction Company** as Principal, and \_\_\_\_\_, as Surety, are hereby held and firmly bound unto the City of Bedford, as OWNER, in the sum of **One million, ninety one thousand, four hundred twenty dollars (\$1,091,420.00)** for the payment, whereof the said Principal and Surety bind themselves, their heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

The Conditions of this obligation are such that whereas the Principal entered into a certain contract, hereto attached, and made a part hereof, with the OWNER dated **February 25, 2020**, for:

**City of Bedford  
Tarrant County, Texas  
Bid Reference Numbers: SIEDC (4B)-20-01  
2020 Street Mill and Overlay at Various Locations**

**NOW THEREFORE**, the conditions of this obligation are such that, if the Principal shall promptly make payment to all claimants as defined in Article 5160 Revised Civil Statutes of Texas, supplying labor and materials in the prosecution of the work provided for in said contract, then this obligation shall be null and void, otherwise, it shall remain in full force and effect.

This bond is made and entered into solely for the protection of all claimants supplying labor and material in the prosecution of the work provided for in said contract, and all such claimants shall have a direct right of action under the bond as provided in Article 5160, Revised Civil Statutes of Texas.

**AND PROVIDED**, that any alterations which may be made in the terms of the contract, or in the work to be done under it, or the giving by the OWNER of any extension of time for the performance of the Contract, or any other forbearance on the part of either the OWNER or the Principal to the other shall not in any way release the Principal and the Surety, or either of them, their heirs, executors, administrators, successors, or assigns from their liability hereunder, notice to the Surety of any alteration, extension or forbearance being hereby waived.

**AND PROVIDED**, that if any suit is brought under this Payment Bond, venue shall lie in Tarrant County, Texas.

**IN WITNESS WHEREOF**, the above bounded parties have executed this instrument under their several seals this \_\_\_\_\_ day of \_\_\_\_\_, 2020, the name and corporate seal of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

**WITNESSED:**

\_\_\_\_\_  
\_\_\_\_\_

**Principal:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Surety:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Attorney-in-fact**

**(SEAL)**

**MAINTENANCE BOND**

**STATE OF TEXAS       §  
COUNTY OF TARRANT §**

**KNOW ALL MEN BY THESE PRESENTS:**

**THAT Reynolds Asphalt & Construction Company** as principal (the CONTRACTOR) and, \_\_\_\_\_ a corporation organized under the laws of the State of \_\_\_\_\_ and authorized to do business in the State of **Texas** as sureties, do hereby expressly acknowledge themselves to be held and bound to pay unto the City of Bedford, a municipal corporation, the sum of:

**One million, ninety one thousand, four hundred twenty dollars**  
(One hundred (100%) percent of final contract price)

**(\$1,091,420.00)** for the payment of which sum well and truly to be made unto said City of Bedford and its successors, said Principal and Surety do hereby bind themselves, their assigns, and successors jointly and severally. This obligation is conditioned, however, that, whereas said CONTRACTOR has this day entered into a written contract with said City of Bedford to build and construct the following project:

**City of Bedford  
Tarrant County, Texas  
Bid Reference Numbers: SIEDC (4B)-20-01  
2020 Street Mill and Overlay at Various Locations**

which contract and the plans and specifications therein mentioned and adopted by the **City of Bedford** are hereby expressly made a part thereof as though the same were written and embodied herein.

WHEREAS, under the specifications and contract, it is provided that the CONTRACTOR shall maintain and keep in good repair the work constructed and/or equipment furnished by him as contemplated by the plans, specifications, drawings, etc., and perform for a period of two (2) years. The period shall be two (2) years from the date of final acceptance as shown on the "Letter of Final Acceptance" as issued by the ENGINEER.

The CONTRACTOR agrees to make all necessary repairs, reconstruction and renewal of any part of said construction, and to furnish the labor and materials to make good and to repair any defective condition growing out of or on account of the breakage or failure of any substance or the improper function of any part of the constructed work. The CONTRACTOR shall reimburse the OWNER for the costs of all Engineering and special services required to be furnished by the OWNER which are directly attributable to the restoration of the constructed work. Said maintenance contemplates the complete

restoration of the constructed work to a functional use during the said period as set forth above. It is being understood that the purpose of this section is to require the correction of all defective conditions resulting from materials furnished or work and labor performed by said CONTRACTOR under the conditions prescribed by the Contract Documents. In case the said CONTRACTOR shall fail or refuse to perform as provided within ten (10) days after proper written notifications have been furnished to him by the OWNER, it is agreed that the OWNER may do said work and supply such materials and the said CONTRACTOR and Sureties herein shall be subject to the liquidated damages mentioned in said Contract for each calendar day's failure on its part to comply with the terms of the said provision of the said Contract and this Maintenance Bond.

**NOW THEREFORE**, if the said CONTRACTOR shall keep and perform its said agreement to maintain said work and keep the same in good repair for the said maintenance period as provided above, then these presents shall be null and void and have no further effect, but if default shall be made by the said CONTRACTOR in the performance of its contract to do so maintain and repair damages in the premises, as provided, and it is further understood and agreed that this obligation shall be a continuing one against the principal and sureties hereon, and that successive recoveries may be had hereon for successive breaches until the full amount shall have been exhausted; and it is further understood that the obligation herein to maintain said work shall continue throughout said maintenance period, and the same shall not be changed, diminished, or in any manner affected from any clause during said time.

**IN WITNESS WHEREOF**, \_\_\_\_\_ (CONTRACTOR) has caused by these presents to be executed by \_\_\_\_\_ (CONTRACTOR'S Principal) and \_\_\_\_\_ the said Surety, \_\_\_\_\_, has caused these presents to be executed by its Attorney-In-Fact who has hereto set his/her hand this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

Reynolds Asphalt & Construction Company  
Contractor

\_\_\_\_\_  
Surety

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: Vice President

Title: \_\_\_\_\_

Address: PO Box 370

Address: \_\_\_\_\_

Eules, Texas 76039

\_\_\_\_\_

Attest:

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Company or Employer

Attest:

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Company or Employer

The name and address of the Resident Agent of the Surety is:

\_\_\_\_\_

\_\_\_\_\_  
Firm Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Telephone

NOTES:

1. Power of Attorney must be attached.
2. Amount and Term of Maintenance Bond shall be as stated in the "Special Conditions".
3. The Maintenance Bond effective date will begin when the "Final Letter of Acceptance" is issued by the City.

**STATE SALES TAX / SEPARATED CONTRACT**

TO: CITY OF BEDFORD

DATE: \_\_\_\_\_

2000 Forest Ridge Drive

Bedford, Texas 76021

**SUMMARY SEPARATION OF MATERIALS AND LABOR:**

The total amount bid shall be separated into Materials Costs and Services Charges which results in a "Separated Contract." The Bidder is expected to comply with all the requirements of the State Sales Tax Law, plus separate the total Contract amount, for the total amount bid listed in the Proposal, into material costs and services charges as provided below.

MATERIALS \$ \_\_\_\_\_

SERVICES \$ \_\_\_\_\_

TOTAL AMOUNT BID \$ \_\_\_\_\_

PRINCIPAL

TELEPHONE NUMBER

\_\_\_\_\_

\_\_\_\_\_

SIGNATURE \_\_\_\_\_

NAME AND TITLE \_\_\_\_\_

# INSURANCE REQUIREMENTS

## CONTRACTOR'S INSURANCE

Without limiting any of the other obligations or liabilities of the CONTRACTOR, during the term of the contract the CONTRACTOR and each subcontractor, at their own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly approved to do business in the State of Texas and satisfactory to the OWNER. Certificates of each policy shall be delivered to the OWNER before any work is started, along with a written statement from the issuing company stating that said policy shall not be canceled, non-renewed or materially changed without 30 days advance written notice being given to the OWNER, except when the policy is being canceled for nonpayment of premium, in which case 10 days advance written notice is required. Prior to the effective date of cancellation, the CONTRACTOR must deliver to the OWNER a replacement certificate of insurance or proof of reinstatement. Coverage shall be of the following types and not less than the specified amounts.

(a) workers' compensation as required by Texas law, with the policy endorsed to provide a waiver of subrogation as to the OWNER; employer's liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease --- each employee, \$1,000,000 disease-policy limit.

(b) commercial general liability insurance, including independent contractor's liability, completed operations and contractual liability, covering, but not limited to, the liability assumed under the indemnification provisions of this contract, fully insuring CONTRACTOR'S (or subcontractor's) liability for injury to or death of OWNER'S employees and third parties, extended to include personal injury liability coverage with damage to property of third parties, with minimum limits as set forth below:

General Aggregate	\$2,000,000
Products – Components/Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (any one fire)	\$ 100,000
Medical Expense (any one person)	\$ 100,000

The policy shall include coverage extended to apply to operations, asbestos hazards (if this project involves work with asbestos) and XCU (explosion, collapse and underground) hazards. The completed operations coverage must be maintained for a minimum of one year after final completion and acceptance of the work, with evidence of same filed with OWNER.

(c) comprehensive automobile and truck liability insurance, covering owned, hired and non-owned vehicles, with a combined bodily injury and property damage minimum limit of \$1,000,000 per occurrence; or separate limits of \$500,000 for bodily injury (per person), \$750,000 for bodily injury (per accident) and \$250,000 for property

damage. Such insurance shall include coverage for loading and unloading hazards.

### **OWNER'S PROTECTIVE LIABILITY INSURANCE**

CONTRACTOR shall obtain, pay for and maintain at all times during the prosecution of the work under this contract an OWNER'S protective liability insurance policy naming the OWNER and the Engineer as insured for property damage and bodily injury, which may arise in the prosecution of the work or CONTRACTOR'S operations under this contract. Coverage shall be on an "occurrence" basis, and the policy shall be issued by the same insurance company that carries the CONTRACTOR'S liability insurance with a combined bodily injury and property damage minimum limit of \$1,000,000 per occurrence and \$2,000,000 aggregate.

### **"UMBRELLA" LIABILITY INSURANCE**

If required by OWNER, CONTRACTOR shall obtain, pay for and maintain umbrella liability insurance during the contract term, insuring CONTRACTOR for an amount of not less than \$2,000,000 per occurrence combined limit for bodily injury and property damage that follows form and applies in excess of the primary liability coverage required hereinabove. The policy shall provide "drop down" coverage where underlying primary insurance coverage limits are insufficient or exhausted. OWNER and Engineer shall be named as additional insured.

### **POLICY ENDORSEMENTS AND SPECIAL CONDITIONS**

(a) each insurance policy to be furnished by CONTRACTOR shall include the following conditions by endorsement to the policy:

(1) each policy shall name the OWNER as an additional insured as to all applicable coverage;

(2) each policy shall require that 30 days prior to the cancellation, nonrenewal or any material change in coverage, a notice thereof shall be given to OWNER by certified mail. If the policy is canceled for nonpayment of premium, only 10 days written notice to OWNER is required.

(3) the term "OWNER" shall include all authorities, boards, bureaus, commissions, divisions, departments and offices of the OWNER and individual members, employees and agents thereof in their official capacities and/or while acting on behalf of the OWNER;

(4) the policy phrase "other insurance" shall not apply to the OWNER where the OWNER is an additional insured on the policy; and

(5) all provisions of the contract concerning liability, duty and standard of care together with the indemnification provision, shall be underwritten by contractual

liability coverage sufficient to include such obligations within applicable policies.

(b) Insurance furnished by the CONTRACTOR shall be in accordance with the following requirements:

(1) any policy submitted shall not be subject to limitations, conditions or restrictions deemed inconsistent with the intent of the insurance requirements to be fulfilled by the CONTRACTOR. The OWNER'S decision thereon shall be final;

(2) all policies are to be written through companies duly licensed to transact that class of insurance in the State of Texas; and

(3) all liability policies required herein shall be written with an "occurrence" basis coverage trigger.

(c) CONTRACTOR agrees to the following:

(1) CONTRACTOR hereby waives subrogation rights for loss or damage to the extent same are covered by insurance. Insurers shall have no right of recovery or subrogation against the OWNER, it being the intention that the insurance policies shall protect all parties to the contract and be primary coverage for all losses covered by the policies;

(2) companies issuing the insurance policies and CONTRACTOR shall have no recourse against the OWNER for payment of any premiums or assessments for any deductibles, as all such premiums and deductibles are the sole responsibility and risk of the CONTRACTOR;

(3) approval, disapproval or failure to act by the OWNER regarding any insurance supplied by the CONTRACTOR (or any subcontractors) shall not relieve the CONTRACTOR of full responsibility or liability for damages and accidents as set forth in the contract documents. Neither shall the bankruptcy, insolvency or denial of liability by the insurance company exonerate the CONTRACTOR from liability; and

(4) no special payments shall be made for any insurance that the CONTRACTOR and subcontractors are required to carry; all are included in the contract price and the contract unit prices.

Any of such insurance policies required under this section may be written in combination with any of the others, where legally permitted, but none of the specified limits may be lowered thereby.

**WORKERS' COMPENSATION INSURANCE COVERAGE (AS APPLICABLE, CONSISTENT WITH TEXAS LABOR CODE § 406.096)**

- (a) The Contractor shall certify in writing that they provide workers' compensation insurance coverage for each employee of the Contractor employed on the public project.
- (b) Each Subcontractor on the public project shall provide such a certificate relating to coverage of the Subcontractor's employees to the general Contractor, who shall provide the Subcontractor's certificate to the governmental entity.
- (c) A Contractor who has a contract that requires workers' compensation insurance coverage may provide the coverage through a group plan or other method satisfactory to the governing body of the governmental entity.
- (d) The employment of a maintenance employee by an employer who is not engaging in building or construction as the employer's primary business does not constitute engaging in building or construction.
- (e) In this section:
  - (1) "Building or construction" includes:
    - i. erecting or preparing to erect a structure, including a building, bridge, roadway, public utility facility, or related appurtenance;
    - ii. remodeling, extending, repairing, or demolishing a structure; or
    - iii. otherwise improving real property or an appurtenance to real property through similar activities.
  - (2) "Governmental entity" means this state or a political subdivision of this state. The term includes a municipality.

# CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

## FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

### OFFICE USE ONLY

Date Received

**1** Name of vendor who has a business relationship with local governmental entity.

**2**  Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3** Name of local government officer about whom the information is being disclosed.

\_\_\_\_\_  
Name of Officer

**4** Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes       No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes       No

**5** Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

**6**  Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

**7**

\_\_\_\_\_  
Signature of vendor doing business with the governmental entity

\_\_\_\_\_  
Date

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

- (i) a contract between the local governmental entity and vendor has been executed;
- or
- (ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
- (3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

- (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
- (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

- (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
- (B) that the vendor has given one or more gifts described by Subsection (a); or
- (C) of a family relationship with a local government officer.

"General Decision Number: TX20190026 10/04/2019

Superseded General Decision Number: TX20180036

State: Texas

Construction Type: Heavy

Counties: Johnson, Parker and Tarrant Counties in Texas.

Heavy Construction Projects (Including Water and Sewer Lines)

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.60 for calendar year 2019 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.60 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2019. If this contract is covered by the EO and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must pay workers in that classification at least the wage rate determined through the conformance process set forth in 29 CFR 5.5(a) (1) (ii) (or the EO minimum wage rate, if it is higher than the conformed wage rate). The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Modification Number	Publication Date
0	01/04/2019
1	04/12/2019
2	10/04/2019

\* PLUM0146-002 05/01/2019

	Rates	Fringes
PLUMBER/PIPEFITTER.....	\$ 31.68	9.50

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SUTX1990-041 06/01/1990

	Rates	Fringes
CARPENTER.....	\$ 10.40	\$3.64
Concrete Finisher.....	\$ 9.81	
ELECTRICIAN.....	\$ 13.26	
Form Setter.....	\$ 7.86	
Laborers:		
Common.....	\$ 7.25	
Utility.....	\$ 8.09	
PAINTER.....	\$ 10.89	
Pipelayer.....	\$ 8.43	
Power equipment operators:		
Backhoe.....	\$ 11.89	3.30
Bulldozer.....	\$ 10.76	
Crane.....	\$ 13.16	3.30
Front End Loader.....	\$ 10.54	
Mechanic.....	\$ 10.93	
Scraper.....	\$ 10.00	
Reinforcing Steel Setter.....	\$ 10.64	
TRUCK DRIVER.....	\$ 7.34	

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide

employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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## WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

=====

END OF GENERAL DECISION"



# Council Agenda Background

**PRESENTER:** Kenneth Overstreet, Director of Public Works     **DATE:** 02/25/20

**Council Mission Area:**     Protect the vitality of neighborhoods.

**ITEM:**

Consider a resolution recommending award of a construction contract for the Community Development Block Grant (CDBG), Project No. B-19-UC-48-0001-12-5, to McClendon Construction Company, Inc. for the Bedford Court East Paving Improvements (Brown Trail to Hurst City Limits) in the amount of \$489,349, of which the City of Bedford's obligation is \$323,519.

**City Attorney Review:** N/A

**SUMMARY:**

This item is to request a resolution recommending the award of a construction contract to McClendon Construction Company, Inc. (McClendon) for the 45th Year Community Development Block Grant (CDBG) for the Bedford Court East Paving Improvements (Brown Trail to Hurst City Limits) project.

The CDBG is one of the longest running programs of the U.S. Department of Housing and Urban Development (HUD). The program funds local community development activities with the stated goal of providing affordable housing, anti-poverty programs, and infrastructure development.

**BACKGROUND:**

On January 22, 2019, the City Council held a public hearing and approved a resolution authorizing the City Manager to pursue grant funding from the Tarrant County Community Development Block Grant (CDBG) 45th Year program for roadway improvements on Bedford Court East, from Brown Trail to the Hurst City Limits.

The Bedford Court East Paving Improvements project includes the removal and replacement of the existing asphalt pavement with reinforced concrete. This project also includes the replacement of two accessibility ramps, drive approaches, adjustment of three sanitary sewer manholes to grade, replacement of eight long sewer service lines, and the relocation and adjustment of water meters.

On January 29, 2020, a bid was held at the Tarrant County Community Development office in Fort Worth. Bids were received by three paving contractors, with the lowest bid submitted by McClendon Construction Company, Inc. (McClendon) in the amount of \$489,349. The average bid was \$530,617 and the highest bid was \$580,482. The project engineer, Sanford P. LaHue, Jr., P.E., of Schrickel Rollins and Associates, recommends McClendon to complete the project. References supplied by McClendon have confirmed successful completion of projects similar in size and scope, including two reconstruction projects completed for the City of Bedford. In September 2016, McClendon completed the Gregory Avenue Reconstruction Project under the budgeted amount and also successfully completed the Gold Hawk Lane Paving and Water Improvement Project for the City in 2012.

The project was approved by the Street Improvement Economic Development Corporation (SIEDC) for the Fiscal Year 2019/2020 budget submitted and approved by City Council on September 10, 2019. The approved budget amount for the project is \$245,000 from the SIEDC Budget and \$27,568.67 from the 2013 General Obligation (GO) Bond. The project cost supplied for budget purposes was determined from the opinion of probable construction cost supplied by the project engineer. The

lowest bid submitted was \$50,950.33 over the budgeted amount. The additional amount of \$50,950.33 would be paid from the Tarrant County overlay projects remaining balance of \$260,760.

If the resolution to recommend award of the construction contract for the CDBG project is approved, the City will fund the project for all costs above the HUD allocation of \$165,830. The remaining amount of \$323,519 would come from the SIEDC FY 2019/2020 budget and the 2013 GO Bond.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution recommending award of a construction contract for the Community Development Block Grant (CDBG), Project No. B-19-UC-48-0001-12-5, to McClendon Construction Company, Inc. for the Bedford Court East Paving Improvements (Brown Trail to Hurst City Limits) in the amount of \$489,349, of which the City of Bedford's obligation is \$323,519.

**FISCAL IMPACT:**

CDBG Allowance:	\$165,830.00
SIEDC Budget Amount:	\$295,950.33
2013 GO Bond:	\$ 27,568.67
Project Cost:	<u>\$489,349.00</u>
Balance:	\$ 0.00

**ATTACHMENTS:**

Resolution  
Bid Tabulation  
Map

**RESOLUTION NO. 2020-**

**A RESOLUTION RECOMMENDING AWARD OF A CONSTRUCTION CONTRACT FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), PROJECT NO. B-19-UC-48-0001-12-5, TO MCCLENDON CONSTRUCTION COMPANY, INC. FOR THE BEDFORD COURT EAST PAVING IMPROVEMENTS (BROWN TRAIL TO HURST CITY LIMITS) IN THE AMOUNT OF \$489,349, OF WHICH THE CITY OF BEDFORD'S OBLIGATION IS \$323,519.**

**WHEREAS, the City Council of Bedford, Texas has determined that replacing deteriorating roadways is necessary to protect the vitality of neighborhoods; and,**

**WHEREAS, the City Council of Bedford, Texas recognizes the importance of providing these improvements to be responsive to the needs of the community.**

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

**SECTION 1. That the findings above are found to be true and correct, and are incorporated herein their entirety.**

**SECTION 2. That awarding a construction contract for the Community Development Block Grant (CDBG), Project No. B-19-UC-48-0001-12-5, to McClendon Construction Company, Inc. for the Bedford Court East Paving Improvements (Brown Trail to Hurst City Limit) is recommended by the City of Bedford.**

**SECTION 3. That funding in the amount of \$295,950.33 will come from the Fiscal Year 2019/2020 Street Improvement Economic Development budget, \$27,568.67 from the 2013 General Obligation bonds and \$165,830 from Tarrant County Community Development Block Grant.**

**PRESENTED AND PASSED this 25th day of February 2020, by a vote of \_\_\_ ayes, \_\_\_ nays, and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.**

\_\_\_\_\_  
**Michael Boyter, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michael Wells, City Secretary**

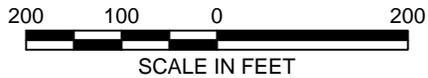
City of Bedford

Bedford Court East Paving Improvements (Brown Trail to Hurst City Limits)  
Tarrant County Community Development Project #B-19-UC-48-0001-12-05

Bid Opening: January 29, 2020 10:30am



Item	Description	Quantity	Unit	MCLENDON CONST.		RELIABLE PAVING, INC.		CAM-CRETE CONT., INC.	
				Unit Price	Total	Unit Price	Total	Unit Price	Total
<b>BASE BID</b>									
1	General site preparation	1	LS	\$ 27,000.00	\$ 27,000.00	\$ 33,000.00	\$ 33,000.00	\$ 54,000.00	\$ 54,000.00
2	Remove existing concrete curb & gutter	1,252	SY	\$ 3.00	\$ 3,756.00	\$ 10.00	\$ 12,520.00	\$ 3.00	\$ 3,756.00
3	Remove exist. conc. valley gutter, driveway and sidewalk	477	SY	\$ 6.00	\$ 2,862.00	\$ 35.00	\$ 16,695.00	\$ 6.00	\$ 2,862.00
4	Remove existing asphalt pavement	3,352	SY	\$ 8.00	\$ 26,816.00	\$ 8.00	\$ 26,816.00	\$ 4.00	\$ 13,408.00
5	Unclassified street excavation	600	CY	\$ 35.00	\$ 21,000.00	\$ 33.00	\$ 19,800.00	\$ 25.00	\$ 15,000.00
6	8" Lime treated subgrade	4,050	SY	\$ 6.00	\$ 24,300.00	\$ 7.00	\$ 28,350.00	\$ 5.40	\$ 21,870.00
7	Hydrated lime @ 36 lbs/sy	73.0	TON	\$ 175.00	\$ 12,775.00	\$ 190.00	\$ 13,870.00	\$ 220.00	\$ 16,060.00
8	6" Concrete residential driveway approach	462	SY	\$ 70.00	\$ 32,340.00	\$ 55.00	\$ 25,410.00	\$ 73.00	\$ 33,726.00
9	Concrete curb with 24" gutter	100	LF	\$ 1.00	\$ 100.00	\$ 30.00	\$ 3,000.00	\$ 50.00	\$ 5,000.00
10	6" concrete pavement (with monolithic 6" curb)	3,680	SY	\$ 60.00	\$ 220,800.00	\$ 62.00	\$ 228,160.00	\$ 75.00	\$ 276,000.00
11	6" HMAc roadway transition (2" Type D on 4" Type B)	100	SY	\$ 60.00	\$ 6,000.00	\$ 55.00	\$ 5,500.00	\$ 65.00	\$ 6,500.00
12	5" Reinforced concrete driveway transition	100	SY	\$ 65.00	\$ 6,500.00	\$ 55.00	\$ 5,500.00	\$ 70.00	\$ 7,000.00
13	Remove & Replace 4" long sewer service	8	EA	\$ 1,700.00	\$ 13,600.00	\$ 2,000.00	\$ 16,000.00	\$ 3,500.00	\$ 28,000.00
14	Adjust water meter location and install new meter box	10	EA	\$ 1,600.00	\$ 16,000.00	\$ 1,900.00	\$ 19,000.00	\$ 1,750.00	\$ 17,500.00
15	4" Concrete sidewalk/leadwalk	20	SY	\$ 70.00	\$ 1,400.00	\$ 80.00	\$ 1,600.00	\$ 75.00	\$ 1,500.00
16	Type 7 curb ramp (PED-18)	2	EA	\$ 1,800.00	\$ 3,600.00	\$ 1,600.00	\$ 3,200.00	\$ 2,300.00	\$ 4,600.00
17	Parkway preparation (including sprinkler system)	1	LS	\$ 18,500.00	\$ 18,500.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
18	Solid sodding	750	SY	\$ 7.00	\$ 5,250.00	\$ 10.00	\$ 7,500.00	\$ 8.00	\$ 6,000.00
19	4" Thick top soil	750	SY	\$ 5.00	\$ 3,750.00	\$ 6.00	\$ 4,500.00	\$ 2.00	\$ 1,500.00
20	Erosion control	1	LS	\$ 3,000.00	\$ 3,000.00	\$ 3,600.00	\$ 3,600.00	\$ 4,000.00	\$ 4,000.00
21	Adjust manhole rim and cone to grade	3	EA	\$ 500.00	\$ 1,500.00	\$ 1,000.00	\$ 3,000.00	\$ 3,400.00	\$ 10,200.00
22	Relocate (Remove & Replace) Existing Fire Hydrant	1	EA	\$ 8,500.00	\$ 8,500.00	\$ 5,000.00	\$ 5,000.00	\$ 12,000.00	\$ 12,000.00
23	Miscellaneous paving allowance	1	LS	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
24	Miscellaneous utility allowance	1	LS	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
	<b>TOTAL BASE BID</b>				<b>\$ 489,349.00</b>		<b>\$ 522,021.00</b>		<b>\$ 580,482.00</b>



**BEDFORD COURT EAST**  
**BROWN TRAIL TO HURST CITY LIMITS**  
**TARRANT COUNTY**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**45th YEAR**

 PROJECT LIMITS





# Council Agenda Background

**PRESENTER:** Kenneth Overstreet, Director of Public Works    **DATE:** 02/25/20

**Council Mission Area:**    Protect the vitality of neighborhoods.

**ITEM:**

Consider a resolution authorizing the Interim City Manager to expend funds and enter into the first amendment to the interlocal agreement with Tarrant County, approved on January 28, 2020, for street improvements to include Harwood Road from Oak Valley Drive to 500 feet west.

**City Attorney Review:** Yes

**SUMMARY:**

This item is to request the first amendment to the Interlocal Agreement with Tarrant County for street improvements to include Harwood Road from Oak Valley Drive to 500 feet west.

In the spring of 2018, Tarrant County Precinct 3 completed an asphalt overlay on Harwood Road between Forest Ridge Drive and Central Drive. In October 2018, a water main break occurred under the roadway approximately 400 feet from the intersection of Oak Valley Drive in the westbound lanes. Repairs were made to the water main and the road, but the road began rippling after the repairs. The rippling continued to develop across the roadway into the eastbound lanes. Staff believes completing a 2" overlay to the surface will correct this issue, allowing better rideability.

**BACKGROUND:**

The City has an interlocal agreement with Tarrant County to complete the overlay on Forest Ridge Drive from SH 121/183 service road to Pipeline Road and Brown Trail from SH 121/183 service road to Bedford Road. The interlocal agreement was approved at the January 28, 2020 City Council meeting and at the February 11, 2020 Tarrant County Commissioners Court meeting.

The Public Works Department contacted Richard Schiller, P.E., Director of Field Operations with Tarrant County Precinct 3, who stated the County can also complete a section of Harwood Road from Oak Valley Drive to 500 feet west with the scheduled projects from the approved interlocal agreement, with the approval of an amendment to the interlocal agreement.

In the spring of 2018, Tarrant County Precinct 3 completed an asphalt overlay on Harwood Road between Forest Ridge Drive and Central Drive. In October 2018, a water main break occurred under the roadway approximately 400 feet from the intersection of Oak Valley Drive in the westbound lanes. Repairs were made to the water main and the road, but the road began rippling after the repairs. The rippling continued to develop across the roadway into the eastbound lanes. Staff believes completing a 2" overlay to the surface will correct this issue, allowing better rideability.

The amendment to the interlocal agreement would allow Tarrant County to repair this section of the road.

As with the interlocal agreement, the City of Bedford will be responsible for the cost of the services described below:

- Hot Mix Asphalt Concrete (HMAC) overlay on Harwood Road from Oak Valley Drive to 500 feet west for a total of 1,375 square yards, with an estimated cost of \$10,829.98 for materials.

If the amendment is approved, the estimated material cost for the overlay for this section of Harwood Road is \$10,829.98. Prior to the overlay, TexOp Construction would also complete a 2” milling to this section of the road, at a cost of \$5,000.

If approved, funding, in the estimated amount of \$10,829.98 for the overlay materials and \$5,000 for the milling, would be paid from the Fiscal Year 2019/2020 Street Improvement Economic Development budgeted amount for milling and asphalt overlay.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the Interim City Manager to expend funds and enter into the first amendment to the interlocal agreement with Tarrant County, approved on January 28, 2020, for street improvements to include Harwood Road from Oak Valley Drive to 500 feet west.

**FISCAL IMPACT:**

SIEDC Overlay Remaining	
Budget:	\$260,760.97
Estimated Amount:	<u>\$ 10,829.98</u>
Remaining Budget Balance:	\$249,930.99

SIEDC Milling Remaining	
Budget:	\$ 68,684.64
Estimated Amount:	<u>\$ 5,000.00</u>
Remaining Budget Balance:	\$ 63,684.64

**ATTACHMENTS:**

Resolution  
First Amendment to Interlocal Agreement

RESOLUTION NO. 2020-

A RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER TO EXPEND FUNDS AND ENTER INTO THE FIRST AMENDMENT TO THE INTERLOCAL AGREEMENT WITH TARRANT COUNTY, APPROVED ON JANUARY 28, 2020, FOR STREET IMPROVEMENTS TO INCLUDE HARWOOD ROAD FROM OAK VALLEY DRIVE TO 500 FEET WEST.

WHEREAS, each governing body, in performing governmental functions or in paying for performance of governmental functions hereunder, shall make that performance or those payments from current revenues legally available to that party; and,

WHEREAS, the City Council of Bedford, Texas has determined that a first amendment to the interlocal agreement between the City of Bedford and Tarrant County for street improvements on Harwood Road from Oak Valley Drive to 500 feet west is necessary to provide a safe and friendly community environment; and,

WHEREAS, the City Council of Bedford, Texas recognizes the importance of providing these improvements to protect the vitality of neighborhoods.

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

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the Interim City Manager is authorized to enter into the first amendment to the Interlocal Agreement with Tarrant County, approved on January 28, 2020, for street improvements to include Harwood Road from Oak Valley Drive to 500 feet west.

SECTION 3. That funding will come from the Fiscal Year 2019/2020 Street Improvement Economic Development Corporation budget.

PRESENTED AND PASSED this 25th day of February, 2020 by a vote of \_\_\_ ayes, \_\_\_ nays, and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

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Michael Boyter, Mayor

ATTEST:

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Michael Wells, City Secretary

**THE STATE OF TEXAS**

**FIRST AMENDMENT TO  
INTERLOCAL AGREEMENT**

**COUNTY OF TARRANT**

WHEREAS on February 11, 2020, the Commission's Court approved through Court Order No. 132158, Tarrant County, Texas ("COUNTY") and the City of Bedford ("CITY") entered into an Interlocal Agreement ("ILA") for the COUNTY's assistance to:

- Resurface Forest Ridge Drive located within the City of Bedford from SH 121/183 to Pipeline Road (Approximately 5,706 linear feet).
- Resurface Brown Trail located within the City of Bedford from SH 121/183 to Bedford Road (Approximately 1,720 linear feet).

Collectively, hereinafter referred to as the "**Project**".

NOW, THEREFORE, the COUNTY and the CITY desire to amend the Agreement to add an additional PROJECT location:

- Resurface Harwood Road located within the City of Bedford from Oak Valley Drive to 500 feet West. (Approximately 500 linear feet).

AND, WHEREAS, the COUNTY's Responsibilities will be amended to include:

- Harwood Road: Following any pavement repairs and removal of the existing hot mix asphaltic surface by the CITY, the COUNTY will place two inches of asphalt surface and clean the project jobsite.

All other conditions and requirements of the ILA remain the same.

**TARRANT COUNTY, TEXAS**

**CITY OF BEDFORD**

\_\_\_\_\_  
B. Glen Whitley  
County Judge

\_\_\_\_\_  
Clifford Blackwell  
Interim City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Gary Fickes  
Commissioner, Precinct 3

\_\_\_\_\_  
Kenneth Overstreet  
Director of Public Works

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

\_\_\_\_\_

APPROVED AS TO FORM\*

APPROVED AS TO FORM AND LEGALITY

\_\_\_\_\_  
Criminal District Attorney's Office\*

\_\_\_\_\_  
City Attorney

\* By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document as to form from our client's legal perspective. Other parties may not rely on this approval. Instead those parties should seek contract review from independent counsel.



# Council Agenda Background

**PRESENTER:** Kenneth Overstreet, Director of Public Works    **DATE:** 02/25/20

**Council Mission Area:**    Be responsive to the needs of the community.

**ITEM:**

Consider a resolution authorizing the Interim City Manager to enter into an interlocal agreement with Tarrant County for the reimbursement, up to \$100,000, of the City of Bedford's costs for the roadway improvements on Cheek-Sparger Road at Woodpark Lane/Heritage Avenue.

**City Attorney Review:** Yes

**SUMMARY:**

A letter was received from Gary Fickes, Tarrant County Commissioner, Precinct 3, offering to aid the City of Bedford with matching funds up to a maximum of \$100,000 for the roadway improvements on Cheek-Sparger Road at Woodpark Lane/Heritage Avenue. An interlocal agreement between the City of Bedford and Tarrant County is required to accept this assistance.

**BACKGROUND:**

On February 26, 2019, the City Council authorized the City Manager to enter into an interlocal agreement between the City of Bedford, the City of Euless, the City of Colleyville and Tarrant County, Texas for the design and construction of a traffic signal at the intersection of Woodpark Lane/Heritage Avenue and Cheek-Sparger Road.

The City of Euless contracted with Kimley-Horn and Associates, Inc. to complete the traffic signal design. One of the steps in the design process was the completion of a traffic study. The traffic study showed that the proposed improvements to the intersection would cause a backup in the eastbound lanes with the amount of traffic turning northbound onto Heritage Avenue. The cities of Euless and Bedford entered into an additional interlocal agreement for roadway improvements to address traffic congestion once the traffic signal is installed.

The City of Euless opened bids for the project on November 26, 2019. The roadway improvements bid was higher than the engineer's opinion of probable construction cost (OPCC). The OPCC for the roadway improvements was \$142,000, but the lowest bid received was \$259,178.20.

Mayor Boyter received a letter, dated January 24, 2020, from Gary Fickes, Tarrant County Commissioner, Precinct 3 offering matching funds, up to a maximum of \$100,000, to help cover the actual cost of the roadway improvements. An approved interlocal agreement would be required to ratify the assistance.

Staff recommends approval of an interlocal agreement with Tarrant County for the reimbursement, up to \$100,000, of the City of Bedford's costs for eligible expenses for the roadway improvements on Cheek-Sparger Road at Woodpark Lane/Heritage Avenue.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the Interim City Manager to enter into an interlocal agreement with Tarrant County for reimbursement, up to \$100,000, of the City of Bedford's costs for the roadway improvements on Cheek-Sparger Road at Woodpark Lane/Heritage Avenue.

**FISCAL IMPACT:**

N/A

**ATTACHMENTS:**

Resolution  
Tarrant County Interlocal Agreement  
Letter from Tarrant County Commissioner

**RESOLUTION NO. 2020-**

**A RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT WITH TARRANT COUNTY FOR REIMBURSEMENT, UP TO \$100,000, OF THE CITY OF BEDFORD'S COSTS FOR THE ROADWAY IMPROVEMENTS ON CHEEK-SPARGER ROAD AT WOODPARK LANE / HERITAGE AVENUE.**

**WHEREAS, the City Council of Bedford, Texas has determined that the roadway improvements are necessary to relieve traffic congestion after the installation of the signal light; and,**

**WHEREAS, the City Council of Bedford, Texas recognizes the importance of providing the improvement to the roadway to be responsive to the needs of the community.**

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

**SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**

**SECTION 2. That the City Council hereby authorizes the Interim City Manager to expend funds and enter into an interlocal agreement between the City of Bedford and Tarrant County for reimbursement, up to \$100,000, of the City of Bedford's costs for the roadway improvements on Cheek-Sparger Road at Woodpark Lane/Heritage Avenue.**

**PRESENTED AND PASSED this 25th day of February 2020, by a vote of \_\_ ayes, \_\_ nays and \_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.**

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**Michael Boyter, Mayor**

**ATTEST:**

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**Michael Wells, City Secretary**

**STATE OF TEXAS           §**  
**§       Interlocal Agreement**  
**COUNTY OF TARRANT §**

This agreement is entered into between Tarrant County, Texas, hereinafter referred to as COUNTY, and City of Bedford, hereinafter referred to as CITY, and collectively referred to as the parties, for the purpose of funding a needed transportation project within the boundaries of both parties which the Commissioners Court and the governing body of the CITY find serves a public purpose and the public welfare of the citizens of Tarrant County.

The COUNTY and the CITY make the following findings of fact:

1. This agreement is made pursuant to Chapter 791 of the Texas Government Code;
4. To the extent necessary the parties will use current revenues to pay obligations in this agreement;
5. The project benefits the public in that it is a needed transportation project;
6. The COUNTY and the CITY each has the legal authority to perform its obligations in this agreement; and
7. The division of costs provided in this agreement constitute adequate consideration to each party.
8. Both parties acknowledge they are each a "governmental entity" and not a "business entity" as those terms are defined in Tex. Gov't. Code sect. 2252.908, and therefore, no disclosure of interested parties is required.

**I.**  
**PROJECT DESCRIPTION**

This Project will construct turn lanes at the intersection of Heritage Avenue and Cheek Sparger Road.

**II.**  
**SCOPE OF SERVICES PROVIDED BY CITY**

The services to be provided by the CITY shall include, but are not limited to, the following:

- A. All as-built total Project costs including all construction cost, right of way acquisition, planning, engineering, surveying and governmental approval cost (collectively referred to as "Costs");
- B. Construction agreement administration, site review, permitting and inspection;
- C. Interagency cooperation;
- D. A monthly progress report documenting the percent complete for each major component of the Project shall be provided to the COUNTY;
- E. CITY will notify the COUNTY on completion of the Project.
- F. CITY will include the following language on all on-site public notice signage:

"This project is funded by the City of Bedford and the Tarrant County Commissioners Court through the 2006 Tarrant County Bond Program"

### **III.** **TERM**

This agreement will conclude on September 30, 2021 unless terminated sooner per Section XI of this agreement or upon completion of the Project as determined by the County.

### **IV.** **COST**

COUNTY agrees to reimburse CITY up to \$100,000.00 of its Costs for eligible construction expenses. Attachment A incorporated into this agreement by reference sets forth the funding schedule for this reimbursement. However, in the event that the schedule is delayed, the COUNTY is excused from paying until the successful completion of the scheduled phase of the project as reasonably determined by the COUNTY. The CITY will provide certification signed by the CFO or authorized official that the work has been completed and that the funds being requested have been expended.

CITY understands that CITY will be responsible for any other expenses incurred by CITY in performing the services under this agreement.

### **V.** **AGENCY-INDEPENDENT CONTRACTOR**

Neither COUNTY nor any employee thereof is an agent of CITY and neither CITY nor any employee thereof is an agent of COUNTY. This agreement does not and shall not be construed to entitle either party or any of their respective employees, if applicable, to any benefit, privilege or other amenities of employment by the other party.

CITY agrees that the COUNTY will have no right to control the manner or means of construction of the project.

**VI.**  
**ASSIGNMENT**

Neither party may assign, in whole nor in part, any interest it may have in this agreement without the prior written consent of the other party.

**VII.**  
**THIRD PARTY BENEFICIARY EXCLUDED**

No person other than a party to this agreement may bring a cause of action pursuant to this agreement as a third party beneficiary. This agreement may not be interpreted to waive the sovereign immunity of any party to this agreement to the extent such party may have immunity under Texas law.

**VIII.**  
**AUDIT OF RECORDS**

CITY's records regarding this project shall be subject to audit by the COUNTY during the term of this agreement and for two years after the completion of the project.

**IX.**  
**ENTIRE AGREEMENT**

This agreement represents the entire understanding of and between the parties and superseded all prior representations. This agreement may not be varied orally, but must be amended by written document of subsequent date duly executed by these parties. This agreement shall be governed by the laws of the State of Texas and venue for any action under this agreement shall be in the district courts of Tarrant County, Texas.

**X.**  
**SCHEDULING**

CITY agrees that the COUNTY retains control over the COUNTY funding disbursement schedule identified in Attachment A. COUNTY agrees to notify CITY of any changes to the funding disbursement schedule 30 days in advance. Such notification will be in the form of written correspondence delivered by regular mail.

**XI.**  
**TERMINATION**

Until funded by the COUNTY as described in Paragraph IV this agreement may be terminated by either party by providing written notice to the other party at least thirty (30) days prior to the intended date of termination. Any notice or other writing required by this agreement, shall be deemed given when personally delivered or mailed by certified or registered United States mail, return-receipt, postage prepaid, addressed as follows:

COUNTY:  
County Administrator  
Tarrant County  
100 E Weatherford St  
Fort Worth, Texas 76196

CITY:  
City Manager  
City of Bedford  
2000 Forest Ridge Drive  
Bedford, Texas 76021

**APPROVED** on this day the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by  
Tarrant County.

Commissioners Court Order No. \_\_\_\_\_.

**TARRANT COUNTY**  
**STATE OF TEXAS**

**CITY**

\_\_\_\_\_  
County Judge

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Commissioner – Precinct 3

*CERTIFICATION OF AVAILABLE FUNDS IN THE AMOUNT OF*

*\$\_\_\_\_\_:*

\_\_\_\_\_  
Auditor's Office

***APPROVED AS TO FORM:***

\_\_\_\_\_  
Criminal District Attorney's Office\*

***APPROVED AS TO FORM AND  
CONTENT:***

\_\_\_\_\_  
City Attorney

\*By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document as to form from our client's legal perspective. Other parties may not rely on this approval. Instead those parties should seek contract review from independent counsel.

**ATTACHMENT A**

**Project Information**

City: City of Bedford  
 Project Name: Construction of turn lanes at Heritage and Cheek Sparger

**Proposed Project Schedule**

	Start Date	Duration (mo)	End Date *
Design:	-	-	-
ROW Acquisition:	-	-	-
Utility Relocation:	-	-	-
Construction:	Mar-2020	3	Jun-2020

\* COUNTY payments by completed phase are contingent upon the COUNTY'S reasonable determination that the work regarding the Project phase for which payment is expected is successfully completed, as determined by the COUNTY.

Once Construction commences, COUNTY payment shall be made by fiscal quarter prorated over the life of the construction but contingent upon reasonable progress in construction as may be determined by the COUNTY.

**Proposed County Payment by Phase**

Design:	\$
ROW Acquisition:	\$
Utility Relocation:	\$
Construction:	\$100,000.00
County Funding	
Total:	\$100,000.00

**Proposed County Payment by Calendar Quarter (SUBJECT TO CHANGE)**

	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
2016	\$	\$	\$	\$
2017	\$	\$	\$	\$
2018	\$	\$	\$	\$
2019	\$	\$	\$	\$
2020	\$	\$100,000	\$	\$
2021	\$	\$	\$	\$
2022	\$	\$	\$	\$
2023	\$	\$	\$	\$
2024	\$	\$	\$	\$
2025	\$	\$	\$	\$



## TARRANT COUNTY

**GARY FICKES**

COUNTY COMMISSIONER  
PRECINCT NO. 3

Northeast Sub-Courthouse  
645 Grapevine Hwy., Suite 200  
Hurst, TX 76054  
(817) 581-3600  
(817) 581-3603 - Fax

Southlake Town Hall  
1400 Main Street, Suite 410  
Southlake, TX 76092  
(817) 481-8234  
(817) 481-8053 - Fax

January 24, 2020

Mayor Michael Boyter  
City of Bedford  
2000 Forest Ridge Drive  
Bedford, Texas 76021

RE: Cheek Sparger at Heritage Trace Signalization Project

Dear Mayor Boyter:

Tarrant County has reviewed the bid tabulations for the Cheek Sparger at Heritage Trace signalization project and agrees with the award of the project to Bean Electrical, Inc. Tarrant County and the cities of Bedford, Euless, and Colleyville previously entered into an Interlocal Agreement last March to share the cost of the design and the construction of the signal portion of the project. It was also understood and later ratified by Interlocal Agreement between Euless and Bedford that the City of Bedford would be solely responsible for the cost of the roadway improvements, which must be constructed concurrently as part of the signalization project.

The preliminary cost for the roadway improvement portion of the project was estimated to be approximately \$142,000. However, the bid for the roadway items totaled \$259,178.20. Tarrant County is offering to aid the City of Bedford with matching funds up to a maximum of \$100,000 to help cover the actual cost of the roadway improvements for this project, pending approval of an Interlocal Agreement to ratify the assistance.

If this is acceptable to the City of Bedford, please contact my office, and we will initiate the Interlocal Agreement.

Sincerely,

Gary Fickes  
Tarrant County Commissioner, Precinct 3

Cc: Kenneth Overstreet, Director of Public Works