HEWITT TEXAS

CITY COUNCIL REGULAR MEETING

October 18, 2021 at 7:00 PM

Hewitt Public Safety Facility – Training Room, 100 Patriot Court, Hewitt, TX 76643

AGENDA

Steve Fortenberry, Mayor, Ward 3
Michael S. Bancale, Mayor Pro Tem, At-Large – **Charlie Turner**, Council Member, Ward 1
Wilbert Wachtendorf, Council Member, Ward 1 – **Bill Fuller**, Council Member, Ward 2
Bob Potter, Council Member, Ward 2 – **Erica Bruce**, Council Member, Ward 3

The meeting is streamed live on the city's website: https://www.cityofhewitt.com/790/Hewitt-TX-TV.

DECLARATION OF A QUORUM AND CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

The City Council invites citizens to speak on any topic not already scheduled for a public hearing. The Texas Open Meetings Act prohibits the Council from discussing, responding, or acting on any comments or items that have not been properly posted on the agenda. [**Note:** Prior to the meeting, the citizen must complete a "Public Comment Form" and present it to the City Secretary.]

REGULAR AGENDA

1. Approval of Minutes of the Regular Meeting – October 4, 2021.

2. Presentation of the report from City Engineer
   - Update on pending utility projects.
   - Update on pending street projects.
   - Update on pending drainage projects.

3. Briefing and discussion concerning Financial Statements ending September 30, 2021.

4. Discussion and action on approval of Quarterly Investment Report for the quarter ending September 30, 2021.

5. Discussion and action on **Resolution No. 2021-09** approving financing terms with Branch Bank & Trust Company, now Truist Bank.

6. Discussion and action concerning Coronavirus (COVID-19) measures, protocols, and mitigation efforts.

EXECUTIVE SESSION

The City Council will convene into executive session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained therein:

7. A closed meeting will be held pursuant to *Section 551.071 of the Government Code (V.C.T.A.)* so that the City Council can seek and receive legal advice and counsel from its attorneys regarding pending or threatened litigation, settlement offers, resolution of claims, or other matters for which the attorneys' duties to their client under the Texas State Bar Disciplinary Rules of Professional Conduct conflicts with the Open Meetings Act.

ADJOURNMENT

I certify that the above notice of meeting was posted on the Public Notice Board located in front of Hewitt City Hall on October 13, 2021, by 5:00 PM.

CITY OF HEWITT

Lydia Lopez

Lydia Lopez, TRMC/CMC
City Secretary

In compliance with the American with Disabilities Act, the City of Hewitt will provide reasonable accommodations for persons attending and/or participating in City Council meetings. The facility is wheelchair accessible, with handicap parking available at the front of the building. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting by calling the City Secretary at 254.296.5602 or by fax at 254.666.6014.

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: October 18, 2021

AGENDA ITEM #: 1

SUBMITTED BY: Lydia Lopez, City Secretary

ITEM DESCRIPTION:

Approval of minutes of the Regular Meeting of October 4, 2021.

STAFF RECOMMENDATION/ITEM SUMMARY:

Attached is a draft copy of the meeting minutes. Please review and advise if any corrections are needed.

FISCAL IMPACT:

Amount Budgeted – N/A
Line Item in Budget – N/A

SUGGESTED MOTION:

I move approval of the minutes as presented but to allow for corrections.

ATTACHMENTS:

Draft minutes

HEWITT TEXAS

MINUTES OF A CITY COUNCIL
REGULAR MEETING
HEWITT CITY HALL – 200 PATRIOT COURT
October 4, 2021 – 7:00 PM

Attendee Name	Title	Absent	Present	Arrived
Steve Fortenberry (presiding)	Mayor, Ward 3	☐	☒	
Michael S. Bancale	Mayor Pro Tem, At-Large	☐	☒	
Bill Fuller	Council Member, Ward 2	☐	☒	
Bob Potter	Council Member, Ward 2	☐	☒	
Wilbert "Walky" Wachtendorf	Council Member, Ward 1	☒	☐	
Charles D. Turner	Council Member, Ward 1	☐	☒	
Erica Bruce	Council Member, Ward 3	☐	☒	

Staff present:
City Manager Bo Thomas
City Attorney Michael W. Dixon
City Engineer Miles Whitney
Assistant Police Chief Tuck Saunders
Fire Chief Lance Bracco
General Services Director Scott Coleman
Utilities Director Kevin Reinke
HR Manager/Civil Service Director Jessica Higgins
Library Director Waynette Ditto

Note: The meeting was open to the public and live-streamed for view on the city's website at https://www.cityofhewitt.com/790/Hewitt-TX-TV. Citizens had the opportunity to speak in person or submit written comments to the City Secretary.

REGULAR MEETING – 7:00 PM

CALL MEETING TO ORDER.

Mayor Steve Fortenberry called the Regular Meeting to order at 7:00 PM and noted all Council Members were in attendance, except for Council Member Wilbert "Walky" Wachtendorf.

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG.

Mayor Steve Fortenberry led the Pledge of Allegiance.

PUBLIC COMMENTS. The City Council invites citizens to speak to the Council on any topic not already scheduled for a public hearing. The Texas Open Meetings Act prohibits the Council from discussing, responding to, or acting on any comments or items not posted on the agenda. **NOTE:** Citizens had the opportunity to submit written comments on items listed on the agenda or any topic. Mayor Steve Fortenberry inquired if anyone had requested to address the Council. City Manager Bo Thomas noted no one submitted any public comment forms. No one appeared.

REGULAR AGENDA

1. **CONSIDER APPROVAL OF MINUTES OF THE REGULAR MEETING OF SEPTEMBER 20, 2021.**
   MOTION: Council Member Charlie Turner moved approval of the meeting minutes as presented but to allow for corrections.
   SECOND: Council Member Bob Potter
   AYES: Fuller, Potter, Bruce, Turner, Bancale, and Fortenberry
   NAYES: None
   ABSENT: Wachtendorf
   MOTION PASSED.

2. **AUTHORIZE THE CITY MANAGER TO PURCHASE ONE E60 R2-SERIES BOBCAT EXCAVATOR FROM CLARK EQUIPMENT CO., DBA BOBCAT COMPANY, IN THE AMOUNT OF $75,375.82.** City Manager Bo Thomas presented.
   MOTION: Council Member Charlie Turner moved to authorize the City Manager to purchase one E60 R2-Series Bobcat Excavator from Clark Equipment Co., in the amount of $75,375.82.
   SECOND: Council Member Erica Bruce
   AYES: Fuller, Potter, Bruce, Turner, Bancale, and Fortenberry
   NAYES: None
   ABSENT: Wachtendorf
   MOTION PASSED.

3. **AUTHORIZE THE PURCHASE OF THREE (3) 2022 CHEVROLET TAHOE POLICE PATROL VEHICLES FOR THE POLICE DEPARTMENT VIA SIDDONS-MARTIN EMERGENCY GROUP FOR $226,552.** City Manager Bo Thomas presented.
   MOTION: Council Member Charlie Turner moved to authorize the purchase of three (3) 2022 Chevrolet Tahoe Police Patrol vehicles via Siddons-Martin Emergency Group for $226,522. **AMENDED MOTION:** Council Member Turner amended the motion to clarify that amount to be approved was $226,552.
   SECOND: Council Member Bill Fuller
   AYES: Fuller, Potter, Bruce, Turner, Bancale, and Fortenberry
   NAYES: None
   ABSENT: Wachtendorf
   MOTION PASSED.

4. **DISCUSSION AND ACTION ON RESOLUTION NO. 2021-07 AUTHORIZING THE RENEWAL OF AN EXISTING INTERLOCAL AGREEMENT WITH THE CITY OF WACO FOR REGIONAL TOURISM MARKETING THROUGH THE WACO CONVENTION & VISITORS BUREAU'S REGIONAL MARKETING PROGRAM AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT.** City Manager Bo Thomas presented.
MOTION: Council Member Charlie Turner moved to approve **Resolution No. 2021-07**, authorizing the renewal of the Interlocal Agreement with the City of Waco to continue marketing Hewitt in the Regional Marketing Program.
SECOND: Council Member Erica Bruce
AYES: Fuller, Potter, Bruce, Turner, Bancale, and Fortenberry
NAYES: None
ABSENT: Wachtendorf
MOTION PASSED.

5. **DISCUSSION AND ACTION ON RESOLUTION NO. 2021-08 SUBMITTING CANDIDATE NOMINATION FOR THE MCLENNAN COUNTY APPRAISAL DISTRICT (MCAD) BOARD OF DIRECTORS FOR THE YEARS 2022-2023.** City Manager Bo Thomas presented.
MOTION: Council Member Charlie Turner moved to approve **Resolution No. 2021-08,** submitting candidate nominee Mayor Pro Tem Michael S. Bancale for the McLennan County Appraisal District (MCAD) Board of Directors.
SECOND: Council Member Bob Potter
AYES: Fuller, Potter, Bruce, Turner, Bancale, and Fortenberry
NAYES: None
ABSENT: Wachtendorf
MOTION PASSED.

6. **DISCUSSION AND ACTION CONCERNING MOVING THE LOCATION OF THE SCHEDULED COUNCIL MEETINGS OF OCTOBER 18, 2021, AND NOVEMBER 1, 2021.** City Manager Bo Thomas presented.
MOTION: Council Member Charlie Turner moved to approve the location change for the October 18, 2021 Regular meeting and November 1, 2021 Regular meeting to the Hewitt Public Safety Facility - Training Room, 100 Patriot Court.
SECOND: Council Member Erica Bruce
AYES: Fuller, Potter, Bruce, Turner, Bancale, and Fortenberry
NAYES: None
ABSENT: Wachtendorf
MOTION PASSED.

7. **DISCUSSION AND POSSIBLE ACTION CONCERNING CORONAVIRUS (COVID-19) MEASURES, PROTOCOLS, AND MITIGATION EFFORTS.** City Manager Bo Thomas stated there was nothing new to report. A general discussion was held about vaccination clinic in the City and the number of employees vaccinated.

ADJOURNMENT.

MOTION: Council Member Charlie Turner moved to adjourn the meeting at 7:29 PM.
SECOND: Council Member Bill Fuller
AYES: Fuller, Potter, Bruce, Turner, Wachtendorf, Bancale, and Fortenberry
NAYES: None
ABSENT: None
MOTION PASSED.

Approved: ___________________

ATTEST:

_________________________ Lydia Lopez, City Secretary

_________________________ Steve Fortenberry, Mayor

HEWITT
TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: October 18, 2021

AGENDA ITEM #: 2

SUBMITTED BY: Miles Whitney, P.E.

ITEM DESCRIPTION:

Presentation of the report from City Engineer Miles Whitney, P.E.

- Update on pending utility projects.
- Update on pending street projects.
- Update on pending drainage projects.

STAFF RECOMMENDATION/ITEM SUMMARY:

The City Engineer will present and respond to any questions regarding the Engineer's Report.

FISCAL IMPACT:

Amount Budgeted – N/A
Line Item in Budget – N/A

SUGGESTED MOTION:

No action is required.

ATTACHMENTS:

Report

HEWITT
TEXAS

CITY ENGINEER'S REPORT
October 12, 2021

Utility Projects

FM 2113; Spring Valley Rd.

Contractor is completing damaged concrete rip rap areas, items are scheduled to be completed Friday, October 15th.

Regarding the agreement, I have resent revised documents to TxDOT for their review, if approved I will present this agreement to Council at an upcoming meeting.

Street/Transportation Projects

E. Warren Street Improvements

City's design is completed. ATMOS has indicated to the City that intend to have their relocation completed by mid-November.

Ritchie Rd. Street Improvements

The remining items on this project are smoothing, resealing of joints, and then roadway striping. We are discussing the closeout procedures for this project and working to establish a timeline.

Drainage Projects

N/A

By:

STATE OF TEXAS
MILES W. WHITNEY
116154
LICENSED
PROFESSIONAL ENGINEER

Miles W. Whitney, P.E.

Note: All dates are approximate and subject to change.

HEWITT
TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: October 18, 2021

AGENDA ITEM #: 3

SUBMITTED BY: Lee Garcia, Finance Director

ITEM DESCRIPTION:

Briefing and discussion concerning Financial Statements ending September 30, 2021.

STAFF RECOMMENDATION/ITEM SUMMARY:

The financial statements ending September 30, 2021, were sent electronically on October 11, 2021. This is an opportunity for the council to ask any questions or make comments.

FISCAL IMPACT:

Amount Budgeted – N/A
Line Item in Budget – N/A

SUGGESTED MOTION:

No action is required.

ATTACHMENTS:

None

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: October 18, 2021

AGENDA ITEM #: 4

SUBMITTED BY: Lee Garcia, Finance Director

ITEM DESCRIPTION:

Discussion and action on approval of Quarterly Investment Report for the quarter ending September 30, 2021.

STAFF RECOMMENDATION/ITEM SUMMARY:

The City's Investment Policy, Section XI. Reporting (PFIA 2256-023) requires the preparation of a quarterly report for the City Council. Please see the following Investment Report for the Quarter ending September 30, 2021.

FISCAL IMPACT:

Amount Budgeted – n/a
Line Item in Budget – n/a

SUGGESTED MOTION:

"I move approval of the Quarterly Investment Report as of September 30, 2021."

ATTACHMENTS:

Quarterly Investment Report

City of Hewitt

QUARTERLY INVESTMENT REPORT

For the Quarter Ended

September 30, 2021

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the City of Hewitt is in compliance with the Public Funds Investment Act and the Investment Policy and its incorporated strategies.

City Manager

Finance Director

Accountant

Disclaimer: These reports were compiled using information provided by the City. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

City of Hewitt, Texas
Annual Comparison of Portfolio Performance

FYE Results by Investment Category:

	September 30, 2020			September 30, 2021		
Asset Type	**Ave. Yield**	**Book Value**	**Market Value**	**Ave. Yield**	**Book Value**	**Market Value**
Pools/Bank/TCB	0.41%	$ 13,851,846	$ 13,851,846	0.45%	$ 17,300,699	$ 17,300,699
Securities/CDs	1.83%	3,705,734	3,705,734	0.25%	1,763,861	1,763,861
Totals		**$ 17,557,580**	**$ 17,557,580**		**$ 19,064,560**	**$ 19,064,560**
Fourth Quarter-End Yield	**0.71%**			**0.44%**		

Average Quarter-End Yields - Fiscal Year *(1)*:

	September 30, 2020	September 30, 2021
Hewitt	1.40%	0.62%
Rolling Three Month Treasury	0.76%	0.06%
Rolling Six Month Treasury	0.93%	0.08%
TexPool	0.75%	0.04%
Fiscal YTD Interest Earnings	$ 285,163	$ 127,032

(1) Average Quarterly Yield calculated using quarter-end report average yield and adjusted book value.

Summary

Quarter End Results by Investment Category:

Asset Type	June 30, 2021 Book Value	June 30, 2021 Market Value	September 30, 2021 Book Value	September 30, 2021 Market Value	Ave. Yield
Pools/DDA/MMA	$ 14,234,330	$ 14,234,330	$ 17,300,699	$ 17,300,699	0.45%
Securities/CDs	3,754,326	3,754,326	1,763,861	1,763,861	0.25%
Totals	**$ 17,988,656**	**$ 17,988,656**	**$ 19,064,560**	**$ 19,064,560**	0.44%

Current Quarter Average Yield *(1)*	
Total Portfolio	0.44%
Rolling Three Month Treasury	0.05%
Rolling Six Month Treasury	0.05%
TexPool	0.03%

Fiscal Year-to-Date Average Yield *(2)*	
Total Portfolio	0.62%
Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.08%
TexPool	0.04%

Interest Earnings	
Quarterly Interest Income	$ 23,570
Fiscal Year-to-date Interest Income	$ 127,032

(1) **Current Quarter Average Yield** - calculated using quarter end report yields and adjusted book values; does not reflect a total return analysis, realized or unrealized gains/losses, or account for advisory fees. The yield for the reporting month is used for bank, pool, and money market balances.

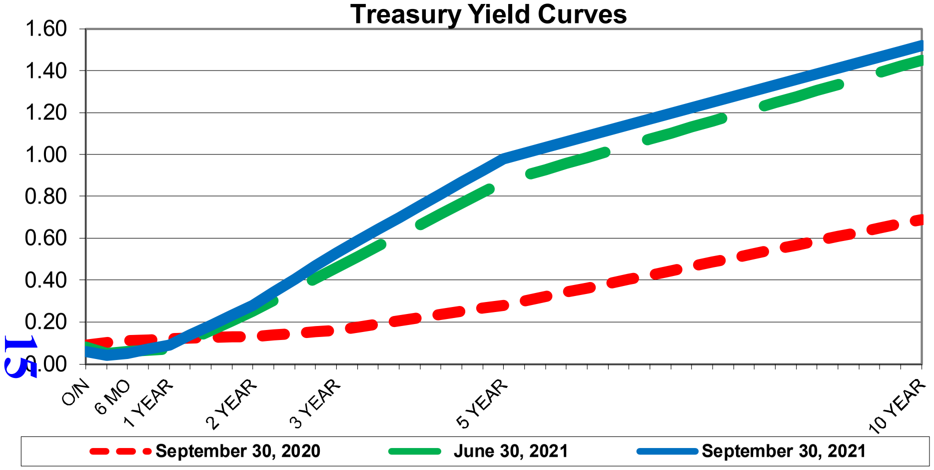
(2) **Fiscal Year-to-Date Average Yields -** calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Overview

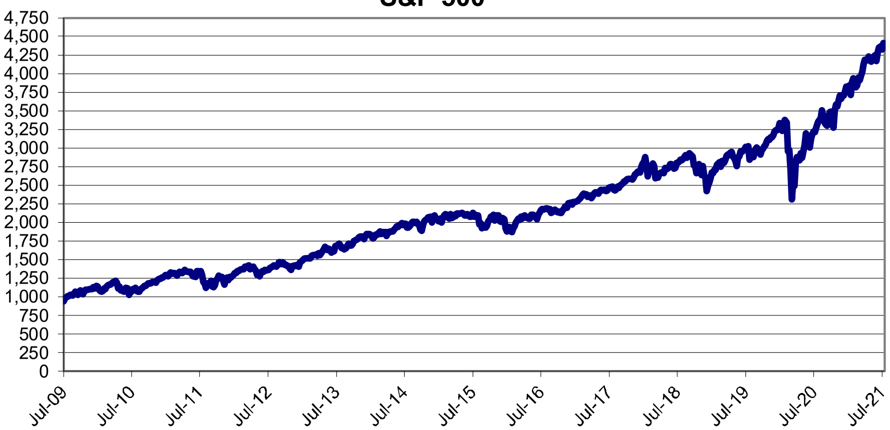
9/30/2021

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading <0.10%), and projects that reduced rates could remain into 2023. Monthly government security purchases may begin tapering as early as Nov 2021. Second Quarter GDP posted +6.7% (Final). Employment recovery/growth has moderated, but job openings remain high. August Non-Farm Payroll only added 194k net new jobs. Crude oil bounced up to +/-$77 per barrel, with fuel shortages in England and other countries. The Stock Markets reached new highs, but have retrenched slightly. Housing, Industrial Production, Durable Goods, Consumer Spending, and other indicators remain positive but constrained. The Biden administration and Congress continue to negotiate infrastructure, fiscal and debt limit packages. Inflation remained over the FOMC 2+% target and may not be as temporary as initially projected. The Yield Curve rose slightly from two years to ten years.

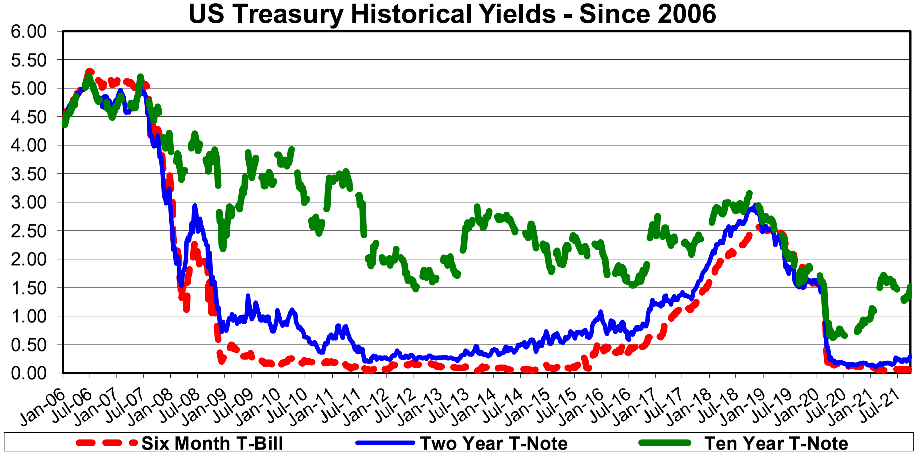
Treasury Yield Curves



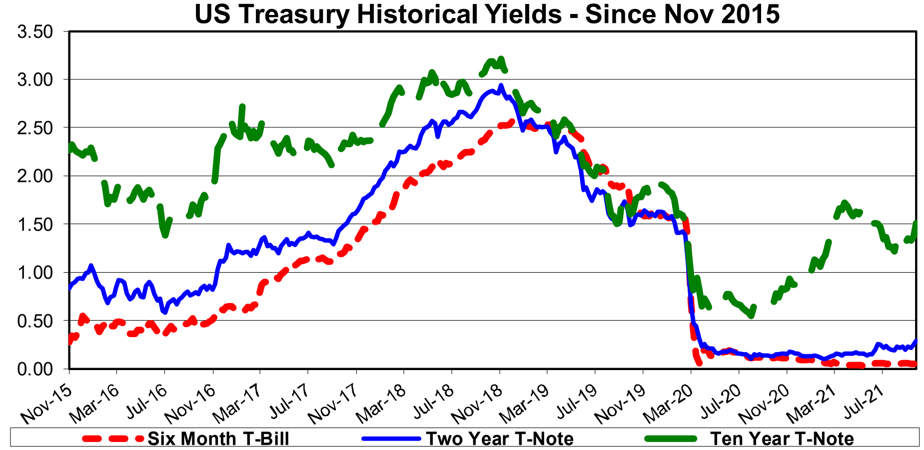
S&P 500



US Treasury Historical Yields - Since 2006



US Treasury Historical Yields - Since Nov 2015



Investment Holdings
September 30, 2021

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Cash on Hand		0.00%	10/01/21	09/30/21	$ 2,000	$ 2,000	1.00	$ 2,000	1	0.00%
Independent Bank - MMA		0.55%	10/01/21	09/30/21	13,794,778	13,794,778	1.00	13,794,778	1	0.55%
Southside Bank - MMA		0.08%	10/01/21	09/30/21	3,230,933	3,230,933	1.00	3,230,933	1	0.08%
TexPool	AAAm	0.03%	10/01/21	09/30/21	272,988	272,988	1.00	272,988	1	0.03%
Alliance Bank CD		0.25%	4/15/2022	04/15/21	937,427	937,427	100.00	937,427	197	0.25%
Alliance Bank CD		0.25%	4/19/2022	04/19/21	826,434	826,434	100.00	826,434	201	0.25%
Total					**$ 19,064,560**	**$ 19,064,560**		**$ 19,064,560**	**19**	**0.44%**
									(1)	**(2)**

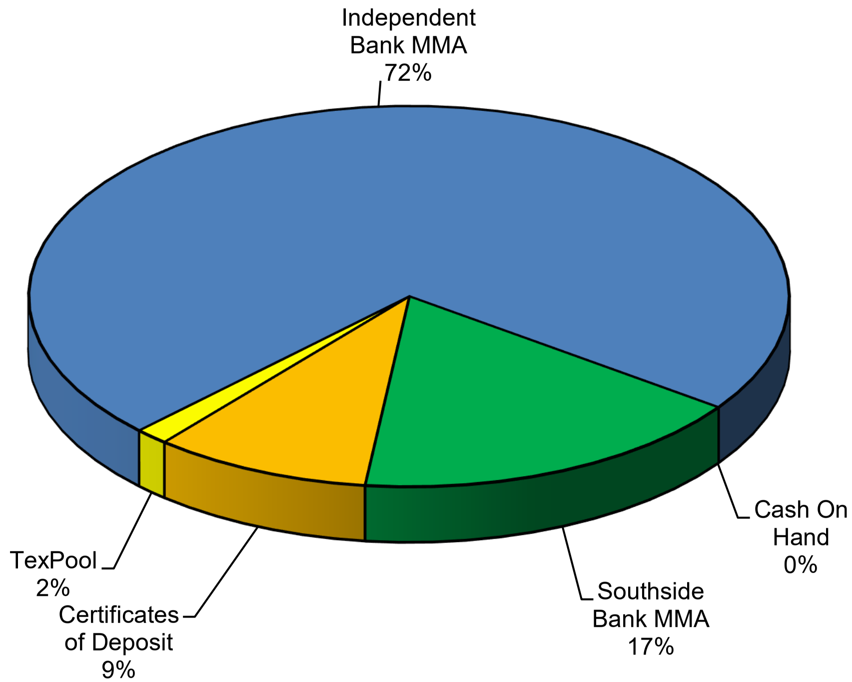
(1) Weighted average life - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(2) Weighted average yield to maturity - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for pool, and bank account investments.

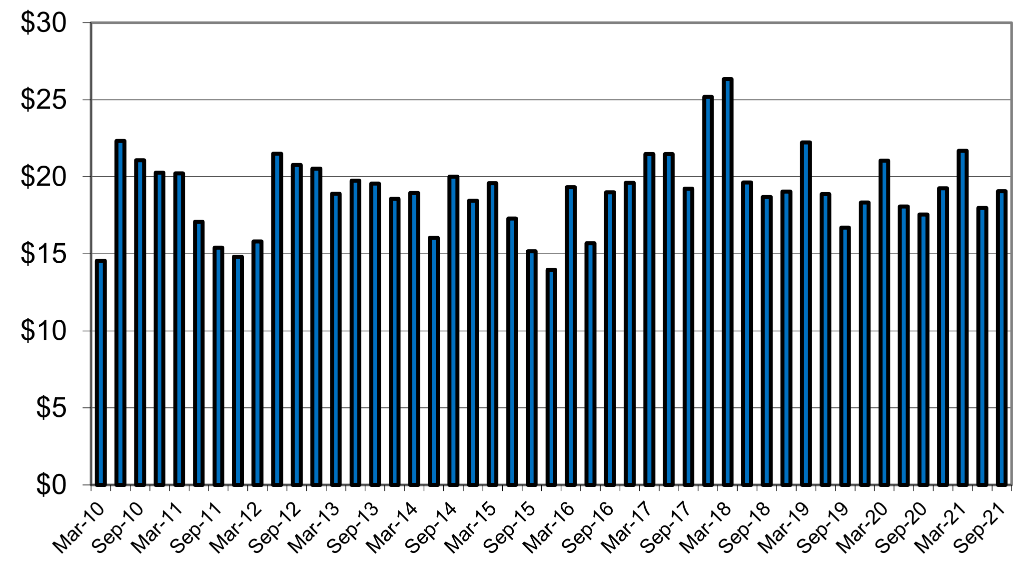
Portfolio Holdings
Group By: Issuer
As of 9/30/2021

Asset Class	Description	Amount	Portfolio Name	Maturity Date
Alliance Bank				
10-124 AB 90 Day Reserve	ALLIANCE BANK 0.25 4/15/2022	937,427.07	GF 90 Day Reserve	4/15/2022
20-272 UF Oper Res AB	ALLIANCE BANK 0.25 4/19/2022	826,434.13	UF 90 Day Reserve	4/19/2022
		1,763,861.20		
Cash on Hand				
None	Cash on Hand Cash	700.00	GF Operating	
None	Cash on Hand Cash	1,300.00	Utility Fund Operating	
		2,000.00		
Independent Bank				
07-120 CLFRF	Independent Bank MM	1,851,621.21	CLFRF	
09-120 Child Safety	Independent Bank MM	113,869.74	Child Safety Fd 09	
10-115 GF-Oper FY 2021	Independent Bank MM	904,858.00	GF Operating	
10-120 GF-Operating	Independent Bank MM	320,427.02	GF Operating	
10-121 IB GF Oper Funds	Independent Bank MM	1,667,436.00	GF Unrestricted	
10-125 GF 90 Day Reserve	Independent Bank MM	1,248,105.65	GF 90 Day Reserve	
10-130 GF-I&S	Independent Bank MM	376,232.03	GF Tax I&S	
10-135 GF-Street Res	Independent Bank MM	815.56	GF Street Reserve	
10-138 PEG Acct	Independent Bank MM	416,998.46	PEG Account	
10-140 Payroll	Independent Bank MM	1,272.28	GF Operating	
10-160 HHIT	Independent Bank MM	656.75	GF Operating	
12-120 DF Oper	Independent Bank MM	294,544.29	Drainage Fund	
15-120 St Cap Oper	Independent Bank MM	12,123.96	GF Capital Projects	
18-120 2017 Bond Fund	Independent Bank MM	888,780.53	2017 Bond Fund	
20-120 UF-Operating	Independent Bank MM	521,842.70	Utility Fund Operating	
20-120 UF-Operating	Independent Bank MM	2,500,000.00	UF Unrestricted	
20-122 UF-Oper Res IB	Independent Bank MM	473,418.00	UF 90 Day Reserve	
20-138 UF-Debt	Independent Bank MM	1,062,597.40	UF Self-Supt Debt	
20-140 UF-Deposits	Independent Bank MM	526,753.83	UF Water Deposits	
25-120 UF Cap Oper	Independent Bank MM	486,298.94	UF Capital Projects	
40-120 Hotel Fund Oper	Independent Bank MM	126,125.73	Hotel Fund	
		13,794,778.08		
Southside Bank				
10-267 GF-I&S-SSB	Southside Bank MM	489,391.99	GF Tax I&S	
20-265 UF Oper-SSB	Southside Bank MM	959,408.27	UF Unrestricted	
20-266 UF Debt-SSB	Southside Bank MM	317,423.02	UF Self-Supt Debt	
20-267 UF Equip-SSB	Southside Bank MM	233,019.07	UF Equipment Res	
10-266 GF-Oper-SSB	Southside Bank MM	1,015,003.99	GF Unrestricted	
10-265 GF-St Res-SSB	Southside Bank MM	216,686.52	GF Street Reserve	
		3,230,932.86		
TexPool				
20-203 UF Equip-Txpl	TexPool LGIP	5,550.17	UF Equipment Res	
20-201 UF Dep-Txpl	TexPool LGIP	1,629.35	UF Water Deposits	
10-200 GF-Reserve-Txpl	TexPool LGIP	88,339.55	GF 90 Day Reserve	
20-200 UF Oper-Txpl	TexPool LGIP	23,418.78	Utility Fund Operating	
10-201 GF-St Res-Txpl	TexPool LGIP	11,152.07	GF Street Reserve	
20-204 UF Debt-Txpl	TexPool LGIP	117,738.46	UF Self-Supt Debt	
10-203 GF-I&S-Txpl	TexPool LGIP	1,840.85	GF Tax I&S	
15-200 St Cap-Txpl	TexPool LGIP	12,962.64	GF Capital Projects	
25-200 UF Cap-Txpl	TexPool LGIP	10,355.71	UF Capital Projects	
		272,987.58		
		19,064,559.72		

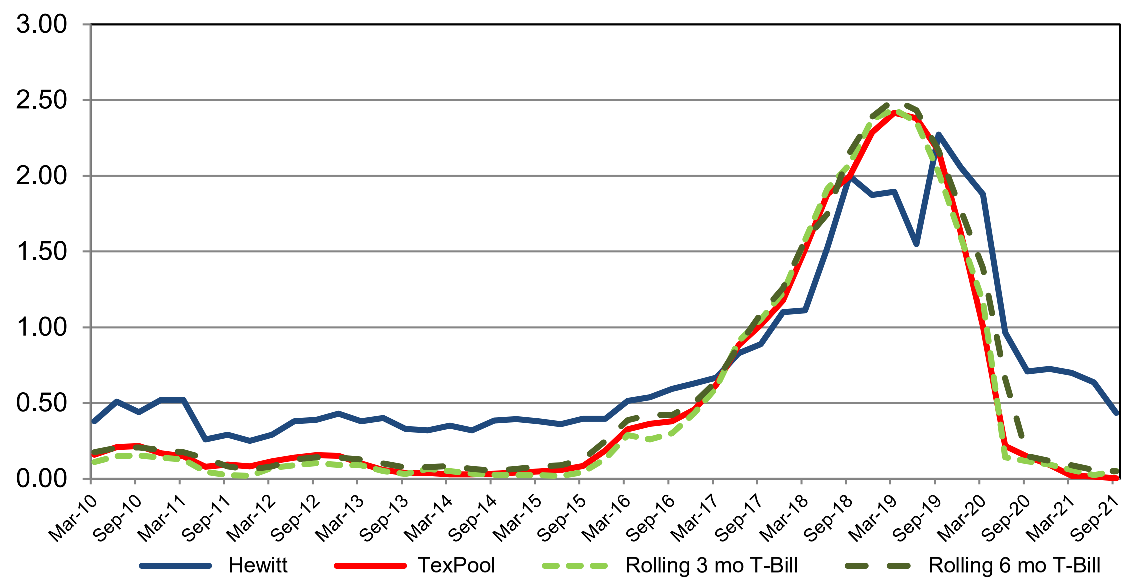
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 06/30/21	Increases	Decreases	Book Value 09/30/21	Market Value 06/30/21	Change in Market Value	Market Value 09/30/21
Cash on Hand	0.00%	10/01/21	$ 2,000	$ –	$ –	$ 2,000	$ 2,000	$ –	$ 2,000
Independent Bank - MMA	0.55%	10/01/21	10,729,011	3,065,767	–	13,794,778	10,729,011	3,065,767	13,794,778
Southside Bank - MMA	0.08%	10/01/21	3,230,347	586	–	3,230,933	3,230,347	586	3,230,933
TexPool	0.03%	10/01/21	272,971	16	–	272,988	272,971	16	272,988
Alliance Bank CD	2.47%	7/19/2021	1,991,576	–	(1,991,576)	–	1,991,576	(1,991,576)	–
Alliance Bank CD	0.25%	4/15/2022	936,837	590	–	937,427	936,837	590	937,427
Alliance Bank CD	0.25%	4/19/2022	825,914	521	–	826,434	825,914	521	826,434
TOTAL / AVERAGE	**0.44%**		**$ 17,988,656**	**$ 3,067,480**	**$ (1,991,576)**	**$ 19,064,560**	**$ 17,988,656**	**$ 1,075,904**	**$ 19,064,560**

Portfolio Holdings
Group By: Portfolio Name
As of 9/30/2021

Description	Rate	Amount	Maturity Date	Days To Maturity
GF Unrestricted				
Independent Bank MM	0.550	1,667,436.00		
Southside Bank MM	0.080	1,015,003.99		
		2,682,439.99		
GF Operating				
Independent Bank MM	0.550	656.75	HHIT	
Cash on Hand Cash	0.000	700.00	Cash	
Independent Bank MM	0.550	1,272.28	Payroll	
Independent Bank MM	0.550	320,427.02	Operating Funds-Daily	
Independent Bank MM	0.550	904,858.00	Operating Funds-Oct '21	
		1,231,734.20		
GF 90 Day Reserve				
ALLIANCE BANK 0.25 4/15/2022	0.250	937,427.07	4/15/2022	197
Independent Bank MM	0.550	1,248,105.65		
TexPool LGIP	0.028	88,339.55		
		2,273,872.27	Req'd Reserves=$2,273,888 (FY 21/22)	
GF Street Reserve				
Independent Bank MM	0.550	815.56		
Southside Bank MM	0.080	216,686.52		
TexPool LGIP	0.028	11,152.07		
		228,654.15		
GF Tax I&S				
Independent Bank MM	0.550	376,232.03		
Southside Bank MM	0.080	489,391.99		
TexPool LGIP	0.028	1,840.85		
		863,644.72	Req'd Reserves=$559,900 (FY 21/22)	
Total General Fund Portfolio		7,280,345.33		
CLFRF Fund 07				
Independent Bank MM	0.550	1,851,621.21		
		1,851,621.21		
PEG Fund 08				
Independent Bank MM	0.550	416,998.46		
		416,998.46		
Child Safety Fund 09				
Independent Bank MM	0.550	113,869.74		
		113,869.74		
Hotel Fund				
Independent Bank MM	0.550	126,125.73		
	0.550	126,125.73		
GF Capital Projects				
Independent Bank MM	0.550	12,123.96		
TexPool LGIP	0.028	12,962.64		
		25,086.60		
2017 Bond Fund				
Independent Bank MM	0.550	888,780.53		
		888,780.53		

UF Unrestricted				
Independent Bank MM	0.550	2,500,000.00		
Southside Bank MM	0.080	959,408.27		
		3,459,408.27		
Utility Fund Operating				
Cash on Hand Cash	0.000	1,300.00	Cash	
Independent Bank MM	0.550	521,842.70	Operating Funds-Daily	
TexPool LGIP	0.028	23,418.78		
		546,561.48		
UF 90 Day Reserve				
ALLIANCE BANK 0.25 4/19/2022	0.250	826,434.13	4/19/2022	201
Independent Bank MM	0.550	473,418.00		
		1,299,852.13	Req'd Reserves=$1,288,577	
UF Equipment Reserve				
Southside Bank MM	0.080	233,019.07		
TexPool LGIP	0.028	5,550.17		
		238,569.24		
UF Self-Supporting Debt				
Independent Bank MM	0.550	1,062,597.40		
Southside Bank MM	0.080	317,423.02		
TexPool LGIP	0.028	117,738.46		
		1,497,758.88	Req'd Reserves=$571,991 (FY 21/22)	
UF Water Deposits				
Independent Bank MM	0.550	526,753.83		
TexPool LGIP	0.028	1,629.35		
		528,383.18		
Total Utility Fund Portfolio		7,570,533.18		
Drainage Fund				
Independent Bank MM	0.550	294,544.29		
		294,544.29		
UF Capital Projects				
Independent Bank MM	0.550	486,298.94		
TexPool LGIP	0.028	10,355.71		
		496,654.65		
Total Portfolio	0.435	19,064,559.72		

Allocation By Fund
September 30, 2021

Book and Market Value	Cash on Hand	Independent Bank - MMA (0.55%)	TexPool (0.0279%)	Southside Bank - MMA (0.08%)	04/15/22 – Alliance Bank (0.25%)	04/19/22 – Alliance Bank (0.25%)	Total
GF Operating	$ 700	$ 2,892,721	$ –	$ 1,015,004	$ –	$ –	$ 3,908,425
GF Street Reserve	–	816	11,152	216,687	–	–	228,654
GF Tax I&S	–	376,232	1,841	489,392	–	–	867,465
GF 90 Day Reserves	–	1,248,106	88,340	–	937,427	–	2,273,872
PEG Account	–	416,998	–	–	–	–	416,998
Street Capital	–	12,124	12,963	–	–	–	25,087
Hotel Fund	–	126,126	–	–	–	–	126,126
HHIT	–	657	–	–	–	–	657
Drainage Fund	–	294,544	–	–	–	–	294,544
Payroll Account	–	1,272	–	–	–	–	1,272
UF Operating	1,300	3,021,843	23,419	959,408	–	–	4,005,970
UF Deposits	–	526,754	1,629	–	–	–	528,383
UF Self-Supporting	–	1,062,597	117,738	317,423	–	–	1,497,759
UF 90-Day Reserves	–	473,418	–	–	–	826,434	1,299,852
UF Equipment	–	–	5,550	233,019	–	–	238,569
UF Capital (2016 Bonds)	–	486,299	10,356	–	–	–	496,655
2017 Bond Funds	–	888,781	–	–	–	–	888,781
Child Safety Fees	–	113,870	–	–	–	–	113,870
CLFRF - ARP Funds	–	1,851,621	–	–	–	–	1,851,621
Totals	**$ 2,000**	**$ 13,794,778**	**$ 272,988**	**$ 3,230,933**	**$ 937,427**	**$ 826,434**	**$ 19,064,560**

Allocation By Fund
June 30, 2021

Book and Market Value	Cash on Hand	Independent Bank - MMA (0.55%)	TexPool (0.013%)	Southside Bank - MMA (0.06%)	07/19/21 – Alliance Bank (2.45%)	04/15/22 – Alliance Bank (0.25%)	04/19/22 – Alliance Bank (0.25%)	Total
GF Operating	$ 700	$ 3,785,704	$ 88,334	$ 1,014,820	$ –	$ –	$ –	$ 4,889,559
GF Street Reserve	–	814	11,151	216,647	–	–	–	228,613
GF Tax I&S	–	350,018	1,841	489,303	–	–	–	841,162
GF 90 Day Reserves	–	140,433	–	–	943,378	936,837	–	2,020,648
PEG Account	–	414,705	–	–	–	–	–	414,705
Street Capital	–	12,107	12,962	–	–	–	–	25,069
Hotel Fund	–	118,041	–	–	–	–	–	118,041
HHIT	–	652	–	–	–	–	–	652
Drainage Fund	–	290,415	–	–	–	–	–	290,415
Payroll Account	–	1,239	–	–	–	–	–	1,239
UF Operating	1,300	2,481,369	23,417	959,234	–	–	–	3,465,320
UF Deposits	–	520,820	1,629	–	–	–	–	522,450
UF Self-Supporting	–	11,207	117,732	317,365	1,048,198	–	–	1,494,502
UF 90-Day Reserves	–	472,762	–	–	–	–	825,914	1,298,676
UF Equipment	–	–	5,550	232,977	–	–	–	238,527
UF Capital (2016 Bonds)	–	595,045	10,355	–	–	–	–	605,400
2017 Bond Funds	–	1,419,956	–	–	–	–	–	1,419,956
Child Safety Fees	–	113,721	–	–	–	–	–	113,721
Totals	**$ 2,000**	**$ 10,729,011**	**$ 272,971**	**$ 3,230,347**	**$ 1,991,576**	**$ 936,837**	**$ 825,914**	**$ 17,988,656**

HEWITT
TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: October 18, 2021

AGENDA ITEM #: 5

SUBMITTED BY: Lee Garcia, Finance Director

ITEM DESCRIPTION:

Discussion and action on **Resolution No. 2021-09** approving financing terms with Branch Banking & Trust Company, now Truist Bank.

STAFF RECOMMENDATION/ITEM SUMMARY:

The city published two times in the Waco Tribune newspaper on October 4th and October 11th, 2021 for financing in the amount of $350,000 for Police SUVs (2), PD ticket writers, Motorola communications equipment, UF maintenance F150, and Bob Cat Mini Excavator. Emails were sent on October 4th to 15 potential bidders. Three bids were received by October 12th, 2021, 11 a.m. Following is a summary of bids received. Staff recommends approving the lowest bid which is from Branch Banking & Trust Company, now Truist Bank, for a term of four years at 1.23%.

FISCAL IMPACT:

Amount Budgeted – n/a
Line Item in Budget – n/a

SUGGESTED MOTION:

I move to approve the bid with Branch Banking & Trust Company, now Truist Bank, for a term of four years at 1.23%.

ATTACHMENTS:

Resolution Approving Financing Terms
List of Items to be Financed
Bid Results
Payment Schedule

RESOLUTION NO. 2021-09

WHEREAS: The City of Hewitt, Texas ("Borrower") has previously determined to undertake a project for the financing of various vehicles and equipment (the "Project"), and the finance officer (the "Finance Officer") has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The Borrower hereby determines to finance the Project through Truist Bank ("Lender") in accordance with the proposal dated October 8, 2021. The amount financed will not exceed $350,000.00, the annual interest rate (in the absence of default or change in tax status) will not exceed 1.23%, and the financing term will not exceed four years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") will be consistent with the foregoing terms. All officers and employees of the Borrower are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Borrower officers or employees, provided that such changes will not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents will be in such final forms as the Finance Officer will approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The Borrower will not take or omit to take any action the taking or omission of which will cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Borrower hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The Borrower intends that the adoption of this resolution will be a declaration of the Borrower's official intent to reimburse expenditures for the Project that are to be financed from the proceeds of the Lender financing described above. The Borrower intends that funds that have been advanced, or that may be advanced, from the Borrower's general fund or any other Borrower fund related to the Project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of Borrower officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution will take effect immediately.

Approved this 18th day of October, 2021.

CITY OF HEWITT, TEXAS

____
Steve Fortenberry, Mayor

ATTEST:

____
Lydia Lopez, TRMC/CMC
City Secretary

City of Hewitt, Texas
CAPITAL OUTLAY - SHORT TERM FINANCING
Annual Budget FY 2021-2022

GENERAL FUND				
Police Department - Patrol	2 SUVs ($69,000 * 2)	138,000		
Police Department - Patrol	Brazos Mobile Ticket Writers	45,000		
Police Department - Dispatch	Motorla K-Core Upgrade	60,500	243,500	Total General Fund
			243,500	68.5%
DRAINAGE FUND				
Drainage Fund	2021 Bob Cat E35 R Series Mini Excavator	72,000		Total Drainage
			72,000	20.3%
UTILITY FUND				
Utility Fund - Maintenance	F150 Pickup Truck	40,000		Total Utility Fund
			40,000	11.2%
		TOTAL TO BE FINANCED	355,500	

**** 1st Payment to be made in FY 22/23.***

Borrow $350k

BBT Bid:	3 yr	4 yr	5 yr
General Fund	81,488.13	61,791.84	50,099.83
Drainage Fund	24,149.04	18,312.04	14,847.10
Utility Fund	13,323.61	10,103.19	8,191.51
Annual Pay't	118,960.77	90,207.07	73,138.44
	0.98%	1.23%	1.48%

Results from Lease Financing Bid for $350,000

Bids Received by 11 am on 10/11/21:
Notice Printed in Waco Tribune Herald on October 4th and October 11th, 2021.
Notice Emailed to all who had expressed interest in bidding on future financing: 15 potential bidders.

Notice of Bid on Lease Financing for:

2 Police SUVs, 1 UF Truck, PD Brazos Ticket Writers, PD Motorla K-Core Upgrade, & Drainage Bob Cat Mini Excavator.

Responses:

Bidder	Agent		3 yr Term	4 yr Term	5 yr Term	Addtl Fees
BB&T	Mary Coley		0.98%	1.23%	1.48%	$ -
		Annual	$ 118,960.77	$ 90,207.07	$ 73,138.44	
		Total	$ 356,882.31	$ 360,828.28	$ 365,692.20	
First Government	Paul Graver		5.00%	5.00%	7.00%	$ -
		Annual	$ 128,523.00	$ 98,704.14	$ 85,361.74	
		Total	$ 385,569.00	$ 394,816.56	$ 426,808.70	
Independent Bank	Kevin Poynter		2.65%	2.80%	3.56%	Attorney
		Annual	$ 122,903.90	$ 93,709.55	$ 76,424.10	Fees for
		Total	$ 368,711.70	$ 374,838.20	$ 382,120.50	doc prep

City of Hewitt, Texas
Lease Purchase for Various Vehicles and Equipment
Sample Payment Schedule
Four (4) Years; Annual Payments in Arrears

Nominal Annual Rate: 1.230%

TValue Amortization Schedule - Normal, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	10/08/2021				350,000.00
2022 Totals		**0.00**	**0.00**	**0.00**	
1	10/08/2022	90,207.07	4,305.00	85,902.07	264,097.93
2023 Totals		**90,207.07**	**4,305.00**	**85,902.07**	
2	10/08/2023	90,207.07	3,248.40	86,958.67	177,139.26
2024 Totals		**90,207.07**	**3,248.40**	**86,958.67**	
3	10/08/2024	90,207.07	2,178.81	88,028.26	89,111.00
2025 Totals		**90,207.07**	**2,178.81**	**88,028.26**	
4	10/08/2025	90,207.07	1,096.07	89,111.00	0.00
2026 Totals		**90,207.07**	**1,096.07**	**89,111.00**	
Grand Totals		**360,828.28**	**10,828.28**	**350,000.00**	

ANNUAL PERCENTAGE RATE	**FINANCE CHARGE**	**Amount Financed**	**Total of Payments**
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
1.230%	**$10,828.28**	**$350,000.00**	**$360,828.28**