RICHLAND HILLS CITY COUNCIL
REGULAR MEETING AGENDA
APRIL 24, 2023
CITY HALL, 3200 DIANA DRIVE

The Work Session and Regular Session are open to the public. If Executive Session is required, it will be held in the Council Conference Room, and is closed to the public. Please note that although the Council will generally consider the items on the agenda in the order shown below, they may elect to re-order items in order to accommodate the needs of the Council, city staff, presenters, or the public generally. Therefore, members of the public interested in any agenda item are encouraged to be in attendance at the start of the meeting.

CITY COUNCIL WORK SESSION – 6:00 PM

1. **Executive Session**: Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.087, 418.183(f) and 418.106(d) & (e). **Executive Session may be held, under these exceptions, at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council meeting.**
    1. Section 551.071: Consultation with Attorney
        a. Auto Repair Businesses

2. Discuss items listed on tonight's City Council agenda. No action will be taken and each item will be considered during the Regular Session.

REGULAR SESSION – 7:00 PM

CALL TO ORDER

INVOCATION AND PLEDGES OF ALLEGIANCE

1. PRESENTATIONS

A. Business Spotlight: Austin Bridge & Road

B. National Crime Victims Rights Week Proclamation

C. National Corrections Officer Week Proclamation

D. Municipal Clerks Week Proclamation

E. National Drinking Water Week Proclamation

F. Citizen Appearances/Public Comments

Citizen comments emailed to Lindsay Rawlinson (lrawlinson@richlandhills.com) on an item either listed on this agenda or not listed on this agenda will be heard at this time.

Citizens in attendance at the meeting who have signed a card to speak to the City Council will also be heard at this time. In compliance with the Texas Open Meetings Act, unless the subject matter of the presentation is on the agenda, the city staff and City Council members are prevented from discussion of the subject and may respond only with statements of factual information or existing city policy. Public comment will not be taken on items that the Council has previously considered in a public hearing.

2. CONSENT AGENDA

All items listed below are considered to be routine by the City Council and will be enacted with one motion. There will be no separate discussion of the items unless a Councilmember or citizen so requests, in which event the item will be removed from the consent agenda and considered in its normal sequence. Approval of the consent agenda authorizes the City Manager to implement each item in accordance with staff recommendations.

A. Approve minutes from the March 24, 2023 Strategic Planning Workshop, March 25, 2023 Strategic Planning Workshop, March 27, 2023 City Council Regular Meeting, and April 10, 2023 City Council Budget Workshop

B. Approve professional services agreement with Parkhill, Inc. for landscape, architectural and engineering services for the design of improvements to Creek Trail Park and Kate Baker Park

C. Approve contract renewal with Yellowstone Landscaping, LLC for citywide landscape services and authorize City Manager to sign contract

3. PUBLIC HEARINGS, MEETINGS, AND OTHER RELATED ITEMS

A. Consider Ordinance 1470-23 a Specific Use Permit (2023-0127) to permit a Guesthouse for the property described as Block D Lot 2 Richland Hills Addition, Richland Hills, Texas, otherwise known as 3415 Crites Street, Richland Hills, Texas 76118. **PUBLIC HEARING**

4. ORDINANCES & RESOLUTIONS AND OTHER RELATED ITEMS

A. Consider Resolution 574-23 stating the primary intended uses of the City of Richland Hills' second distribution of local fiscal recovery funds through the American Rescue Plan Act

5. CONTRACTS, AGREEMENTS, BID AWARDS AND OTHER RELATED ITEMS

A. None

6. OTHER ITEMS FOR CONSIDERATION

A. Consider acceptance of Annual Comprehensive Financial Report for Fiscal Year ended September 30, 2022

B. Consider a minor PD amendment to the P Planned Development for the property described as Block L Lots 7 and 8A Richland Hills Addition, otherwise known as 7145 Baker Boulevard, Richland Hills, Texas 76118 and Block L Lot 6 Richland Hills Addition, otherwise known as 7151 Baker Boulevard, Richland Hills, Texas 76118 (Ordinance 1454-22)

7. REPORTS & DISCUSSIONS

A. Street Improvement Projects

B. 2nd Quarter Investment Report

C. Clean, Green, and Lean Event

D. Charter Amendment Election

E. March Department Reports

8. COMMUNITY INTEREST ITEMS

This is a standing item on the agenda of every regular meeting of the City Council. (The Texas Open Meetings Act effective September 1, 2009, provides that "*a quorum of the city council may receive from municipal staff, and a member of the governing body may make, a report regarding items of community interest during a council meeting without having given notice of the subject of the report, provided no action is taken or discussed.*" The Open Meetings Act does not allow Council to discuss an item concerning pending City Council business unless it is specifically, appropriately posted on the agenda.) An "item of community interest" includes the following:

- information regarding holiday schedules;
- honorary recognitions of city officials, employees, or other citizens;
- reminders about upcoming events sponsored by the city or other entity that is scheduled to be attended by a city official or city employee; and
- announcements involving imminent public health and safety threats to the city

9. EXECUTIVE SESSION

Executive Session: Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.087, 418.183(f) and 418.106(d) & (e). **Executive Session may be held, under these exceptions, at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council meeting.**

Reconvene into open session for possible action resulting from any items posted and legally discussed in Executive Session.

10. ADJOURNMENT

CERTIFICATE

I hereby certify that the above agenda was posted on this the 20th day of April 2023 by 5:30 p.m., on the official bulletin board at the Richland Hills City Hall, 3200 Diana Drive, Richland Hills, Texas, pursuant to the Texas Government Code, Chapter 551.

Lindsay Rawlinson
Lindsay Rawlinson
City Secretary

ACCESSIBILITY STATEMENT

The Facility is wheelchair accessible. If you plan to attend this public meeting and have a disability that requires special arrangements, please notify the City Secretary 48 hours in advance at (817) 616-3810 and reasonable accommodations will be made to assist you.

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Logan Thatcher, Assistant to the City Manager

Date: April 24, 2023

Subject: Business Spotlight

Agenda Item:

Business Spotlight: Austin Bridge and Road

Background Information:

Austin Bridge and Road is located at 7477 Airport Freeway. They received their Certificate of Occupancy on March 8th, 2023. Austin Bridge and Road primary focus is on civil and highway infrastructure.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

No Council Action

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Lindsay Rawlinson, City Secretary

Date: April 24, 2023

Subject: Presentation of National Crime Victims’ Rights Week Proclamation

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Agenda Item:

Presentation of National Crime Victims’ Rights Week Proclamation

Background Information:

In recognition of “National Crime Victims’ Rights Week”, Mayor Lopez will present a Proclamation to Victim Assistance Coordinator Teresa Koontz, and Victim Assistance Specialists Dennise Espeleta and Valerie Farrell with the North Richland Hills Police Department.

National Crime Victims' Rights Week (NCVRW) will be commemorated April 23–29, 2023. The 2023 NCVRW theme is Survivor Voices: Elevate. Engage. Effect Change. This year's theme calls upon communities to amplify the voices of survivors and create environments where survivors have the confidence that they will be heard, believed, and supported.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

National Crime Victims’ Rights Week Proclamation

Council Action Requested:

Presentation of National Crime Victims’ Rights Week Proclamation

Proclamation

Richland Hills

WHEREAS, the term “victim” is more than just a label and has legal standing and protections that go along with it; and

WHEREAS, crime victims’ rights acts passed here in Texas and at the federal level guarantee victims the right to meaningfully participate and use their voice in the criminal justice process; and

WHEREAS, victim service providers, advocates, law enforcement officers, attorneys, and other allied professionals can help survivors find their justice by enforcing these rights; and

WHEREAS, survivors’ lived experience can serve as a catalyst for implementing innovative programs, shifting existing programs in new directions, and changing policies or practices that prevent survivors from accessing services or pursuing justice; and

WHEREAS, the City of Richland Hills is hereby dedicated to amplifying the voices of survivors and creating an environment where survivors have the confidence that they will be heard, believed, and supported.

NOW, THEREFORE, BE IT RESOLVED, that I, Edward Lopez, Mayor of the City of Richland Hills, Texas do hereby proclaim April 23 – 29, 2023 as:

CRIME VICTIMS’ RIGHTS WEEK

In the City of Richland Hills and encourage all citizens to join me in this observance.

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Mayor Edward Lopez
City of Richland Hills

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Lindsay Rawlinson, City Secretary

Date: April 24, 2023

Subject: Presentation of National Corrections Officer Week Proclamation

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Agenda Item:

Presentation of National Corrections Officer Week Proclamation

Background Information:

In recognition of “National Corrections Officer Week”, Mayor Lopez will present a Proclamation to Detention Facility Manager Justin Smith, Detention Lead Penny Campbell, and Detention Officer Steven DeMora with the North Richland Hills Police Department.

National Correctional Officers Week is recognized in the first full week of May and will next be celebrated from May 1-7, 2023. Correctional officers are responsible for managing those who have been brought into custody by law enforcement. There are jobs requiring these skills for those who are incarcerated and awaiting trial, and there are corrections officers responsible for managing convicted criminals who are serving time.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

National Corrections Officer Week Proclamation

Council Action Requested:

Presentation of National Corrections Officer Week Proclamation

Proclamation

Richland Hills

WHEREAS, correctional officers are trained law enforcement professionals dedicated to maintaining safe correctional facilities and ensuring public safety; and

WHEREAS, correctional facilities across the U.S., both civilian and military, public and private, adult and juvenile, are run by highly qualified and experienced individuals with a deep understanding of the challenges within the profession; and

WHEREAS, correctional officers and employees serve admirably in many different capacities, including jail administrators, wardens, chaplains, nurses, supervisors, social workers, teachers, managers and directors; and

WHEREAS, correctional officers and employees teach, train, mentor, counsel and treat thousands of offenders; and

WHEREAS, correctional officers and employees rise to meet any challenge and serve this honorable profession nobly and admirably.

NOW, THEREFORE, BE IT RESOLVED, that I, Edward Lopez, Mayor of the City of Richland Hills, Texas do hereby proclaim May 1 – 7, 2023 as:

NATIONAL CORRECTIONAL OFFICERS WEEK

correctional officers and employees deserve the recognition for their service and should be commended by leaders in the profession, and the public and our elected officials for the tremendous job they do and exceptional performance of duties under the most difficult of circumstances.

Mayor Edward Lopez
City of Richland Hills

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Lindsay Rawlinson, City Secretary

Date: April 24, 2023

Subject: Presentation of Professional Municipal Clerks Week Proclamation

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Agenda Item:

Presentation of Professional Municipal Clerks Week Proclamation

Background Information:

In recognition of "Professional Municipal Clerks Week", Mayor Lopez will present a Proclamation to Richland Hills City Secretary, Lindsay Rawlinson.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

Professional Municipal Clerks Week Proclamation

Council Action Requested:

Presentation of Professional Municipal Clerks Week Proclamation

Proclamation

Richland Hills

WHEREAS, The Office of the Professional Municipal Clerk, a time honored and vital part of local government exists throughout the world, and

WHEREAS, The Office of the Professional Municipal Clerk is the oldest among public servants, and

WHEREAS, The Office of the Professional Municipal Clerk provides the professional link between the citizens, the local governing bodies, and agencies of government at other levels, and

WHEREAS, Professional Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all; and

WHEREAS, Professional Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Professional Municipal Clerk through participation in education programs, seminars, workshops and the annual meetings of their state, provincial, county and international professional organizations.

NOW, THEREFORE, BE IT RESOLVED, that I, Edward Lopez, Mayor of the City of Richland Hills, Texas do hereby proclaim April 30 – May 6, 2023 as:

PROFESSIONAL MUNICIPAL CLERKS WEEK

And further extend appreciation to our Professional Municipal Clerk, Lindsay Rawlinson, and to all Professional Municipal Clerks for the vital services they perform and their exemplary dedication to the communities they represent.

Mayor Edward Lopez
City of Richland Hills

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Lindsay Rawlinson, City Secretary

Date: April 24, 2023

Subject: Presentation of National Drinking Water Week Proclamation

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Agenda Item:

Presentation of National Drinking Water Week Proclamation

Background Information:

In recognition of "National Drinking Water Week", Mayor Lopez will present a Proclamation to Richland Hills Director of Public Works and Capital Projects Kip Dernovich.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

National Drinking Water Week Proclamation

Council Action Requested:

Presentation of National Drinking Water Week Proclamation

Proclamation

Richland Hills

WHEREAS, water is our most valuable natural resource; and

WHEREAS, drinking water serves a vital role in daily life, serving an essential purpose to health, hydration and hygiene needs for the quality of life our citizens enjoy; and

WHEREAS, tap water delivers public health protection, fire protection, support for our economy and the quality of life we enjoy; and

WHEREAS, the hard work performed by the entire water sector, designing capital projects, operators ensuring the safety and quality of drinking water or a member of a pipe crew maintaining the infrastructure communities rely on to transport high quality drinking water from its source to consumers' taps; and

WHEREAS, the coronavirus pandemic has shone a light on the importance of drinking water for health, hydration and hygiene needs; and

WHEREAS, we are all stewards of the water infrastructure upon which current and future generations depend; and

WHEREAS, the citizens of our city are called upon to help protect our source waters from pollution, practice water conservation and get involved with their water by familiarizing themselves with it.

NOW, THEREFORE, BE IT RESOLVED, that I, Edward Lopez, Mayor of the City of Richland Hills, Texas do hereby proclaim May 7-13, 2023 as:

NATIONAL DRINKING WATER WEEK

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Mayor Edward Lopez
City of Richland Hills

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Lindsay Rawlinson, City Secretary

Date: April 24, 2023

Subject: Minutes from the March 24, 2023 Strategic Planning Workshop, March 25, 2023 Strategic Planning Workshop, March 27, 2023 Regular City Council Meeting, and April 10, 2023 City Council Budget Workshop

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Agenda Item:

Approval of minutes from the March 24, 2023 Strategic Planning Workshop, March 25, 2023 Strategic Planning Workshop, March 27, 2023 Regular City Council Meeting, and April 10, 2023 City Council Budget Workshop

Background Information:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

March 24, 2023 Draft Minutes
March 25, 2023 Draft Minutes
March 27, 2023 Draft Minutes
April 10, 2023 Draft Minutes

Council Action Requested:

Motion to approve the minutes from the March 24, 2023 Strategic Planning Workshop, March 25, 2023 Strategic Planning Workshop, March 27, 2023 Regular City Council Meeting, and April 10, 2023 City Council Budget Workshop

RICHLAND HILLS CITY COUNCIL
STRATEGIC PLANNING WORKSHOP
MARCH 24, 2023
MINUTES

Roll Call:

Council present	Council absent
Edward Lopez, Mayor	
Curtis A. Bergthold, Mayor Pro Tem	
Douglas Knowlton, Place 1	
Travis Malone, Place 2	
Javier Alvarez, Place 4	
G.W. Estep, Place 5	

Staff present
Candice Edmondson, City Manager
Lindsay Rawlinson, City Secretary
Logan Thatcher, Assistant to the City Manager
Jason Brown, Director of Parks and Recreation
Patricia Albrecht, Finance Director
Chantele Hancock, Library Director
Kimberly Sylvester, Police Chief
Russell Shelley, Fire Chief

Citizens Present
Theresa Bledsoe, Councilmember-Elect

CITY COUNCIL STRATEGIC PLANNING WORKSHOP – 8:00 AM

1. Workshop Overview/Council Expectations

Mayor Lopez convened the workshop at 8:00 a.m. and welcomed everyone. He expressed anticipation at the strategic planning meeting process.

City Manager Candice Edmondson introduced David Eisenlohr, Managing Director, Baker Tilly, who will lead the discussion during the workshop.

Ms. Edmondson provided a brief overview of the goals and objectives for the planning session and stated that the goal is for the City Council to have a unified vision for the City moving forward that both staff and Council can refer to.

2. Community Survey Review/Discussion

City Manager Candice Edmonson introduced Ron Gailey, CEO, Onpointe Insights, who provided a detailed overview of the results of the Citizen Survey conducted from January 31, 2023 through February 20, 2023 previously presented to Council during the March 13, 2023 City Council meeting.

Mr. Gailey advised that five main question groups were asked including city facilities, city qualities/benefits, development/growth, safety/security, and operations. He reported that 64 percent of respondents felt the city was headed in the right direction and most people either felt the city had stayed the same (49 percent) or improved (26 percent) over the previous three years.

The main priorities of the respondents was maintain/improve street, curbs and sidewalks, maintain/improve infrastructure (water, sewer, storm), and attract new restaurant businesses. The Fire Department, the Public Library, and the Police Department were all highly rated and City Events were considered very important to most households. He provided detailed demographics information and how to use the presented information in future city planning.

Discussion ensued regarding what the City is currently doing well and what can be improved.

3. Analysis of Strengths, Weaknesses, Opportunities, Threats

Mr. Eisenlohr led the City Council through an exercise to quantify the Strengths, Weaknesses, Opportunities, and Threats (SWOT) they see in Richland Hills.

Strengths identified included a small close-knit workforce, stable community, positive reputation, cohesive leadership team, financial management, and proximity to city services.

Weaknesses identified included infrastructure, Code Compliance, too lean in critical service areas, Comprehensive Plan, sustainability of current service levels, and “fighting against history.”

Opportunities identified included improving community appearance, pursuing available grants, increasing residential involvement in City decisions, and branding.

Threats identified included declining workforce, legislative changes, losing staff to other employment, and changes to sales tax.

Mayor Lopez recessed the workshop at 12:16 p.m. for lunch and reconvened at 1:08 p.m.

4. Community Vision

Mr. Eisenlohr led the City Council through an exercise to clarify and define what the Council sees as the community’s vision. Using the SWOT analysis from the previous agenda item, the Council discussed the vision they see for the City including enhancing the use of technology, provide high quality services through innovative practices, develop and implement succession plans, and increase the amount of businesses and residents.

5. Organizational Mission

Mr. Eisenlohr presented a listing of sample mission statements and the City Council discussed those presented and how best to adapt the ideas to Richland Hills.

6. Shared Values

The City Council discussed the shared values they most identified with including stewardship, respect, trust, empowerment, and inclusion.

7. Discussion of Strategic Goals

Mr. Eisenlohr requested the City Council explain and refine what the City's strategic goals are.

8. Adjournment

Mayor Lopez and City Manager Candice Edmondson expressed their appreciation for the work completed during the workshop and expressed enthusiasm at finishing the strategic planning workshop in the morning.

Mayor Lopez declared the meeting adjourned at 4:43 p.m.

ATTEST: **APPROVED:**

____________________________ ____________________________
Lindsay Rawlinson, City Secretary Edward Lopez, Mayor

RICHLAND HILLS CITY COUNCIL
STRATEGIC PLANNING WORKSHOP
MARCH 25, 2023
MINUTES

Roll Call:

Council present	Council absent
Edward Lopez, Mayor	
Curtis A. Bergthold, Mayor Pro Tem	
Douglas Knowlton, Place 1	
Travis Malone, Place 2	
Javier Alvarez, Place 4	
G.W. Estep, Place 5	

Staff present
Candice Edmondson, City Manager
Lindsay Rawlinson, City Secretary
Logan Thatcher, Assistant to the City Manager
Jason Brown, Director of Parks and Recreation
Patricia Albrecht, Finance Director
Chantele Hancock, Library Director
Kimberly Sylvester, Police Chief
Russell Shelley, Fire Chief

Citizens Present
Theresa Bledsoe, Councilmember-Elect

CITY COUNCIL STRATEGIC PLANNING WORKSHOP – 9:02 AM

1. Review of March 24, 2023 Discussion

David Eisenlohr, Managing Director, Baker Tilly, provided a brief recap of the discussion and ideas that came from the March 24, 2023 Strategic Planning Workshop.

2. Goal Prioritization

Mr. Eisenlohr worked with the City Council to prioritize the goals discussed in the March 24, 2023 Strategic Planning Workshop including provide high quality services through innovative practices, develop and implement succession plans, and increase the amount of businesses and residents.

Discussion ensued regarding the Council's shared goals and values.

3. Discussion of Next Steps in Strategic Plan Process

Mr. Eisenlohr provided an overview of the next steps in the process and advised that he would meet with City Manager Candice Edmondson to review the thoughts and ideas shared by the City Council and draft a report for presentation at a later date.

Mayor Lopez expressed his appreciation to the City Council and staff for their attendance and participation during the previous day and a half.

4. Adjournment

Mayor Lopez declared the meeting adjourned at 1:15 p.m.

ATTEST:	**APPROVED:**
Lindsay Rawlinson, City Secretary	Edward Lopez, Mayor

RICHLAND HILLS CITY COUNCIL
REGULAR MEETING
MARCH 27, 2023
MINUTES

Roll Call:

Council present	Council absent
Edward Lopez, Mayor	
Curtis A. Bergthold, Mayor Pro Tem	
Douglas Knowlton, Place 1	
Travis Malone, Place 2	
Javier Alvarez, Place 4	
G.W. Estep, Place 5	

Staff present
Candice Edmondson, City Manager
Lindsay Rawlinson, City Secretary

REGULAR SESSION – Mayor Lopez Called to Order – Time 7:00 p.m.

INVOCATION AND PLEDGES OF ALLEGIANCE – Mayor Lopez

PRESENTATIONS

1A. Business Spotlight: Construction Best Builders

Assistant to the City Manager Logan Thatcher provided a brief introduction for Construction Best Builders located at 7336 Dogwood Park, Suite A.

1B. National Library Week Proclamation

Mayor Lopez read a proclamation declaring April 23-29, 2023, as “National Library Week” in Richland Hills and presented the proclamation to Library Director Chantele Hancock.

1C. Animal Control Appreciation Week Proclamation

Mayor Lopez read a proclamation declaring April 10-16, 2023, as “Animal Control Appreciation Week” in Richland Hills and presented the proclamation to Animal Control Officer Kay Fisk.

1D. Telecommunicator Appreciation Week Proclamation

Mayor Lopez read a proclamation declaring April 10-16, 2023, as “Telecommunicator Appreciation Week” in Richland Hills and presented the proclamation to Dispatcher Ariel Paramo, Supervisor Chassidy Osman, and Telecommunications Specialist Brandy Kidwell.

1E. Child Abuse Prevention Month Proclamation

Mayor Lopez read a proclamation declaring April 2023, as "Child Abuse Prevention Month" in Richland Hills and presented the proclamation to Alexis Lagazo with Alliance for Children.

Ms. Lagazo expressed her appreciation to the City Council for the proclamation and spoke briefly about the mission and goals of Alliance for Children.

1F. Citizen Appearances/Public Comments

Athena Campbell, 2802 Elm Park, expressed her appreciation and admiration for the Richland Hills Police Department. She advised that she participated in the Citizens Police Academy and was impressed with the Department's community involvement.

Jenny Clark, 6973 Hardisty Street, expressed appreciation to the City for the renovations to the Animal Shelter and encouraged everyone to volunteer at the shelter if they are able to help the animals.

Mayor Lopez recessed the regular session at 7:21 p.m. due to technical issues and reconvened the regular session at 7:32 p.m.

CONSENT AGENDA

2A. Approve minutes from the March 13, 2023 City Council Regular Meeting.

Motion: Motion was made by Councilmember Malone and seconded by Councilmember Estep to approve the consent agenda.

Motion carried by a vote of 5-0.

PUBLIC HEARINGS, MEETINGS, AND OTHER RELATED ITEMS

3. None.

ORDINANCES & RESOLUTIONS AND OTHER RELATED ITEMS

4. None.

CONTRACTS, AGREEMENTS, BID AWARDS AND OTHER RELATED ITEMS

5. None.

OTHER ITEMS FOR CONSIDERATION

6. None.

REPORTS & DISCUSSIONS

7A. Traffic Unit Pilot Program

Captain Scott Russell presented the item to the City Council and advised that, in response to citizen traffic-related concerns from speeding, running stop signs, parking violations, school zone safety, among other traffic issues, the police department will implement a traffic unit pilot program beginning in April that will be evaluated over the next six months.

Captain Russell advised that the goal of traffic enforcement is to reduce traffic collisions and gain compliance with traffic-related laws. The most effective way to address these concerns is by assigning dedicated personnel to traffic enforcement and conducting preventive patrols to address unlawful driving behavior. The Richland Hills Police Department has completed a cost-benefit analysis on implementing a Traffic Unit and believes that having a dedicated officer in the traffic enforcement role will have a significant impact on reducing traffic violations.

Discussion ensued regarding potential increase to fleet costs, locations of violations, and the differences between a standard patrol vehicle versus a motorcycle officer.

7B. Street Improvement Projects

City Manager Candice Edmondson presented the Street Improvement Projects update and provided details regarding Dover Lane, Magnolia Park, and Norton Drive.

7C. Budget Workshop

City Manager Candice Edmondson advised that the next regularly scheduled City Council meeting on Monday, April 10, 2023 will be dedicated to a budget workshop giving the City Council the opportunity to discuss the budget priorities for Fiscal Year 2024. Additionally, the Council will receive updates on the midyear financial outlook, progress on capital projects, and the City's debt obligations and capacity.

7D. Easter Celebration

Director of Parks and Recreation Jason Brown presented information regarding the upcoming Easter Celebration event to be held Saturday, April 1, 2023, at Rosebud Park from 10:00 a.m. to noon and advised of issues including offsite parking and road closures.

7E. February Department Reports

Fire Chief Russell Shelley provided the Fire Department update and advised that the new ambulance is nearly complete and the next Citizens Fire Academy class begins Thursday, April 6, 2023.

City Manager Candice Edmondson provided the Public Works update and advised that the department was able to repair 68 potholes in the month of February.

Library Director Chantele Hancock provided the Library update and advised that the Adult Spelling Bee held February 23, 2023, had three teams compete and the winning team, the Richland Hills Literary Club, will compete against other area library Bee winners in Fort Worth in May.

COMMUNITY INTEREST ITEMS

8. Mayor Pro Tem Bergthold advised of several upcoming events:

- Saturday, April 1, 2023, Easter Celebration, Rosebud Park, 10:00 a.m. to noon;
- Saturday, April 8, 2023, Second Saturday Seminar – Backyard Bird Feeding, The Link, 9:00 to 10:00 a.m.;
- Tuesday, April 11, 2023, Richland Hills Literary Society, Richland Hills Public Library, 6:30 p.m.;
- Thursday, April 13, 2023,
  - Senior Lunch Bunch and Bingo, The Link, 12:00 to 2:00 p.m.;
  - Tarrant County Food Pantry, The Link parking lot, 5:30 to 7:00 p.m.;
- Saturday, April 29, 2023, Clean Green & Lean, City Parks and The Link, 8:00 to 10:00 a.m.
- Every Thursday, Coffee Talk, Richland Hills Public Library, 10:00 to 11:30 a.m.;
- 1st, 3rd, and 5th Thursday of the month, Storytime at the library, 6:30 p.m.; and
- 2nd and 4th Friday of the month, Arts and Crafts, 6:30 p.m.

Councilmember Estep advised that the City Council held a Strategic Planning workshop on Friday, March 24, 2023 and Saturday, March 25, 2023, and was pleased with the discussion and ideas that came from the workshop.

Mayor Lopez agreed that the workshop was successful and looked forward to hearing the results from the consultant.

City Manager Candice Edmondson expressed her appreciation to the City Council and staff for the time and attention given to the Strategic Planning workshop.

EXECUTIVE SESSION

9. **Executive Session:** Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sec. 551.071, Sec. 551.072, Sec. 551.073, Sec. 551.074, Sec. 551.076, Sec. 551.087 and Sec. 418.0183 (f) and 418.106 (d) & (e) of the Texas Government Code (Texas Disaster Act).

None.

ADJOURNMENT

10. A motion was made by Mayor Pro Tem Bergthold and seconded by Councilmember Knowlton to adjourn.

Motion carried by a vote of 5-0.

There being no further business to come before the City Council, Mayor Lopez declared the meeting adjourned at 8:36 p.m.

ATTEST:	**APPROVED:**
_____________________________	_____________________________
Lindsay Rawlinson, City Secretary	Edward Lopez, Mayor

RICHLAND HILLS CITY COUNCIL
BUDGET WORKSHOP
APRIL 10, 2023
MINUTES

Roll Call:

Council present	Council absent
Edward Lopez, Mayor	
Curtis A. Bergthold, Mayor Pro Tem	
Douglas Knowlton, Place 1	
Travis Malone, Place 2	
Javier Alvarez, Place 4	
G.W. Estep, Place 5	

Staff present
Candice Edmondson, City Manager
Lindsay Rawlinson, City Secretary
Logan Thatcher, Assistant to the City Manager
Kip Dernovich, Director of Public Works and Capital Projects
Jason Brown, Director of Parks and Recreation
Patricia Albrecht, Finance Director
Chantele Hancock, Library Director
Kimberly Sylvester, Police Chief
Russell Shelley, Fire Chief

CITY COUNCIL WORKSHOP– 6:00 PM

1. Call to order

Mayor Lopez called the Workshop to order at 6:00 p.m.

2. Public Comments

Mary Sullivan, 2724 Spruce Park Drive, addressed several items including her preference for increasing fire department personnel to fully staff the ambulance, employ a street sweeping service, and utilize a beautification committee and fund to replace signage as cars enter the city limits.

Shannon Bledsoe, 2716 Spruce Park Drive, agreed with Ms. Sullivan regarding new welcome signage at the entrances to the City at Rufe Snow Drive and Highway 26 and Baker Boulevard and State Highway 820.

Theresa Bledsoe, 2716 Spruce Park Drive, addressed several items including the creek along Creek Trail Park, street sweeping, and seeking eligible grants for the City to apply.

Joyce Fiaccone, 3800 Labadie, requested the City Council consider installing road humps near schools and parks to slow traffic in those areas.

Jenny Clark, 6973 Hardisty Street, expressed her appreciation to the City Council for listening to the citizens and taking their ideas and suggestions to heart.

City Manager Candice Edmondson introduced new Director of Public Works and Capital Projects Kip Dernovich and announced that today was his first day of work.

3. Discussion: FY 2023 Midyear Review

Finance Director Patricia Albrecht gave a presentation on the FY 2023 Midyear Review. She provided historical data for governmental funds, including property tax, sales tax, and The Link Recreation Fund, as well as the Water and Wastewater Fund, over the previous 10 years.

4. Discussion: FY 2023 Capital Projects

Police Chief Kimberly Sylvester provided an update of the Animal Service Center renovations and advised that interior renovations have been completed and plans for exterior renovations including improving drainage issues surrounding the property are being drawn up as part of the next phase of renovations.

Fire Chief Russell Shelley advised of planned building improvements to the Fire Administration and Public Works building including a preliminary floor plan concept.

Library Director Chantele Hancock provided a brief update on the Library restroom improvement project funded through Community Development Block Grant (CDBG) funds awarded by Tarrant County and stated that the project is anticipated to take five weeks once notice to proceed has been given.

Director of Parks and Recreation Jason Brown provided an update on several projects including the indoor playground at The Link, Esports equipment, Baker Boulevard medians, and park amenities. Discussion ensued regarding construction of park restrooms and Council agreed that the previously approved restroom at Creek Trail Park should not be constructed and those materials should be utilized to build a park restroom at Rosebud Park instead.

City Manager Candice Edmondson discussed the Glenview Drive Corridor Master Plan project recently approved by the City Council and advised that a kickoff meeting was held March 30, 2023, and the process is anticipated to take approximately nine months to complete. Additionally, she advised of water system improvements including generators that have been ordered and assembled to bring the City into compliance with Senate Bill 3 requirements.

Assistant to the City Manager Logan Thatcher discussed the Request for Qualifications (RFQ) that recently went out for the Comprehensive Plan update.

Discussion ensued regarding a potential disc golf park and a bike trail south of SH 121.

5. Discussion: Debt Obligations and Debt Capacity

Finance Director Patricia Albrecht provided an overview of the City's current property tax supported debt including bonds issued in 2016, 2017, and two in 2019, and provided a listing of eight Capital Improvement Plan projects in order of priority. The total cost for paving, drainage, and water and sewer improvements for these street projects is estimated to be $7,711,000. She next presented a listing of the next 10 street projects in order of priority and advised that the cost for these 10 projects is estimated to be $17,050,000. The total cost for these 18 projects is estimated to be $24,761,000.

Based on the results of the recent citizens survey and comments received by citizens during Council meetings, infrastructure and street improvements have shown to be an urgent issue and of great importance to the residents. Ms. Albrecht presented a possible debt issuance plan and stated the City's financial advisors, Hilltop Securities, have suggested a three cent, three year tax rate increase to finance the top priority projects. If approved, the City Council would authorize three debt issuances in August 2023, 2024, and 2025.

Mayor Lopez recessed the workshop for a brief break at 7:57 p.m. and reconvened at 8:10 p.m.

6. Discussion: Economic Development & Park Development

Assistant to the City Manager Logan Thatcher presented the Economic Development update and provided an overview of undeveloped properties along with the associated zoning. Additionally, he presented a priority listing of park amenities and the total costs related to each park's improvements.

Discussion ensued regarding disc golf in parks, bike trails, new welcome signs at the entry points to the City, and potentially partnering with the City of North Richland Hills for public art.

7. Discussion: FY 2024 Budget Priorities

City Manager Candice Edmondson requested feedback on Council priorities.

Council discussed items such as speed humps to help slow traffic near schools and parks, additional employees for customer service roles and backup staffing, drainage issues on Hovenkamp, a Beautification Committee, grant funding research, and lighting along the hike and bike trail.

Ms. Edmondson provided a brief recap of the budget process and the required timeline for budget consideration and approval. She advised that staff would hold a budget kickoff meeting on Wednesday, April 12, 2023.

8. Adjournment

Motion: A motion was made by Councilmember Knowlton and seconded by Councilmember Estep to adjourn.

Motion carried by a vote of 5-0.

There being no further business to come before the City Council, Mayor Lopez declared the meeting adjourned at 9:30 p.m.

ATTEST: **APPROVED:**

_____________________________ _____________________________
Lindsay Rawlinson, City Secretary Edward Lopez, Mayor

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Candice Edmondson, City Manager

Date: April 24, 2023

Subject: Parkhill Agreement – Kate Baker and Creek Trail Parks

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Agenda Item:

Approve professional services agreement with Parkhill, Inc. for landscape, architectural and engineering services for the design of improvements to Creek Trail Park and Kate Baker Park

Background Information:

The FY 2022 RHDC Budget included funding for implementation of the following Parks Master Plan projects:

Kate Baker Park
- Restroom/Pavilion structure
- Expanded parking

Creek Trail Park
- Restroom/Pavilion structure
- Food Truck stations

Funding for these projects was carried over into the FY 2023 RHDC Budget. On August 8, 2022, a professional services agreement was signed with Parkhill, Inc. for landscape, architectural and engineering services for the design of improvements to Creek Trail and Kate Baker Parks. A copy of the agreement is attached to this memo for your review.

The total scope of work for Parkhill's design and engineering services on both projects is estimated to be $166,050 and requires City Council approval.

As discussed during the Budget Workshop, the City will be pausing implementation of both the restroom/pavilion structure and food truck stations at Creek Trail Park until the Glenview Corridor Master Plan process is complete. Creek Trail Park is a major feature in the corridor, and future development of the park and surrounding areas will be considered as part of the corridor master plan.

The City and Parkhill have agreed to keep the current professional services agreement in place since Parkhill has already completed some design and engineering work on Creek

Trail Park. Retaining the current agreement also allows the City and Parkhill to continue work in the park once the corridor master plan is complete.

Financial Considerations:

The total scope of work for Parkhill's design and engineering services on both projects is estimated to be $166,050. Funding in the amount of $1,000,000 was included in the FY 2023 RHDC Budget for park development projects.

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

Parkhill Professional Services Agreement for Creek Trail and Kate Baker Parks

Council Action Requested:

Motion to approve professional services agreement with Parkhill, Inc. for landscape, architectural and engineering services for the design of improvements to Creek Trail Park and Kate Baker Park

Parkhill

July 6, 2022

Mr. Jason Brown, Director
City of Richland Hills
Parks & Recreation Department
3200 Diana Drive
Richland Hills, Texas 76118

Re: Professional Services Proposal for
Creek Trail and Kate Baker Parks

Dear Mr. Brown:

Thank you for the opportunity to submit a proposal for Parkhill, Inc. (A/E) and to work with the City of Richland Hills (Owner) on Improvements to Creek Trail Park and Kate Baker Park. The following outlines our understanding of the Project and the Scope of Services we propose to provide for your Project.

PROJECT DESCRIPTION

Scope of work to include Landscape Architectural and Engineering Services for the design of the Improvements to Creek Trail Park and Kate Baker Park. Creek Trail Park is an approximately 7 acre site located at the intersection of Glenview Drive and Airline Drive. The western boundary is the centerline of Calloway Branch Creek. Kate Baker is an approximately 2.0 acre park site located at the intersection of Vance Road and Dover Lane. Improvement to the parks will include a new building to be provided by Others, Utilities Service to the new building (water, sanitary sewer, and electrical), Parking, Sidewalks, a Food Truck area at Creek Trail Park and decomposed granite mulch to be added to the Playground at Creek Trail Park. The Master Plan for Creek Trail Park will be updated to include tennis/pickleball courts.

Scope items shall include the following per site

Creek Trail Park

- Geotechnical Investigation – 1 boring, 25 feet deep for building only.
- Locate premanufactured Modular Building by Others.
- Utility services to be built within 10 feet of Modular Building.
- Food Truck Area with electrical supply along western trail. Access will be from northern most ramp and along sidewalk.
- Replace gravel in existing playground with decomposed granite.

Creek Trail Park Master Plan Update

- All items listed above shall be added to the existing Master Plan.
- Add 2 Tennis Courts/Pickleball Courts as future improvements.
- Update the graphic only. No public/stakeholder meetings will be held.
- An updated opinion of Probable Construction Cost (OPCC) will be provided.

Kate Baker Park

- Topographic Survey (2.0 acres)
- Geotechnical Investigation 2 borings, 25 feet deep.
- Locate premanufactured Modular Building by Others.
- Utility services to within 10 feet of Modular Building.

3000 Internet Boulevard | Suite 550 | Frisco, Texas 75034 | 972.987.1670 Parkhill.com

- Parking lot per previous Master Plan.
- Sidewalk to link parking lot, building and playground

SCOPE OF SERVICES

The A/E will provide the following Basic Services:

TOPOGRAPHIC SURVEY

The A/E will provide a topographic survey for preparation of the Construction Documents for Kate Baker Park. The survey will provide a minimum contour interval of one foot, show the existing facilities, nearby utilities, trees with a 3-inch caliper or greater, adjacent parking lots/drive aisles, adjacent streets, and other miscellaneous items. This survey will comply with standard City of Richland Hills requirements. A/E will utilize a previous Topographic survey of Creek Trail Park.

Deliverables: Digital Files (AutoCAD & PDF) of the topographic survey.

GEOTECHNICAL INVESTIGATION & REPORT

The A/E will secure the services of an independent geotechnical engineering company to investigate the engineering properties of the soils at both sites and to make recommendations on the design of the building foundation(s), paving, utilities, etc.

Deliverables: Digital File (PDF) of the geotechnical reports.

MASTER PLAN UPDATE

Master plans for both parks were prepared in 2019 by Schrickel Rollins and Associates, Inc. (now Parkhill). The Owner has established the desired program elements for the Park Development. This phase of development will serve as a continuation of that effort locating a modular building and 2 tennis/8 pickleball courts on the site at Creek Trail Park. The A/E will analyze the capabilities and limitations of the site in order to refine the program elements, design, and project budget. The Owner is aware that the program elements may change through this process due to unforeseen site constraints, but it is the Owner's intent to provide as many of the defined program elements as possible.

Deliverables: 100% Creek Trail Park Master Plan Submittal, Opinion of Probable Construction Cost, and Meetings with City Staff (as necessary). Public meetings/stakeholder meetings are not included.

CONSTRUCTION DOCUMENT PHASE

Based on the Owner approved Master Plan documents the A/E will further develop the plans, coordinate the various park elements and systems, develop construction details, and prepare the material/technical specifications setting forth in detail the requirements for construction of the project. The A/E will meet all applicable City of Richland Hills design and construction standards, coordinate plans with City Departments, meet all state regulations, and submit construction documents to the Owner for development review. Construction documents related to the premanufactured modular buildings shall be provided separately by Others, including structural foundation plan, MEP, and accessibility issues.

Deliverables: 50% CD Design Review Submittal, 95% CD Design Review Submittal, Issue for Bid Construction Documents, Project Manual (Front End Documents & Technical Specifications), updated Opinion of Probable Construction Cost, and Meetings with City Staff (as necessary)

BIDDING & NEGOTIATION PHASE

The A/E will provide/perform the following services during the Bidding & Negotiation Phase: Answer questions from Bidders and prepare addenda as necessary, review substitution requests from the contractor(s), attend the bid opening, assist Owner in pre-qualification of bidders, assist the Owner in a pre-construction conference.

CONSTRUCTION ADMINISTRATION PHASE

The A/E will provide/perform the following services during the Construction Administration Phase: Site observation visits appropriate to the stage and quality of the contractor's work in progress in order to ascertain that the Work is in general conformance with the Construction Documents and design intent, provide on-site coordination meetings to discuss strategy/problem areas/required coordination, review of shop drawings and other submittal information for the purpose of ascertaining conformance with the design intent and Construction Documents, provide responses to requests for information (RFI) or clarifications, assist the Owner in conducting the substantial completion and final completion observations, and assist the Owner with closeout procedures.

Anticipated site observation visits: 3
On-site coordination meetings: 3

The A/E will conduct end-of-the-month on-site meetings to review pay applications and the project's construction progress.

The A/E will not be responsible for the contractor's means, methods, techniques, sequences/procedures of construction, or the safety precautions and programs incident hereto. The A/E will not be responsible for the contractor's failure to perform or furnish the work in accordance with the Construction Documents. The A/E will not be responsible for any delays in the execution of the Work caused by the contractor.

RECORD DRAWINGS

The A/E will transfer information provided by the contractor on his mark-ups/As-Built drawings after construction is complete to digital files (AutoCAD/REVIT & PDF) and provide to the Owner for their records.

EXCLUSIONS

The intent of this Scope of Services is to include only the services specifically listed herein for this Project. Services specifically excluded from this Scope of Services include, but are not necessarily limited to the following:

- Hydraulics and hydrology, flood studies or floodplain reclamation plans
- Full-time or otherwise frequent and detailed inspection of the Contractor's Works in Progress
- Structural design for building foundations
- Architectural and MEP services related to prefabricated buildings
- Underground storm drainage
- Environmental permitting
- Fees for permits, advertising, TDLR review
- Storm Water Pollution Prevention Plan (SWPPP)
- Preparation of Plats or Boundary Survey documents

- Traffic Engineering Reports or Studies

ITEMS AND SERVICES TO BE PROVIDED BY THE CITY

The City will provide the following services to the A/E in the performance of the project upon request.

- City shall coordinate with modular building supplier/contractor to provide all necessary information.
- Existing data the City has on file concerning the project, if available
- As-Built plans for existing facilities and/or utilities, if available
- Assist the A/E in obtaining any required data and information from local utility companies, as necessary
- Give prompt written notice to A/E whenever City observes or otherwise becomes aware of any development that affects the scope or timing of the A/E's services
- Advertisement of all public meetings and provision of meeting facilities

FEE PROPOSAL

BASIC SERVICES

Compensation for the Basic Services rendered by the A/E shall be a lump sum of one hundred sixty six thousand fifty dollars. In addition to Basic Services, fees for a design contingency and reimbursable expenses are listed below. This fee is based upon the project description and budget stated above, should the project scope/budget increase by more than five percent (5%) then the fee will be adjusted equitably.

The Basic Services fee shall be invoiced monthly based on the percent of work completed. Monthly progress payments for Architectural Services will be distributed by phases as follows:

Creek Trail Park

Update Master Plan	$15,000
Construction Documents	$47,800
Bidding	$ 3,200
Construction Administration	$12,750
Total Design Fees (Creek Trail Park)	$78,750
Geotechnical Investigation	$ 5,000
Total Fees & Services (Creek Trail Park)	$83,750

Kate Baker Park

Construction Documents	$50,100
Bidding	$ 3,400
Construction Administration	$13,300
Total Design Fees (Kate Baker Park)	$66,800
Topographic Survey	$7,500
Geotechnical Investigation	$ 8,000
Total Fees & Services (Kate Baker Park)	$82,300
Total Design Fees & Services for Both Parks	**$166,050**

DESIGN CONTINGENCY

In addition to the Basic Services listed above an allowance for the Owner's use in the event that Additional Services or otherwise unforeseen Basic Services beyond those listed in the Scope of Services would be needed for the benefit of the project (i.e. Public Meetings, Site Plan Submittals, etc.). This allowance will be entirely controlled by the Owner and its use will be authorized only in writing as an amendment to the Architectural/Engineering Services Contract prior to performance of the services. The design contingency shall be invoiced to a Not-To-Exceed Allowance of $5,000. This amount shall not be exceeded without prior written approval of the Director of Parks & Recreation, or City Manager.

REIMBURSABLE EXPENSES

Reimbursable expenses will be billed at invoice cost plus a fifteen percent markup for handling costs. Reimbursable expenses include, but are not limited to, travel, postage / shipping, reproductions / copies, color plots / prints, accessibility review and inspection fees, reproduction of Contract Documents, and reports. The reimbursable expenses shall be invoiced to a Not-To-Exceed Allowance of $3,000. This amount shall not be exceeded without prior written approval of the Director of Parks & Recreation, or City Manager.

Again, it is a pleasure for Parkhill to have this opportunity to continue to be of service to you as you strive to build community in Richland Hills. We look forward to being a part of the exciting days ahead!

Please do not hesitate to call me at (817) 751-8616 if you have any questions.

Sincerely,

PARKHILL, INC.

By Clint Wofford
Clint Wofford, RLA
Associate

CITY OF RICHLAND HILLS

Accepted By Candice Edmondson
Title City Manager
Date 8-8-2022

CW/lr

"The Texas Board of Architectural Examiners, P.O. Box 12337, Austin, Texas 78711-2337 or 333 Guadalupe, Suite 2-350, Austin, Texas 78701-3942, (512) 305-9000, www.tbae.state.tx.us has jurisdiction over complaints regarding the professional practices of persons registered as [architects,][interior designers,][landscape architects] in Texas."

CLIENT: City of Richland Hills
ARCHITECT/ENGINEER (A/E): PARKHILL
DATE: JULY 6, 2022

STANDARD CONDITIONS: CLIENT and A/E agree to and accept the following terms and conditions pursuant to and as a part of the parties' Agreement for Professional Services:

ARTICLE 1. INVOICING AND SERVICES

1.1 INVOICING

A/E shall submit invoices for services rendered on a monthly basis to CLIENT. Invoiced amounts are due and payable upon presentation and shall be considered past due if not paid within 30 days of the due date. Past due amounts shall bear interest at 1.5% (or the maximum rate allowable by law, whichever is less) of the past due amount per month, which shall be calculated from the invoice due date.

If CLIENT fails to make payment to A/E in accordance with the payment terms herein, this shall constitute a material breach of this Agreement and shall be cause for termination of this Agreement by A/E.

In addition, A/E shall be entitled to any other legal and equitable remedies allowed by applicable law, including all statutory and common law lien rights and remedies.

1.2 SERVICES DURING CONSTRUCTION

Except as expressly stated in the Scope of Work, A/E shall not, and shall not be responsible to supervise, direct or have control over the Work of CLIENT's or Property Owner's contractors, subcontractors or other service or material providers, including any designated general contractor of CLIENT or Property Owner or any subcontractors thereof (generally and collectively referred to as the "Contractors") nor have any responsibility for the construction means, methods, techniques, sequences or procedures selected by the Contractors nor for the Contractors' safety precautions or programs in connection with the Work. Unless expressly stated in the Scope of Work, these above rights and responsibilities are solely those of and between CLIENT and the applicable Contractors. CLIENT agrees that A/E is not responsible for the jobsite condition or on-site worker safety, except as otherwise expressly stated in the Scope of Work.

Except, and unless prohibited by applicable law, A/E shall not be responsible for any acts or omissions of the Contractors, including any subcontractor, any entity performing any portions of the Work or any agents or employees of any of them. A/E does not guarantee the performance of any of the Contractors and shall not be responsible for the Contractors' failure to perform their applicable work in accordance with the Contract Documents or any applicable laws, codes, rules, or regulations.

As used in these Standard Conditions, the term "Contract Documents" refers to the Construction Plans, Specifications, Work schedules, Work conditions and other matters between CLIENT and/or Property Owner and their respective Contractors for the build-out or construction services relating to the Project.

A/E shall not be required to sign any document, no matter by whom requested, that would result in A/E having to certify, guarantee, or warrant the existence of conditions whose existence A/E cannot reasonably ascertain. CLIENT agrees not to make resolution of any dispute with A/E or payment of any amount due to A/E contingent upon A/E signing any such document.

1.3 ESTIMATES OR OPINIONS OF PROBABLE CONSTRUCTION COST

In providing estimates or Opinions of Probable Construction Cost, CLIENT understands A/E has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractors' methods of pricing, and that A/E's estimates or Opinions of Probable Construction Costs are made on the basis of A/E's professional judgment and experience. A/E makes no warranty, express or implied, that the bids or the negotiated construction cost will not vary from A/E's estimates or opinions of probable construction cost.

1.4 HAZARDOUS MATERIALS

As used in this Agreement, the term hazardous materials shall mean any substances, including without limitation asbestos, toxic or hazardous waste, PCBs, combustible gases and materials, petroleum, or radioactive materials (as each of these is defined in applicable federal statutes) or any other substances under any conditions and in such quantities as would pose a substantial danger to persons or property exposed to such substances at or near the project site.

Both parties acknowledge that A/E's Scope of Services does not include any services related to the presence of any hazardous or toxic materials. If A/E or any other person or entity involved in the Project encounters any hazardous or toxic materials, or should it become known to A/E that such materials may be present on or about the jobsite or any adjacent areas that may affect the performance of A/E's services, A/E may, at its sole option and without liability for consequential or any other damages, suspend performance of its services under this Agreement until CLIENT retains appropriate qualified consultants and/or Contractors to identify and abate or remove the hazardous or toxic materials and warrants that the jobsite is in full compliance with all applicable laws and regulations.

1.5 ACCESSIBILITY

CLIENT acknowledges that the requirements of the Americans with Disabilities Act, as amended (ADA), and other federal, state, and local accessibility laws, rules, codes, ordinances, and regulations will be subject to various and possibly contradictory interpretations. CLIENT further acknowledges that the ADA is a Civil Rights law and not a building code and does not use prescriptive language. A/E, therefore, will use its reasonable professional efforts and judgment to interpret applicable accessibility requirements in effect as of the date of the execution of this Agreement, and as they apply to the Project. A/E, however, cannot and does not warrant or guarantee that CLIENT's Project will comply with all interpretations of the accessibility requirements and/or the requirements of other federal, state, and local laws, rules, codes, ordinances, and regulations as they apply to the Project.

CLIENT and A/E understand that, unless exempted by applicable law, the Project must be submitted to the Texas Department of Licensing and Regulations (TDLR) – Elimination of Architectural Barriers (EAB) Division for plan review for compliance with Texas Accessibility Standards (TAS) requirements. A/E will include in the Design of the Project all changes that are the result of the TDLR plan review. After construction of the Project, TDLR requires an inspection of the Project for compliance confirmation. However, A/E cannot and does not warrant or guarantee that different rules and or interpretation may be applied to CLIENT's Project at the time of the final TDLR inspection. Compliance with changes required by the TDLR final inspection that were not mentioned in the TDLR plan review may be required, and any additional services to be performed by A/E in order to meet or address those requirements will be charged to and payable by CLIENT.

1.6 STANDARD OF CARE BY A/E AND LIMITED WARRANTY

In providing services under this Agreement, A/E shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time and in the same or similar locality. OTHERWISE, A/E MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO ITS PROFESSIONAL SERVICES RENDERED UNDER THIS AGREEMENT, AND ALL OTHER EXPRESS OR IMPLIED WARRANTIES ARE EXPRESSLY DISCLAIMED.

CLIENT shall be responsible for all requirements and instructions that it provides to A/E pursuant to this Agreement, and for the accuracy and completeness of all programs, reports, data, and other information provided by CLIENT to A/E. A/E may use and rely upon such requirements, programs, instructions, reports, data, and information in performing or providing services under this Agreement, subject to any express limitations or reservations applicable to the provided items.

1.7 CLIENT RESPONSIBILITIES

CLIENT will provide A/E with reasonable access to the work site. Unless specifically included in A/E's Scope of Work, CLIENT will, at CLIENT's expense, apply for and obtain applicable permits in a timely manner, provide all legal services in connection with the Project, and provide environmental impact reports and energy assessments, if and as needed or appropriate for A/E's services. CLIENT shall pay the costs of checking and inspection fees, zoning application fees, soils engineering fees, testing fees, surveying fees, and all other fees, permits, bond premiums, and all other charges not specifically covered by the terms of this Agreement. Any such fee or expense approved by CLIENT and that is paid for by A/E shall be included in A/E's invoice for amounts payable by CLIENT, and A/E may require advance payment before incurring the fee or expense.

1.8 OWNERSHIP OF DOCUMENTS

All reports, Drawings, Specifications, computer files, field data, notes, data on any form of digital data, and other records or documents prepared by A/E are deemed instruments of service (collectively the "Instruments of Service") and shall remain the property of A/E. A/E shall retain a common law, statutory and other reserved rights, including copyrights, in and to all Instruments of Service and any derivative works thereof relating to the Project.

A/E grants to CLIENT a nonexclusive, limited license to reproduce or use A/E's Instruments of Service solely for the purpose of constructing, effecting, making improvements to, using, and maintaining the Project; provided, however, this grant is made with the express understanding that A/E shall have been paid in full for the services rendered hereunder. CLIENT understands that the unauthorized use of Instruments of Service is prohibited, will be deemed a material breach of this Agreement and may result in liability and other adverse consequences to CLIENT. ANY UNAUTHORIZED USE OF THE INSTRUMENTS OF SERVICE SHALL BE AT CLIENT'S OR SUCH OTHER USER'S SOLE RISK AND WITHOUT LIABILITY TO A/E.

1.9 INDEMNIFICATION FOR UNAUTHORIZED USE OF INSTRUMENTS OF SERVICE

TO THE FULLEST EXTENT PERMITTED BY LAW, CLIENT AGREES TO AND SHALL INDEMNIFY AND HOLD HARMLESS A/E, ITS OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL LIABILITY, DAMAGES, LOSSES, OR COSTS, INCLUDING REASONABLE ATTORNEY'S FEES AND DEFENSE COSTS, ARISING FROM OR IN ANY WAY CONNECTED WITH THE UNAUTHORIZED USE, REUSE OR MODIFICATION OF THE INSTRUMENTS OF SERVICE BY CLIENT OR ANY PERSON OR ENTITY THAT ACQUIRES OR OBTAINS THE INSTRUMENTS OF SERVICE FROM OR THROUGH CLIENT WITHOUT THE WRITTEN AUTHORIZATION OF A/E; PROVIDED,

HOWEVER, THIS INDEMNIFICATION AND HOLD HARMLESS PROVISION SHALL NOT APPLY TO ANY LIABILITY, CLAIMS, DAMAGES, LOSSES OR EXPENSES, INCLUDING REASONABLE ATTORNEY FEES, CAUSED BY THE NEGLIGENCE OF THE A/E, ITS OFFICERS OR EMPLOYEES WITH RESPECT TO AUTHORIZED USE OF THE INSTRUMENTS OF SERVICE.

1.10 DELIVERY OF DIGITAL DATA

In accepting and utilizing any form of digital data generated and furnished by A/E, CLIENT agrees that all such digital data are Instruments of Service of A/E. CLIENT is aware that differences may exist between the digital data delivered and the printed hard-copy Contract Documents. In the event of a conflict between the original signed Contract Documents prepared by A/E and digital data, the original signed and sealed hard-copy Contract Documents shall govern.

Digital data created by A/E through the application of software licensed for the sole and exclusive use by A/E will be furnished to CLIENT in read-only format. CLIENT is responsible to obtain and maintain, at CLIENT's expense, software licenses as appropriate for the use of digital data provided by A/E.

Under no circumstances shall delivery of digital data for use by CLIENT be deemed a sale by A/E, and A/E makes no warranties, either express or implied, of merchantability and fitness for any particular purpose. In no event shall A/E be liable for indirect or consequential damages as a result of CLIENT's use or reuse of the digital data.

ARTICLE 2. GENERAL PROVISIONS

2.1 APPLICABLE LAW

This Agreement shall be interpreted and enforced according to the laws of the State of Texas without regard to conflict of laws principles.

2.2 PRECEDENCE OF CONDITIONS

Should any conflict exist between the terms herein and the terms of any purchase order or confirmation issued by CLIENT, the terms of these Standard Conditions shall prevail, unless otherwise agreed in writing by the parties with specific reference to the applicable provision of these Standard Conditions that is intended to be modified.

2.3 ASSIGNMENT

Neither party to this Agreement shall transfer, sublet, or assign any rights or duties under or interest in this Agreement, including but not limited to monies that are due or monies that may be due, without the prior written consent of the other party (unless such assignment without consent is mandated by law), and any assignment without such written consent shall be void. Notwithstanding the foregoing, A/E is expressly permitted to subcontract or assign portions of the Work or services to subconsultants that A/E may select, provided that, A/E shall remain responsible for the Work assigned to and performed by such subconsultants. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

2.4 AMENDMENTS

This Agreement may be amended only by a written instrument, signed by both CLIENT and A/E, which expressly refers to this Agreement.

2.5 DELAYS

CLIENT agrees that A/E is not responsible for damages arising directly or indirectly from any delays for causes beyond A/E's reasonable control. For purposes of this Agreement, such causes include, but are not limited to, strikes or other labor disputes; severe weather disruptions or other natural disasters or acts of God; epidemics or pandemics (including the 2019 Novel Coronavirus or COVID-19, including any on-going or re-occurring effects of same); World Health Organization alerts; declarations of a state of emergency or similar orders issued by local, state or federal government officials; fires, riots, war or other emergencies; failure of any government agency to act in timely manner; failure of performance by CLIENT or CLIENT's Contractors or consultants; discovery of any hazardous substances or differing site conditions; or any other similar or dissimilar cause beyond A/E's reasonable control.

In addition, if the delays resulting from any such causes increase the cost or time required by A/E to perform its services in an orderly and efficient manner, A/E shall be entitled to a reasonable adjustment in schedule and compensation.

2.6 INSURANCE

A/E agrees to provide Professional Liability Insurance and General Liability Insurance during the scope of the services provided for this Project and for a period of 3 years after the completion of services.

2.7 MERGER, WAIVER, SURVIVAL AND SEVERABILITY

Except for amendments approved as required by this Agreement, this Agreement constitutes the entire and integrated agreement between the parties hereto and with regard to the same subject matter and supersedes all prior negotiations, representations and/or agreements, written or oral relating to the same subject matter.

One or more waiver of any term, condition, or other provision of this Agreement by either party shall not be construed as a waiver of a subsequent breach of the same or any other provisions. All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

The parties further intend as follows: (a) if any provision of this Agreement is held to be unenforceable, that provision will be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by applicable law, in which case that provision will be disregarded; (b) if an unenforceable provision is modified or disregarded according to this section, then the rest of the Agreement will remain in effect as written; and (c) any unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable.

2.8 TERMINATION AND SUSPENSION

CLIENT may terminate this Agreement for CLIENT's convenience and without cause upon giving A/E not less than seven calendar days' written notice.

A/E may terminate this Agreement, or may suspend Services, upon giving CLIENT not less than seven calendar days' written notice following CLIENT's failure to make timely payment owed to A/E as provided by this Agreement.

In addition, either party may terminate this Agreement for cause upon giving the other party not less than seven calendar days' written notice for any of the following "for cause" reasons:

- Substantial failure by the other party to perform in accordance with the terms of this Agreement and through no fault of the terminating party, provided that, except where the failure to perform regards CLIENT's payment obligations, the non-performing party is given written notice and description of the failure in question and a reasonable opportunity to cure of at least 10 but no more than 30 days, and the non-performing party cures the matter within the reasonable cure period;
- Unauthorized assignment of this Agreement or transfer of the Project by either party to any other entity without the prior written consent of the other party;
- Suspension of A/E's services by CLIENT for more than 90 calendar days, consecutive or in aggregate;
- Material changes in the conditions under which this Agreement was entered into, the Scope of Services or the nature of the Project, and the failure of the parties to reach agreement on the compensation and schedule adjustments necessitated by such changes.

A/E shall have no liability to CLIENT on account of A/E's termination of this Agreement for any of the reasons listed in subsections 2.8.1., 2., 3. or 4. above.

In the event of termination of this Agreement by either party, CLIENT shall, within 15 calendar days of the termination date, pay A/E for all services rendered and all reimbursable costs incurred by A/E up to the date of termination, in accordance with the payment provisions of this Agreement.
The terminating party shall set the effective date of termination at a time sufficient (up to 30 days later than otherwise provided) to allow A/E to demobilize personnel and equipment from the Project, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.

2.9 LIMITATION OF LIABILITY

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, AND TO THE FULLEST EXTENT PERMITTED BY LAW, NEITHER CLIENT NOR A/E, THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, EMPLOYEES OR AGENTS, CONTRACTORS OR SUBCONSULTANTS SHALL BE LIABLE TO THE OTHER OR SHALL MAKE ANY CLAIM FOR ANY INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR CONNECTED IN ANY WAY TO THE PROJECT OR THIS AGREEMENT. THIS MUTUAL LIMITATION OF LIABILITY SHALL INCLUDE ALL SUCH DAMAGES THAT EITHER PARTY MAY HAVE INCURRED FROM ANY CAUSE, INCLUDING NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT AND BREACH OF STRICT OR IMPLIED WARRANTY.

IN RECOGNITION OF THE RELATIVE RISKS AND BENEFITS OF THE PROJECT TO BOTH THE CLIENT AND THE A/E, AND NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, A/E'S TOTAL AGGREGATE LIABILITY IN CONNECTION WITH THIS AGREEMENT AND WORK PERFORMED HEREUNDER SHALL BE STRICTLY LIMITED TO AN AMOUNT NOT TO EXCEED $50,000 OR THE TOTAL FEE PAID TO A/E UNDER THIS AGREEMENT (LESS DIRECT THIRD–PARTY COSTS), WHICHEVER IS GREATER WHETHER SUCH LIABILITY IS ASSERTED FOR BREACH OF REPRESENTATION OR WARRANTY, UNDER ANY INDEMNITY, IN ANY OTHER RESPECT UNDER OR FOR BREACH OF CONTRACT, OR AS A LIABILITY ARISING IN TORT OR BY STATUTE. CLIENT HEREBY WAIVES AND DISCHARGES ALL PRESENT AND FUTURE CLAIMS AGAINST A/E AND (FOR ACTIONS IN SUCH CAPACITY) ITS SHAREHOLDERS, DIRECTORS, OFFICERS, AGENTS, EMPLOYEES, SUBCONSULTANTS AND SUBCONTRACTORS, FOR ANY CLAIM OTHER THAN THOSE DESCRIBED IN THE PRECEDING SENTENCE OR ANY LIABILITY AMOUNT IN EXCESS OF THE AGGREGATE LIMITATION STATED IN THE PRECEDING SENTENCE. THESE PROVISIONS SHALL BE ENFORCEABLE TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

2.10 THIRD-PARTY BENEFICIARIES

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either CLIENT or A/E. A/E's services under this Agreement are being performed solely for CLIENT's benefit, and there are no third-party beneficiaries of A/E's services.

2.11 MAINTENANCE, WEAR AND TEAR

Both CLIENT and A/E acknowledge that CLIENT, and only CLIENT, is responsible for maintenance, wear, and tear on the Project upon substantial completion. CLIENT is responsible for providing routine inspections and maintenance of the project to maintain a safe, functional, and weather tight facility. Should CLIENT fail to provide routine inspections and maintenance, and damage occur to the project, A/E is not responsible for any such resultant damage.

ARTICLE 3. DISPUTE RESOLUTION, BETTERMENT, AND COMMUNICATIONS

3.1 DISPUTE RESOLUTION

A/E and CLIENT agree to negotiate all disputes between them in good faith for a minimum of 30 days from the date of notice. Should such negotiations fail, A/E and CLIENT agree that any dispute between their arising out of, or relating to, this Agreement shall be submitted to non-binding mediation prior to the filing of any lawsuit or arbitration proceeding relating to the dispute, unless the parties mutually agree otherwise in writing.

The mediation shall be conducted remotely and by electronic video conference means unless the parties agree in writing to mediate in person at a mutually agreeable location. The parties agree that conducting mediation by remote means shall constitute a mediation in the state where the Project is located, provided that, each of the parties shall have one representative participating in the mediation while the representative is situated in the state where the Project is located. Each party shall assume its own costs associated with the mediation. The mediator's compensation and expenses and any administrative fees or costs associated with the mediation proceeding shall be borne equally by the parties, unless otherwise agreed in writing.
Notwithstanding the foregoing, none of the above Dispute Resolution processes shall prevent or deter a party from protecting or acting upon lien rights, or from seeking immediate, emergency, or injunctive relief from a court of competent jurisdiction and as may be available at law or in equity.

3.2 BETTERMENT

If, due to an error or an omission by A/E, any required item or component of the Project is omitted from the Construction Documents, A/E shall not be responsible for paying the cost to add such item or component to the extent that such item or component and the cost of same would have been otherwise necessary to the project or otherwise add value or betterment to the Project.

3.3 NOTICES

All notices provided for in this Agreement shall be in writing. Any notices that are submitted by email exchanged between the parties' authorized representatives may be effective upon proof of receipt and delivery records. Each of the parties agrees to reasonably confirm receipt of notices submitted by the other party. Otherwise, all notices provided for in this Agreement shall be in writing and shall be hand delivered, mailed by certified mail, return receipt requested or sent by recognized overnight courier service to the parties at each of their respective representatives noted below, unless otherwise changed upon written notice:

A/E: Clint Wofford, 225 N. Center Street, Suite 100, Arlington, TX 76011, cwofford@parkhill.com
(Representative name, address, and email)

CLIENT: Candice Edmondson, 3200 Diana Drive, Richland Hills, TX 76118, cedmondson@richlandhills.com
(Representative name, address, and email)

3.4 ELECTRONIC SIGNATURES

In accordance with applicable law, including the applicable Uniform Electronic Transactions Act, CLIENT and A/E agree that electronic signatures (such as e-mail or electronically-typed signatures) of the parties' authorized representatives to this Agreement and Standard Conditions or to later consents or approvals associated herewith shall constitute the valid signature of the party for purposes of obtaining agreements, consents or other matters prescribed by the Agreement.

Therefore, having read, understood, and agreed to the foregoing, CLIENT and A/E, by and through their authorized representatives, have subscribed their names hereon effective with the Agreement made the basis of these Standard Conditions.

PARKHILL

By: Clint Wofford
Clint Wofford
RLA
Associate

Date: 08-08-2022

CITY OF RICHLAND HILLS

Accepted By: Candice Edmondson

Title: City Manager

Date: 8-8-2022

Parkhill
Hourly Rate Schedule
January 1, 2022 through December 31, 2022

Client: City of Richland Hills **Project:** Creek Trail Park and Kate Baker Park

Agreement Date: July 6, 2022 **Location:** Richland Hills, Texas 76118

CLASSIFICATION	HOURLY RATE	CLASSIFICATION	HOURLY RATE	CLASSIFICATION	HOURLY RATE
SUPPORT STAFF I	$58.00	PROFESSIONAL LEVEL III		PROFESSIONAL LEVEL VI	
		Architect	$144.00	Architect	$239.00
SUPPORT STAFF II	$68.00	Civil Engineer	$170.00	Civil Engineer	$257.00
		Electrical Engineer	$165.00	Electrical Engineer	$268.00
SUPPORT STAFF III	$94.00	Interior Designer	$129.00	Interior Designer	$206.00
		Landscape Architect	$140.00	Landscape Architect	$222.00
SUPPORT STAFF IV	$100.00	Mechanical Engineer	$165.00	Mechanical Engineer	$268.00
		Structural Engineer	$163.00	Structural Engineer	$246.00
SUPPORT STAFF V	$111.00	Surveyor III	$115.00	Professional Surveyor VI	$188.00
		Other Professional	$127.00	Other Professional	$202.00
SUPPORT STAFF VI	$120.00				
		PROFESSIONAL LEVEL IV		PROFESSIONAL LEVEL VII	
PROFESSIONAL LEVEL I		Architect	$177.00	Architect	$307.00
Architect	$118.00	Civil Engineer	$198.00	Civil Engineer	$307.00
Civil Engineer	$122.00	Electrical Engineer	$194.00	Electrical Engineer	$307.00
Electrical Engineer	$125.00	Interior Designer	$141.00	Interior Designer	$231.00
Interior Designer	$112.00	Landscape Architect	$151.00	Landscape Architect	$307.00
Landscape Architect	$112.00	Mechanical Engineer	$194.00	Mechanical Engineer	$307.00
Mechanical Engineer	$122.00	Structural Engineer	$189.00	Structural Engineer	$307.00
Structural Engineer	$117.00	Surveyor IV	$133.00	Professional Surveyor VII	$208.00
Surveyor I	$89.00	Other Professional	$150.00	Other Professional	$307.00
Other Professional	$110.00				
		PROFESSIONAL LEVEL V			
PROFESSIONAL LEVEL II		Architect	$215.00		
Architect	$127.00	Civil Engineer	$239.00		
Civil Engineer	$137.00	Electrical Engineer	$237.00		
Electrical Engineer	$141.00	Interior Designer	$170.00		
Interior Designer	$118.00	Landscape Architect	$184.00		
Landscape Architect	$118.00	Mechanical Engineer	$237.00		
Mechanical Engineer	$141.00	Structural Engineer	$228.00		
Structural Engineer	$133.00	Professional Surveyor V	$156.00		
Surveyor II	$99.00	Other Professional	$167.00		
Other Professional	$116.00				

Expenses: Reimbursement for expenses as listed, but not limited to, incurred in connection with services, will be at cost plus 15 percent for items such as:

1. Maps, photographs, postage, phone, reproductions, printing, equipment rental, and special supplies related to the services.
2. Consultants, soils engineers, surveyors, contractors, and other outside services.
3. Rented vehicles, local public transportation and taxis, road toll fees, travel, and subsistence.
4. Special or job-specific fees, insurance, permits, and licenses applicable to work services.
5. Mileage at IRS-approved rate.

Rate for professional staff for legal proceedings or as expert witnesses will be a rate one-and-a-half times these Hourly Rates. Excise and gross receipt taxes, if any, will be added as an expense.
Foregoing Schedule of Charges is incorporated into the Agreement for Services provided, effective January 1, 2022 through December 31, 2022.
After December 31, 2022, invoices will reflect the Schedule of Charges currently in effect.

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Jason Brown, Director of Parks and Recreation

Date: April 24, 2023

Subject: Yellowstone Landscaping, LLC Contract Renewal

Agenda Item:

Approve contract renewal with Yellowstone Landscaping, LLC for citywide landscape services and authorize City Manager to sign contract

Background Information:

In April 2019, the City of Richland Hills sent out a Request for Proposals (RFP) for citywide landscape services. Three companies responded to the RFP and Yellowstone Landscaping, LLC was awarded the contract based on overall best value.

The contract terms were twelve (12) months with the option to extend the contract for up to four (4) additional years in one (1) year intervals. City Council approved the first renewal in December 2020 and the second renewal in December 2021.

While staff has been pleased with Yellowstone's performance, there have been several changes to the original scope of work since awarding the bid. As such, both parties agree that the scope of work should be updated to capture all service areas. Staff is preparing a Request for Proposals to be released this summer. The intent is to enter into a new contract for citywide landscape services in October to align with the City's fiscal year. In the meantime, Yellowstone has agreed to continue to provide services under the original contract. The contract term under this renewal will conclude on September 30, 2023. No other changes have been proposed to the contract.

Financial Considerations:

The original contract included a 3% escalation for the third additional year. Funding in the amount of $175,875 was included in the FY 2023 Budget for citywide landscape maintenance.

Legal Review:

The City Attorney previously reviewed the contract.

Board/Citizen Input:

N/A

Attachments:

Contract renewal with Yellowstone Landscaping, LLC

Council Action Requested:

Motion to approve contract renewal for citywide landscape services for a third additional year with Yellowstone Landscaping, LLC and authorize City Manager to sign contract

CONTRACT FOR LANDSCAPING SERVICES

ARTICLE I

Identification of Parties

This Agreement made this 24th day of April 2023, by and between Yellowstone Landscaping, LLC (hereinafter referred to as "Contractor"), having its principal office at 500 Huffines Blvd, Lewisville, Texas 75056 and the City of Richland Hills, Texas (hereinafter referred to as "City"), having its principal office at 3200 Diana Drive, Richland Hills, Texas 76118.

The purpose of this Agreement is to have the Contractor provide the services identified in Article II.

ARTICLE II
Services to be Rendered

The Contractor agrees to perform Landscaping services for the City facilities as described in the Request for Proposal RFP 2019-01 documents, attached hereto Exhibit "A" and incorporated for all purposes (collectively the "Agreement"). The services to be rendered are fully described in the attached Exhibit "A". The time frames for the services to be performed at each facility are also described in the Exhibit "A".

ARTICLE III
Background and Criminal History Check

The Contractor and all contractor's employees servicing the City facilities must complete a background check and criminal history form provided by the City and any other documentation requested by the City to prove identity of the Contractor or the contractor's employees. The Contractor and the contractor's employee's background and criminal history must be approved by the City's Police Chief before the Contractor or the contractor's employees service any City facility. Failure of the Contractor or the contractor's employees to pass a background and criminal history check is cause for termination of the contract. The Services of Contractor are to be performed by one or more specified individuals within Contractor's organization; only the individuals so specified shall perform Services hereunder and their duties shall not be delegated to any other individual or entity without the written consent of the City.

ARTICLE IV
Term

The term of this contract is to be concluded on September 30, 2023. Prior to that, the City will host a public, open bidding process for the next landscape contract with the City.

ARTICLE V
Payment

The payment obligations of the City are fully described in the attached Exhibit "A". If City objects to Contractor's invoice, City shall so advise Contractor in writing giving specific reasons. In the event of such dispute, only that portion so contested may be withheld from payment, and the undisputed portion will be paid. In the event of any termination of this Agreement, Contractor will be entitled to invoice City and will be paid for all Services performed through the effective date of termination.

ARTICLE VI
Miscellaneous

A. Nature of Relationship and Insurance: The Contractor herein is an independent contractor. The Contractor shall provide proof of liability insurance and bond in amounts satisfactory to the City before commencement of the Contract. The Contractor shall not act as an agent for the City, nor shall it be deemed to be an employee of the City for any purpose whatsoever. The Contractor shall not enter into any agreement or incur any obligations on the City's behalf or commit the City in any manner without the City's prior written consent.

B. Contractor shall pay all of its employees, including any and all approved subcontractors, at least the legal minimum wages as determined by the United States Department of Labor and the United States Department of Housing and Urban Development and Department of Labor Prevailing Wage as Attached if applicable.

C. Assignment: Neither party may assign or transfer any rights under or interest in this Agreement without the written consent of the other. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

C. Notices: Any notice required under this Agreement shall be in writing, addressed to the appropriate party at its address on the signature page and given personally, or by registered or certified mail, postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of service.

D. Waiver: Non-enforcement of any provision by either party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

G. Amendment: This Agreement constitutes the entire agreement to the parties with respect to the Services to be performed hereunder. No modification or amendment of any of the provisions hereof shall be binding unless in writing and signed by duly authorized representatives of the parties.

H. The parties agree that the laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this construction agreement, and that the exclusive venue for any legal proceeding involving this construction agreement shall be Tarrant County, Texas. No additional work shall be authorized or charged for unless authorized by a change order signed by a person authorized by the City to do so.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

Signatures

In witness whereof, the parties hereto have caused this Agreement to be executed in

duplicate the ______ day of __________________.

City of Richland Hills, Texas

By: ________________________________
Candice Edmondson
City Administrator
3200 Diana Drive
Richland Hills, Texas 76118

Yellowstone Landscape, LLC

By: ________________________________
Name: Pedro P. Berreles
Title: Branch Manager
3009 Sandy Lane
FORT WORTH, TX 76112
(Address)

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Logan Thatcher, Assistant to the City Manager

Date: April 24, 2023

Subject: 3425 Crites Street – Guesthouse SUP

Agenda Item:

Consider Ordinance 1470-23 a Specific Use Permit (2023-0127) to permit a Guesthouse for the property described as Block D Lot 2 Richland Hills Addition, Richland Hills, Texas, otherwise known as 3415 Crites Street, Richland Hills, Texas 76118 **PUBLIC HEARING**

Background Information:

The applicant Brandon Elias of Cavadian Properties has applied for a Specific Use Permit for a guesthouse. This property is located in the Single-Family Zoning District (SF-10). In the Future Land Use map, the property is placed in the Mixed-Use Zone. The property is 11,587 square feet. The guesthouse structure is 2,048 square feet.

This property was dismissed on October 10, 2022, at a Building Board of Appeals meeting for a substandard case. All health and life safety improvements were made. The back building was originally a garage but has now been converted to a guesthouse. The main dwelling is currently being rented without the guesthouse.

Staff has reviewed this application in correspondence to the City's Guesthouse Ordinance, 3.02.01 Section A, Subsection 19 (which is attached for review). When plans were sent to City staff, the plans included a kitchen. Staff let the applicant know that a guesthouse could not include a kitchen per City Ordinance. The applicant revised the plans and took out the kitchen.

Staff identified additional items that do not meet the Guesthouse Ordinance. The guesthouse must *"Meet the setback requirements for accessory structures as stated in section 4.02.01 Residential Accessory Structures" (3.02.01 (19)).* The side setback is 5 feet as stated in 4.02.01, *"Side. The side setback shall be five feet from the property line or out of easement, whichever establishes a greater setback, for interior lots, and 15 feet from the property line where a lot is adjacent to a side street."* The structure is currently 4'1" from the side yard property line. The structure also exceeds 40% of the livable floor area, which is in violation of Ordinance 3.02.01 (C,3). Another item to consider is that the Guesthouse Ordinance states that structures *"Not be separately rented or leased from the main dwelling, whether compensation is direct or indirect"(C,6).*

Since the structure does not meet setback and livable floor area requirements, staff recommends City Council deny the specific use permit request.

Financial Considerations:

There are not any financial considerations for the SUP.

Legal Review:

N/A

Board/Citizen Input:

The Planning and Zoning Commission denied the Specific Use Permit request 4-0 on March 28, 2023.

Attachments:

Application
Site Plan
Property Photo
Guesthouse Requirements – Section 3.02.01- (19)
Ordinance 1470-23

Council Action Requested:

Motion to deny Ordinance 1470-23, Specific Use Permit 2023-0127 to permit a Guesthouse for the property described as Block D Lot 2 Richland Hills Addition, Richland Hills, Texas, otherwise known as 3415 Crites Street, Richland Hills, Texas 76118.

City of Richland Hills
Zoning Application

Application Type

- [x] Specific Use Permit
- [ ] Planned Development
- [ ] Zoning Text Amendment
- [ ] Zoning Map Amendment

Applicant Information

Applicant's Name: Brandon Elias

Business Name: Carvadian properties LLC

Phone: 214632 2776 Email: B74 Elias@yahoo.com

Property Information

Property Address: 3415 crites Square Feet: 1752

Building Owner: Brandon Elias Deed Date: 5/01/2023

Company: Carvadian properties Phone: 214632 2776

Owner Address: 1230 River bend Ste 220 Dallas TX 75217

Owner's Phone #: 214632 2776 Owner's Email: B74Elias@yahoo.com

Previous Occupant:

Current Zoning: residential

Zoning Request

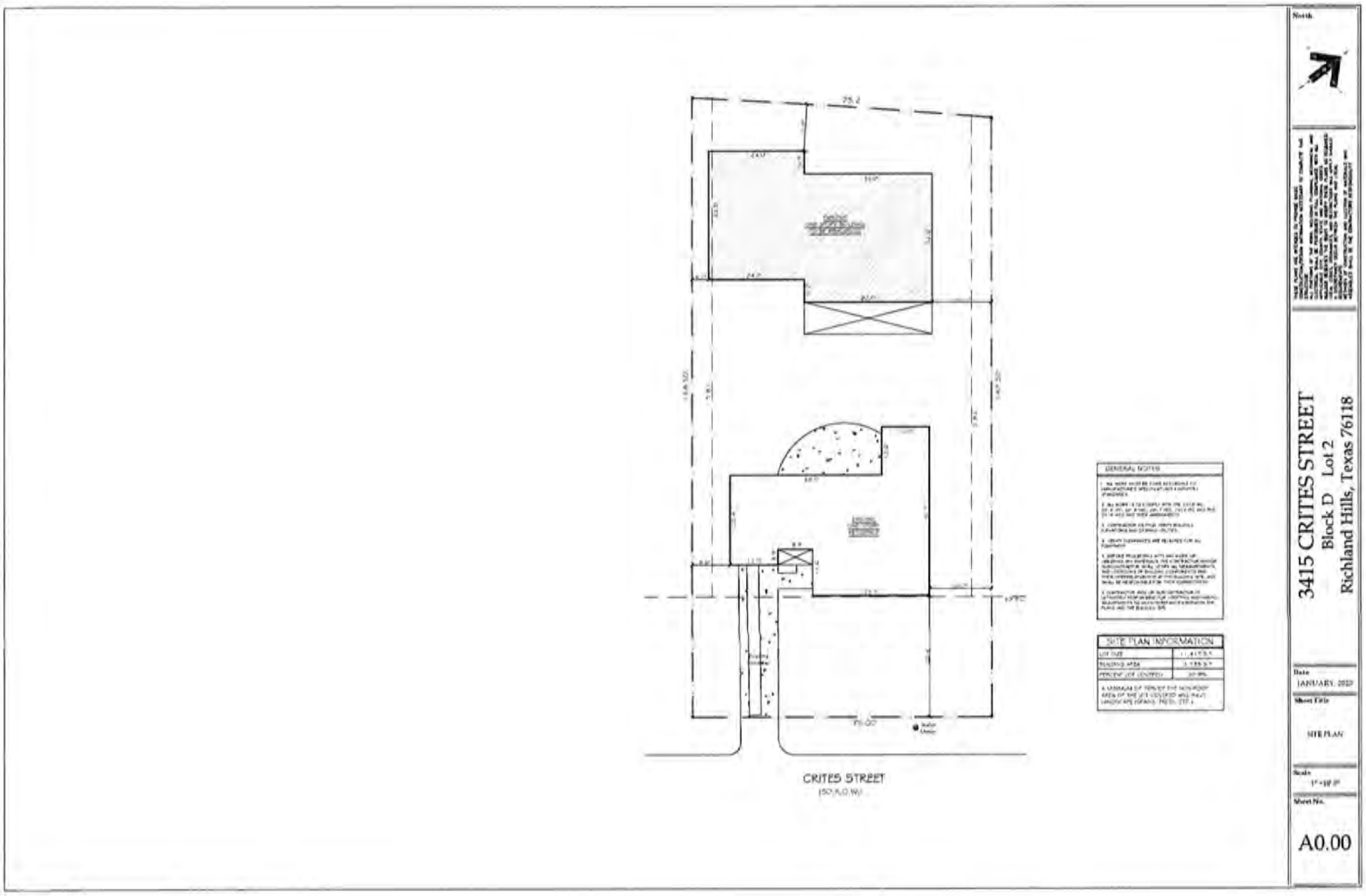
Please describe the nature of your request

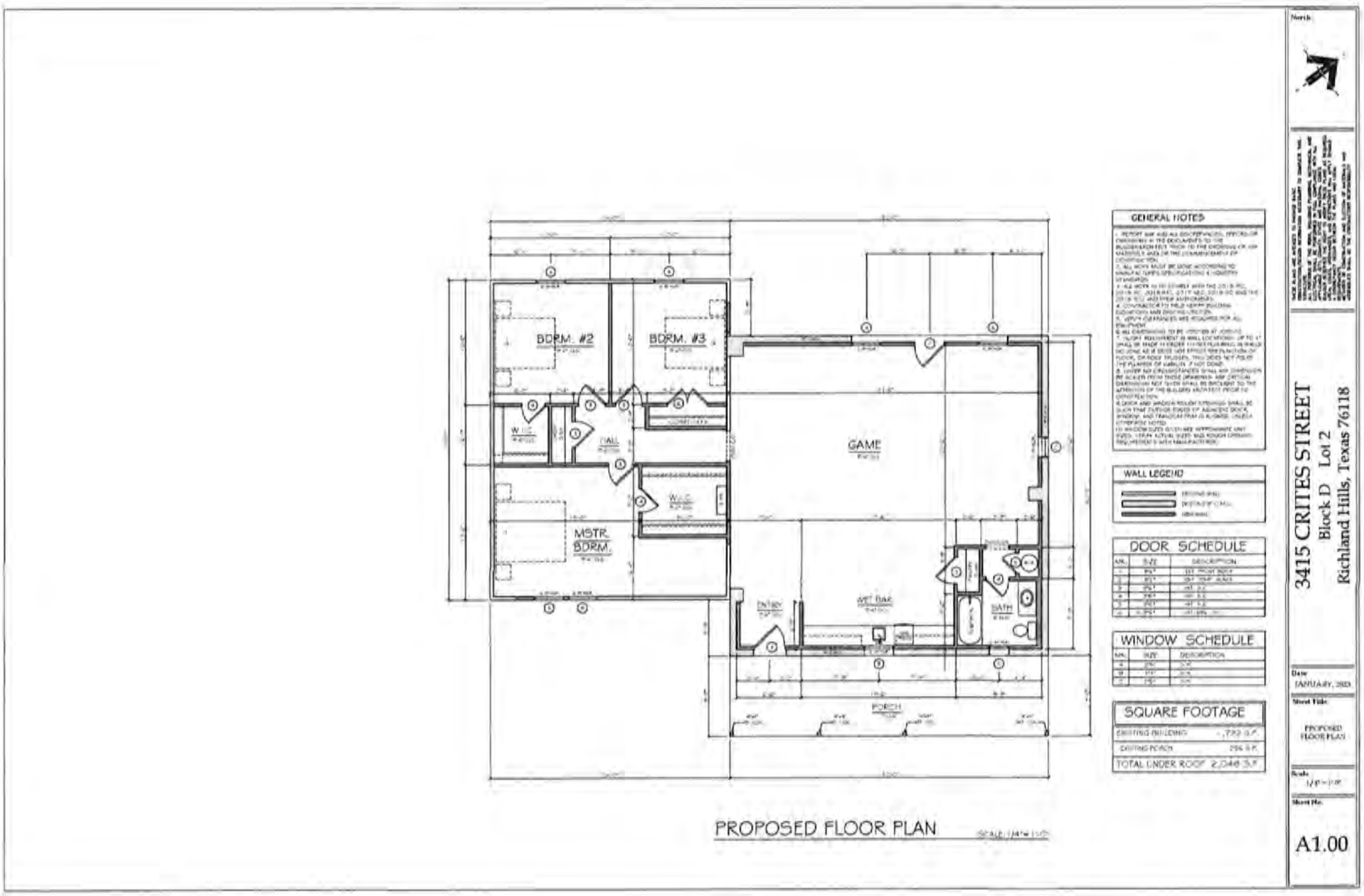
rehab back unit at 3415 Crites Richland Hills, TX 76118

Signature

I certify that my answers are true and complete to the best of my knowledge and I understand that false or misleading information in my application may result in zoning violations.

Signature: [signature] Date: 02/13/2023


75.2
CRITES STREET
GENERAL NOTES
SITE PLAN INFORMATION
3415 CRITES STREET
Block D Lot 2
Richland Hills, Texas 76118
Date
Sheet Title
SITE PLAN
Scale
Sheet No.
A0.00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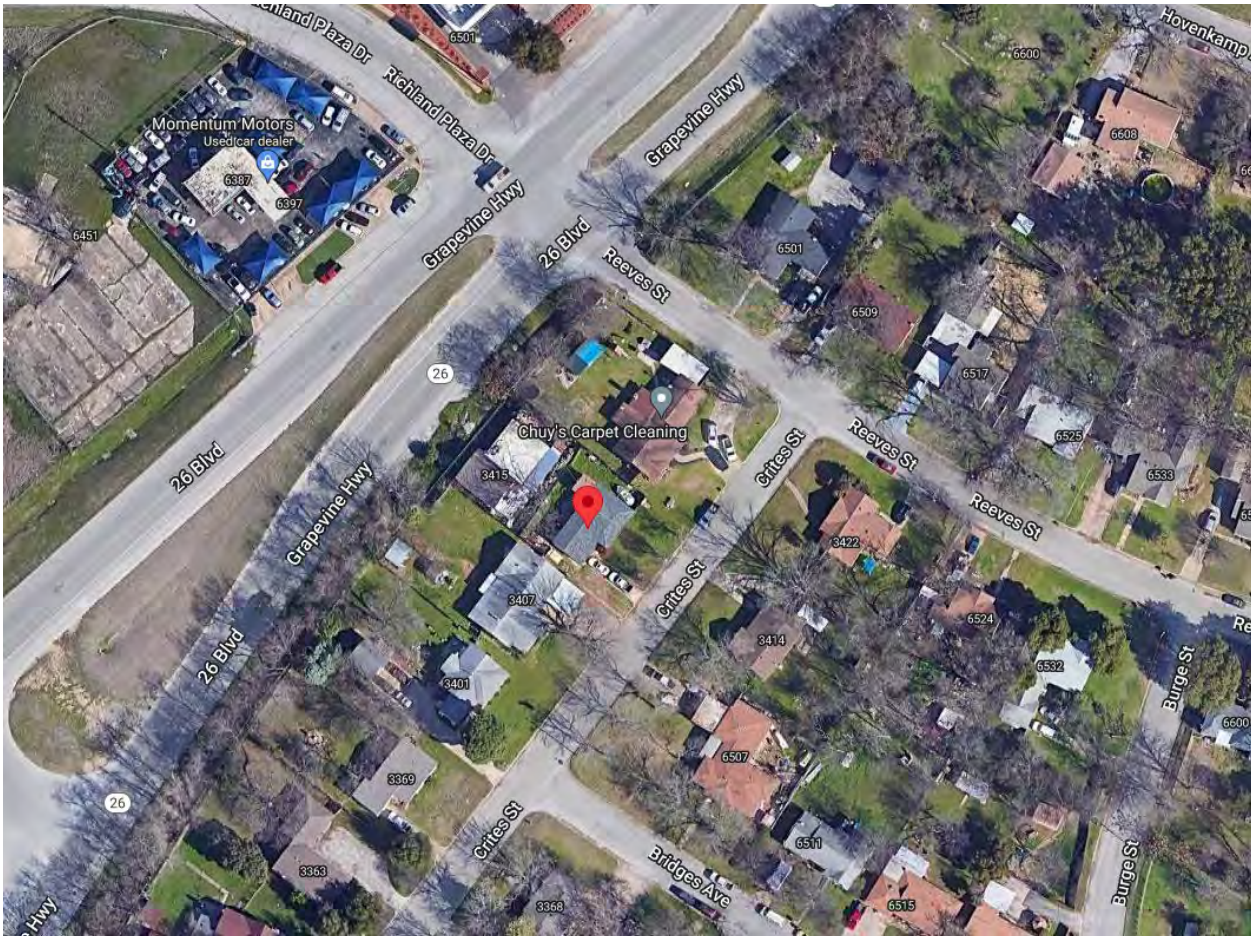
GENERAL NOTES
BDRM. #2
BDRM. #3
W.I.C.
HALL
GAME
W.I.C.
MSTR. BDRM.
ENTRY
WET BAR
BATH
PORCH
WALL LEGEND
DOOR SCHEDULE
WINDOW SCHEDULE
SQUARE FOOTAGE
TOTAL UNDER ROOF 2,048 S.F.
3415 CRITES STREET
Block D Lot 2
Richland Hills, Texas 76118
Date
Sheet Title
PROPOSED FLOOR PLAN
Scale
Sheet No.
A1.00
PROPOSED FLOOR PLAN

3415 Crites Street Photos



3415 Crites Street Photos

Guest House Requirements

(19) Guest house. In addition to any requirements or regulations outlined within the specific use permit, guest houses shall be subject to the following development standards:

(a)Only one guest house shall be allowed on a single parcel of record.

(b)The guest house, along with the main dwelling, may not exceed the allowable site coverage for the zoning district.

(c)The guest house shall:

1.Not exceed 40 percent of the livable floor area of the main structure.

2.Not contain more than one bathroom facility.

3.Not contain a kitchen, including a range, stove or cooktop.

4.Be designed to ensure visual harmony, consistency, and compatibility with the main dwelling on the site and with other residential structures in the area, and meet all applicable masonry requirements.

5.Meet the setback requirements for accessory structures as stated in section 4.02.01 Residential Accessory Structures.

6.Not be separately rented or leased from the main dwelling, whether compensation is direct or indirect.

7.Not be sold separately from sale of the entire property, including the main structure, and the property shall not be replatted in a manner that would allow the accessory structure to become a main structure.

8.Register and receive annual inspections as outlined:

a. Each guest house shall be registered annually. If there is any change in occupancy of the structure longer than three weeks, registration shall be updated at that time.

b. Inspections shall be required annually. It shall be the responsibility of the property owner to request and schedule an inspection at the time of annual registration.

c. The fees for registration and required annual inspection for each guest house are as shown in the city's fee schedule.

ORDINANCE NO. 1470-23

AN ORDINANCE AMENDING CHAPTER 90 OF THE RICHLAND HILLS CODE, AS AMENDED, THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF RICHLAND HILLS, BY GRANTING A SPECIFIC USE PERMIT PERMITTING A GUEST HOUSE ON CERTAIN PROPERTY LOCATED AT 3415 CRITES STREET, RICHLAND HILLS, TEXAS; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR VIOLATIONS; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Richland Hills is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, pursuant to Chapter 211 of the Local Government Code, the City has adopted a comprehensive zoning ordinance, codified as Chapter 90 of the Richland Hills Code, and a comprehensive zoning map, regulating the location and use of buildings, other structures, and land for business, industrial, residential, or other purposes, and providing for a method to amend said ordinance and map for the purpose of promoting the public health, safety, morals, and general welfare, all in accordance with a comprehensive plan; and

WHEREAS, in accordance with the Comprehensive Zoning Ordinance, the owner of the property referenced below has filed an application for a specific use permit for a Guest House in the SF-10 Single-Family Residential (SF-10) Zoning District; and

WHEREAS, a public hearing was duly held by the Planning and Zoning Commission of the City on March 28, 2023, and by the City Council of the City on April 24, 2023, with respect to the use changes described herein; and

WHEREAS, all requirements of law dealing with notice to other property owners, publication, and all procedural requirements have been complied with in accordance with the comprehensive zoning ordinance and Chapter 211 of the Local Government Code; and

WHEREAS, the City Council of the City does hereby deem it advisable and in the public interest to grant such permit on the terms and conditions described herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHLAND HILLS, TEXAS, THAT:

SECTION 1.
SPECIAL USE PERMIT GRANTED

Chapter 90, "Zoning," of the Richland Hills Code, as amended, is hereby amended so that a specific use permit is granted as shown and described below:

Applicant:	Brandon Elias
Property Owner:	Cavadian Properties
Property Address:	3415 Crites Street, Richland Hills, Texas 76118
Legal Description:	Lot 2, Block D, Richland Hills, an addition to the City of Fort Worth and now a part of the City of Richland Hills, Tarrant County, Texas, according to the Plat recorded in Volume 388-C, Page 154, Deed Records, Tarrant County, Texas.
Zoning Change:	The property shall remain located in the SF-10 Single-Family Residential (SF-10) Zoning District, and a Specific Use Permit for a Guest House is hereby granted subject to the terms and conditions provided herein.

SECTION 2.
ACCORDANCE WITH COMPREHENSIVE PLAN AND PURPOSES OF ZONING

The zoning districts, boundaries, and uses as herein established have been made in accordance with the comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the community. They have been designed to lessen congestion in the streets; to secure safety from fire, panic, flood, and other dangers; to provide adequate light and air; to prevent overcrowding of land; to avoid undue concentration of population; and to facilitate the adequate provisions of transportation, water, sewerage, parks, and other public requirements. They have been made after a full and complete hearing with reasonable consideration among other things of the character of the district and its peculiar suitability for the particular uses and with a view of conserving the value of the buildings and encouraging the most appropriate use of land throughout the community.

SECTION 3.
ZONING ORDINANCE AND SPECIAL TERMS AND CONDITIONS APPLICABLE

The use of the property described herein shall be subject to all the applicable regulations contained in the Comprehensive Zoning Ordinance and all other applicable and pertinent ordinances of the City for the zoning district into which they have been assigned.

SECTION 4.
ORDINANCE CUMULATIVE

This Ordinance shall be cumulative of all other ordinances of the City of Richland Hills affecting zoning and land use, as amended, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this Ordinance.

SECTION 5.
RESERVATION OF RIGHTS AND REMEDIES FOR ACCRUED VIOLATIONS

All rights or remedies of the City are expressly saved as to any and all violations of Chapter 90 of the Richland Hills Code, as amended, or any other ordinance affecting zoning and land use that have accrued at the time of the effective date of this Ordinance and as to such accrued violations and all pending litigation, both civil and criminal, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the Courts.

SECTION 6.
SEVERABILITY CLAUSE

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION 7.
PENALTY CLAUSE

Any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine as provided in Section 1-14 of the Richland Hills Code. Each day that a violation is permitted to exist shall constitute a separate offense. In addition, any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance may be subjected to such civil penalties as authorized by law.

SECTION 8.
PUBLICATION CLAUSE

The City Secretary of the City of Richland Hills is hereby directed to publish in the official newspaper of the City the caption and penalty clause of this Ordinance as required by law.

APPROVED AND ADOPTED at a regular meeting of the Richland Hills City Council on April 24, 2023, by a vote of _____ ayes, _____ nays, and _____ abstentions.

APPROVED:

____
THE HONORABLE MAYOR EDWARD LOPEZ

ATTEST:

____
LINDSAY RAWLINSON, CITY SECRETARY

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Candice Edmondson, City Manager

Date: April 24, 2023

Subject: American Rescue Plan Act Funding Resolution

Agenda Item:

Consider Resolution 574-23 stating the primary intended uses of the City of Richland Hills' second distribution of local fiscal recovery funds through the American Rescue Plan Act

Background Information:

Richland Hills has received $1,972,588.93 in fiscal recovery funds as provided in the American Rescue Plan Act (ARPA). The funds are intended to help the City combat the COVID-19 pandemic, including ongoing public health and economic impacts. The City received its first payment in the amount of $985,320.80 on August 23, 2022 and a second payment in the amount of $987,268.13 on September 26, 2023.

During the January 10, 2022 City Council meeting, staff presented proposed uses for Richland Hills' ARPA Funds. The uses followed eligible purposes as outlined in the US Department of Treasury's Interim Final Rule. The proposed uses are intended to 1) make necessary investments in the City's water and broadband infrastructure and 2) provide premium pay to workers performing essential work during the COVID-19 public health emergency.

On January 24, 2022, City Council adopted Resolution 549-22 expending the first tranche of funds for water system improvements and premium pay for essential workers (first half). Resolution 574-23 outlines City Council's intent to expend the second tranche of funds for additional water system improvements, premium pay for essential workers (second half) and expansion of broadband infrastructure.

Financial Considerations:

Richland Hills has received $1,972,588.93 in fiscal recovery funds as provided in the American Rescue Plan Act

Legal Review:

The City Attorney has previously reviewed the Resolution.

Board/Citizen Input:

N/A

Attachments:

Resolution 574-23

Council Action Requested:

Motion to approve Resolution 574-23 stating the primary intended uses of the City of Richland Hills' second distribution of local fiscal recovery funds through the American Rescue Plan Act

RESOLUTION NO. 574-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHLAND HILLS, TEXAS, TO STATE THE PRIMARY INTENDED USES OF THE CITY OF RICHLAND HILLS' SECOND DISTRIBUTION OF LOCAL FISCAL RECOVERY FUNDS THROUGH THE AMERICAN RESCUE PLAN ACT; AND FOR OTHER PURPOSES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Richland Hills is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, on March 11, 2021, the United States Congress passed the American Rescue Plan Act of 2021 (ARPA), which provides fiscal relief funds to state and local governments, and other program areas aimed at mitigating the continuing effects of the COVID-19 Pandemic; and

WHEREAS, ARPA is intended to provide support to local governments in responding to the impact of COVID-19 and in their efforts to contain COVID-19 in their communities, residents and businesses; and

WHEREAS, ARPA includes state and local fiscal recovery funds to support urgent COVID response efforts to decrease the spread of the virus; to replace lost public sector revenue to strengthen support for vital public services; to support immediate economic stabilization for households and businesses; and to address systemic public health and economic challenges that have contributed to unequal impacts of the pandemic on certain populations; and

WHEREAS, the United States Department of Treasury has adopted the Interim Final Rule as guidance regarding the use of ARPA funds; and

WHEREAS, the City of Richland Hills has received $1,972,588.93 in ARPA funds through two separate tranches; and

WHEREAS, that as a recipient, the City of Richland Hills accepts the award of Coronavirus Local Fiscal Recovery Funds allocation up to the maximum allowed by the terms and conditions of the ARPA; and

WHEREAS, Resolution 549-22 was approved and adopted by the Richland Hills City Council on January 24, 2022 allocating the first tranche of ARPA Funds; and

WHEREAS, this Resolution is a statement of intent of the City Council to expend the City's second tranche of ARPA funds in accordance with federal law and guidance, for the current critical needs and priorities for which there is consensus as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHLAND HILLS, TEXAS, THAT:

SECTION 1.

Subject to the provisions of Section 6 below, the City Manager is authorized to apply for, obtain, or otherwise assure authorization of the receipt or use of ARPA funds as set forth in this Resolution.

SECTION 2.

The City Council expresses its intent to expend the second tranche of funds, up to the amount received of $987,268.13, for eligible, immediate needs within the categories below as set out in the Interim Final Rule:

A. Support public health expenditures;
B. Address negative economic impacts caused by the public health emergency;
C. Replace lost public sector revenue;
D. Provide premium pay for essential workers; or
E. Invest in water, sewer, and broadband infrastructure.

SECTION 3.
PROVIDE PREMIUM PAY FOR ESSENTIAL WORKERS

It is the intent of the City Council that funds from the second tranche of the ARPA be prioritized and expended to provide premium pay for essential workers at a flat rate of $2.00 per hour worked between April 1, 2020 and April 1, 2021. Essential workers will receive half of the premium pay from the first tranche of ARPA funds and half from the second tranche.

SECTION 4.
EXPENDITURES FOR WATER & WASTEWATER INFRASTRUCTURE

It is the intent of the City Council that funds from the second tranche of the ARPA be prioritized and expended for water system improvements including the addition of auxiliary power for a pump at 7636 Evergreen Road, 3100 Wesley Way and 6801 Airport Freeway.

The first tranche of ARPA funds was previously allocated for additional water system improvements including the addition of auxiliary power for a well and pump at 6700 Rena Drive and 7100 Booth Calloway Road; the addition of auxiliary power for a well and pump and replacement of the well house at 2920 Spruce Park Drive; the addition of transfer switch gear at 3600 London Lane and 3700 Scruggs Drive; and engineering and design fees.

SECTION 5.
EXPENDITURES FOR BROADBAND INFRASTRUCTURE

It is the intent of the City Council that funds from the second tranche of the ARPA be prioritized and expended for broadband infrastructure at City parks and facilities including Rosebud Park, Creek Trail Park, Kate Baker Park, Animal Services Center and the City Plaza.

SECTION 6.
COMPLIANCE WITH THE ARPA

The City will ensure compliance with prevailing federal guidance at the time the funds are committed for expenditure.

SECTION 7.

Nothing in this Resolution shall be construed as taking the place of any action otherwise required by the City Council to authorize the City Manager to enter into requisite contracts associated with expenditures outlined above.

SECTION 8.
SEVERABILITY

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Resolution are severable, and if any phrase, clause, sentence, paragraph or section shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Resolution, since the same would have been enacted by the City Council without the incorporation in this Resolution of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 9.

This Resolution shall become effective immediately upon its passage.

APPROVED AND ADOPTED at a regular meeting of the Richland Hills City Council on April 24, 2023, by a vote of _____ayes, _____nays, and _____abstentions.

APPROVED:

____
THE HONORABLE EDWARD LOPEZ, MAYOR

ATTEST:

____
LINDSAY RAWLINSON, CITY SECRETARY

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Patricia Albrecht, Director of Finance and Administrative Services

Date: April 24, 2023

Subject: FY 2022 Annual Comprehensive Financial Report

Council Action Requested:

Consider acceptance of Annual Comprehensive Financial Report for Fiscal Year ended September 30, 2022.

Background Information:

The Richland Hills City Charter requires an annual audit by an independent certified public accountant. George, Morgan and Sneed, P.C., a firm of licensed certified public accountants, was selected by the City Council to audit the City's financial statements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

Daniel Hungerford of George, Morgan and Sneed, P.C. will present the Annual Comprehensive Financial Report (ACFR) of the City of Richland Hills, Texas, for the fiscal year ended September 30, 2022. Copies will be distributed to the Mayor and Council at the meeting, and a copy will be incorporated as an attachment to this agenda item. The City received an unqualified audit opinion, which is the most favorable audit opinion. This type of opinion reflects that the City's financial statements are fairly and appropriately presented, without any identified exceptions, and are in compliance with generally accepted accounting principles.

The purpose of the ACFR is to provide the City Council, management, staff, citizens and other interested parties with detailed information reflecting the City's financial condition. After the ACFR has been accepted by Council it will be placed on the City's website, a copy will be placed in the Richland Hills Public Library, and it will be available for public inspection at City Hall. An original copy will be kept as a permanent record of the City in the City Secretary's office.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

Management Representation Letter
Annual Comprehensive Financial Report for Fiscal Year ended September 30, 2022

Council Action Requested:

Motion to approve and accept the Annual Comprehensive Financial Report for Fiscal Year ended September 30, 2022

City of Richland Hills, Texas
3200 Diana Drive | Richland Hills, TX, 76118
817-616-3800 | richlandhills.com

April 4, 2023

George, Morgan & Sneed, P.C.
1849 Wall Street
Weatherford, Texas 76086

This representation letter is provided in connection with your audit of the financial statements of the City of Richland Hills, Texas, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements'), for the purpose of expressing opinions as to whether the financial statements are fairly presented, in all material respects, in accordance with accounting principles generally accepted 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 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. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of April 4, 2023, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 1, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with applicable criteria.

2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

3. 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.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5. Significant assumptions we used in making accounting estimates are reasonable.

6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment or disclosure in the financial statements.

8. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the entity's accounts.

9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

10. Guarantees, whether written or oral, under which the City of Richland Hills, Texas is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11. We have provided you with:

    a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.

    b. Additional information that you have requested form us for the purpose of the audit.

    c. Unrestricted access to persons within the city from whom you determined it necessary to obtain audit evidence.

    d. Minutes of the meetings of the City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.

12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

13. 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.

14. We have no knowledge of any fraud or suspected fraud that affects the City and involves:

    a. Management,

    b. Employees who have significant roles in internal control, or

    c. Others where the fraud could have a material effect on the financial statements.

15. We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.

16. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulation, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

17. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

18. 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.

Government – specific

19. We have made available to you all financial records and related data.

20. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

21. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

22. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

23. The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

24. We are responsible for compliance with the laws, regulations, and provisions of contracts, grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.

25. We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

26. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or reporting on noncompliance.

27. As part of your audit, you assisted with preparation of the financial statements and related notes and schedule of expenditure of federal awards. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferable within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of those services. We have reviewed, approved, and accepted responsibility for those financial statements and disclsoures.

28. The City of Richland Hills, Texas has satisfactory title to all owed assets, and there are no liens or encumbrances on such assets nor as any asset been pledged as collateral.

29. The City of Richland Hills, Texas has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

30. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

31. The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.

32. All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other that are presented as major are particularly important to financial statement users.

33. Components of net position (net investment in capital assets; restricted; and unrestricted), and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

34. Provisions for uncollectible receivables have been properly identified and recorded.

35. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

36. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

37. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

38. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

39. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and if applicable, depreciated.

40. We have appropriately disclosed the City of Richland Hills, Texas' 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 is available and have determined that net position is properly recognized under the policy.

41. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

42. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

43. With respect to the combining nonmajor funds financial statements and individual fund schedules, we acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles general accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

Candice Edmondson

Candice Edmondson
City Manager

Patricia Albrecht

Patricia Albrecht
Finance Director

FY 2021-22

CITY OF RICHLAND HILLS, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2022

CITY OF RICHLAND HILLS, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended
September 30, 2022

Prepared by the Finance Department

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CITY OF RICHLAND HILLS, TEXAS
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2022

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INTRODUCTORY SECTION

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Richland Hills
3200 Diana Drive | Richland Hills, TX, 76118
817-616-3812 | richlandhills.com

April 4, 2023

The Honorable Mayor, Members of the City Council,
and Citizens of Richland Hills (the "City")

Submitted herewith is the Annual Financial Report (AFR) of the City of Richland Hills, Texas, for the fiscal year ended September 30, 2022. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the operations of the City, on a Government-wide and Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

THE REPORTING ENTITY

The City of Richland Hills is a political subdivision of the State, incorporated as a municipal corporation in 1950. The City operates under the laws of the State and the City's home rule charter, approved by the citizens in 1985 as a council-manager form of government. Policy-making and legislative authority are vested in a governing city council consisting of the mayor and five other members. The city council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the government's city manager. The city manager is responsible for carrying out the policies and ordinances of the council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. Council members serve two-year staggered terms with three council members elected in odd-numbered years and the mayor and two council members elected in even-numbered years. The mayor and council members are elected from the community at large. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. The City of Richland Hills voters approved a one percent local sales and use tax at an election held on December 5, 1967.

The City provides a full range of municipal services that include police and fire protection, emergency medical services, animal control services, municipal court, construction and maintenance of streets and drainage infrastructure, planning and zoning, economic development, code enforcement, library services, parks and recreational activities and cultural events, and general administrative services. Water and wastewater services and sanitation services are provided as an operation of the City and therefore have been included as an integral part of the City's financial statements. The Richland Hills Development Corporation (a Type B Economic Development Corporation) and Richland Hills Crime Control and Prevention District are legally separate entities but are in substance part of the government's operation and are included in the CAFR.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

Richland Hills is situated Northeast Tarrant County in the middle of the Dallas / Fort Worth Metroplex, the major metropolitan area in the north central part of the state, and is approximately 7 miles from downtown Fort Worth, 30 miles from downtown Dallas, and approximately 15 miles from DFW International Airport. Richland Hills is served by three state-numbered highways, SH 121, SH 26, and SH 10 (Baker Blvd. in Richland Hills), as well as the Trinity Railway Express (TRE), a commuter rail line between Fort Worth and Dallas operated jointly by Dallas Area Rapid Transit (DART) and the Fort Worth Transit Authority (The T).

The City of Richland Hills occupies a land area of 3.9 square miles, is approximately 98% developed, and serves an estimated population of 8,484.

As it is widely recognized, revenue sources for municipalities are primarily driven from ad-valorem (property), sales and use taxes. In 2022, Richland Hills experienced a 5% increase in net assessed taxable value due to an increase in residential and commercial property valuation and an upward trend in economic recovery. The property tax base remains diverse with the top ten taxpayers accounting for 13% of the total assessed value. In the General Fund, property tax revenues accounted for 32% and sales tax accounted for 51% of total revenues.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

To provide a reasonable basis for making these representations, the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP) for local governments, as prescribed by the Governmental Accounting Standards Board (GASB) and other recognized professional standards. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that assets are safeguarded and that the financial statements will be free from material misstatement.

The City's accounting records for general governmental operations are maintained on a modified accrual basis. Under this method of accounting, expenditures are recognized when the services or goods are received, and the liability is incurred. Revenues are recognized when measurable and available. Accounting records for the proprietary funds are maintained on the accrual basis.

The annual budget serves as the foundation for the City's financial planning and control. All City departments are required to submit requests for appropriation to the city manager by April of each year. The city manager uses these requests as the starting point for developing a proposed budget. The city manager then presents this proposed budget to the Council for review by at least 60 days prior to October 1. The Council is required to hold a public hearing on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund and department. The city manager is authorized to transfer budgeted amounts between line items within any fund. Any revisions that alter the total expenditures of any fund require special approval of the Council.

RELEVANT FINANCIAL POLICIES

The Financial Policies enable the City to achieve a long-term stable and positive financial condition. Annual estimates of revenue in both the General Fund and Proprietary Funds are based on historical trends and reasonable expectation of growth. A conservative approach is observed in estimating revenues, so that revenue estimates will not be overstated. In order to protect from fluctuations in revenue sources due to fluctuations in the economy and variations in weather, a diversified revenue system is also maintained. In addition, it is also the City's policy that one-time, or non-recurring revenues, will not be used to finance current ongoing operations. Non-recurring revenues are used only for one-time expenditures such as capital needs. Every fiscal year, each possible program addition or service level change is analyzed in terms of its potential financial impact as part of the budget package decision making process. This process enables the City to make assumptions about future debt and operational funds capacity. The City has also identified projects based on their critical nature and the timeliness of available financing for these projects. The City Council continued its strategic planning process to identify goals and objectives for long range planning. Directives from the City Council are utilized to help guide the budget planning and service and program implementation.

INDEPENDENT AUDIT

The Richland Hills City Charter requires an annual audit by an independent certified public accountant. George, Morgan & Sneed P.C., a firm of licensed certified public accountants, was selected by the City Council to audit the City's financial statements. The audit report will be available for public inspection and the original copy will be kept as a permanent record of the City.

The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

AWARDS

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 Richland Hills for its comprehensive annual financial report for the fiscal year ended September 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The City of Richland Hills has received the Certificate of Achievement for the past sixteen years.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the cooperation of City employees throughout the organization. Sincere appreciation is also expressed to the Mayor and City Council for their continued interest and support in the conduct of the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Patricia Albrecht

Patricia Albrecht
Director of Finance and Administration Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Richland Hills
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morrill

Executive Director/CEO

CITY OF RICHLAND HILLS, TEXAS

LIST OF PRINCIPAL OFFICIALS

SEPTEMBER 30, 2022

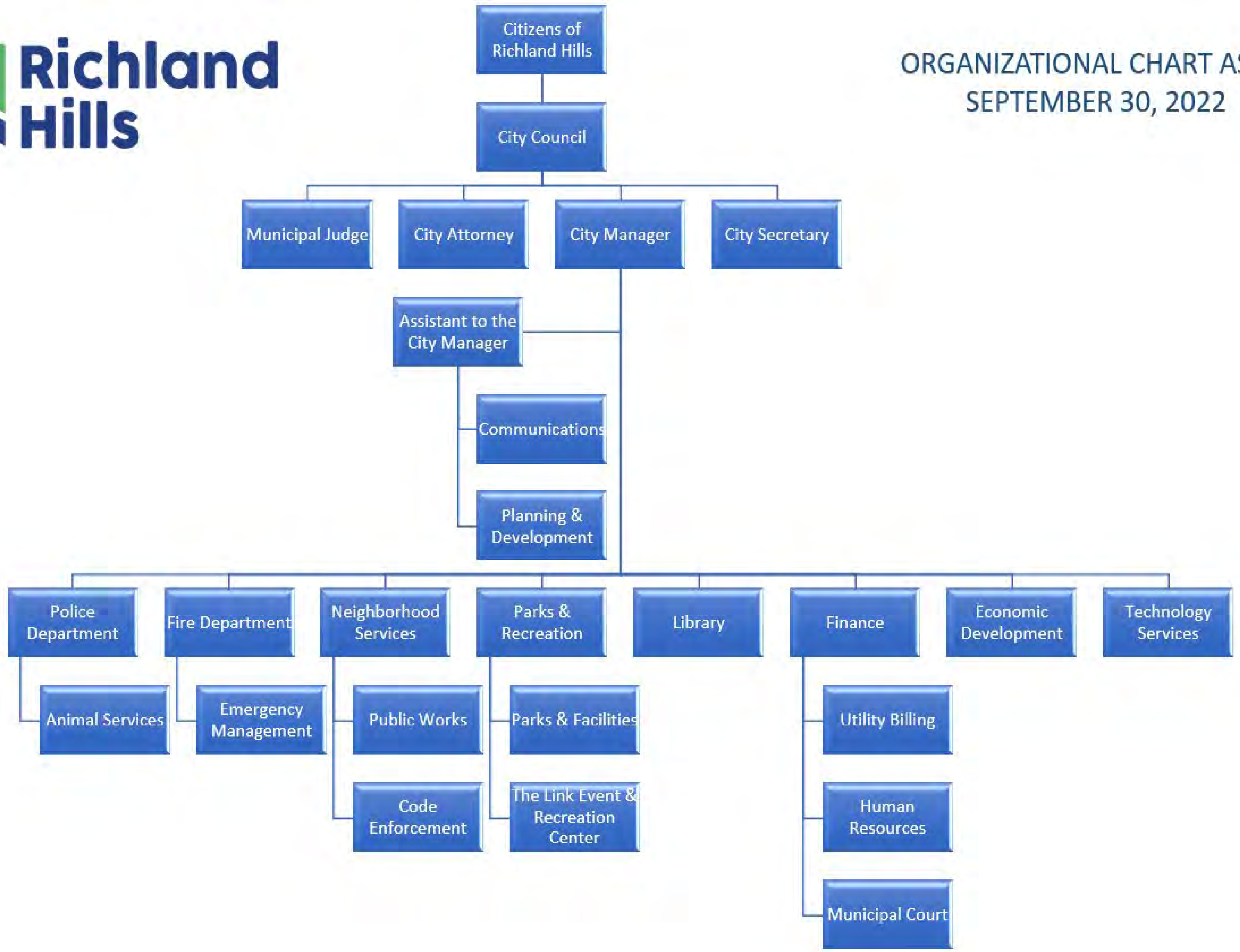
CITY COUNCIL

EDWARD LOPEZ, MAYOR
DOUGLAS KNOWLTON, PLACE 1
TRAVIS MALONE, PLACE 2
CURTIS BERGTHOLD, MAYOR PRO-TEM, PLACE 3
JAVIER ALVAREZ, PLACE 4
G.W. ESTEP, PLACE 5

CITY STAFF

CANDICE EDMONDSON, CITY MANAGER
PATRICIA ALBRECHT, DIRECTOR OF FINANCE AND ADMINISTRATION SERVICES
KIMBERLY SYLVESTER, CHIEF OF POLICE
RUSSELL SHELLEY, FIRE CHIEF
SCOTT MITCHELL, DIRECTOR OF NEIGHBORHOOD SERVICES
JASON BROWN, PARKS & RECREATION DIRECTOR
LINDSAY RAWLINSON, CITY SECRETARY

ORGANIZATIONAL CHART AS OF SEPTEMBER 30, 2022



FINANCIAL SECTION

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GMS CERTIFIED PUBLIC ACCOUNTANTS
GEORGE | MORGAN | SNEED

Independent Auditor's Report

To the Honorable Mayor and City Council
City of Richland Hills, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of City of Richland Hills, Texas (the "City"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2022, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 – 15 and budgetary comparison schedule – general fund, budgetary comparison schedule – crime control district, schedule of changes in net pension liability and related ratios, schedule of contributions, and schedule of changes in OPEB liability and related ratios on pages 54 - 62 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2023, 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 solely 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 the effectiveness of the City's 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.

George, Morgan & Sneed, P.C.

George, Morgan & Sneed, P.C.
Weatherford, Texas
April 4, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Richland Hills, Texas, we offer readers of The City of Richland Hills' financial statements this narrative overview and analysis of the financial activities of the City of Richland Hills for the year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Richland Hills exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $40,767,113 (*net position*) compared to $34,712,326 for the prior year. Of this amount, $9,728,451 (*unrestricted net position)* may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased by $6,054,787. The City's governmental activities net position increased by $4,328,166 and the business-type activities net position increased $1,726,621.

- As of the close of the current year, the City of Richland Hills's governmental funds reported combined ending fund balances of $12,912,365 compared to $10,495,939 for the prior year. $5,486,407 is available for spending at the City's discretion (unassigned fund balance).

- At the end of the current year, unassigned fund balance for the general fund was $5,486,407, or 71% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Richland Hills's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and fees).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, culture and recreation, parks and beautification, community development and economic development. The business-type activities of the City include water and sewer and drainage utility.

The government-wide financial statements can be found on Exhibits A-1 and B-1 of this report.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, Crime Control District special revenue fund, and road and street capital projects fund which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on Exhibits C-1 through C-4 of this report.

Proprietary funds. The City maintains one type of proprietary fund. The enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations and drainage utility operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer fund and drainage utility fund.

The basic proprietary fund financial statements can be found on Exhibits D-1 through D-3 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-53 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. Required supplementary information can be found on Exhibits E-1 and E-5 of this report.

The combining and individual nonmajor governmental funds statements and schedules are presented immediately following the required supplementary information. These statements can be found on Exhibits F-1 through G-10 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $40,767,113 as of September 30, 2022.

The largest portion of the City's net position (58%) reflects its investment in capital assets (e.g. land, improvements other than buildings, buildings, machinery and equipment, streets and construction in progress); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (18%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $9,728,451 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current year, the City is able to report positive balances in all three categories of net position for the government as a whole, as well as for its separate governmental activities and business-type activities.

Below are summaries of the City's Statement of Net Position and Statement of Activities.

Condensed Statement of Net Position

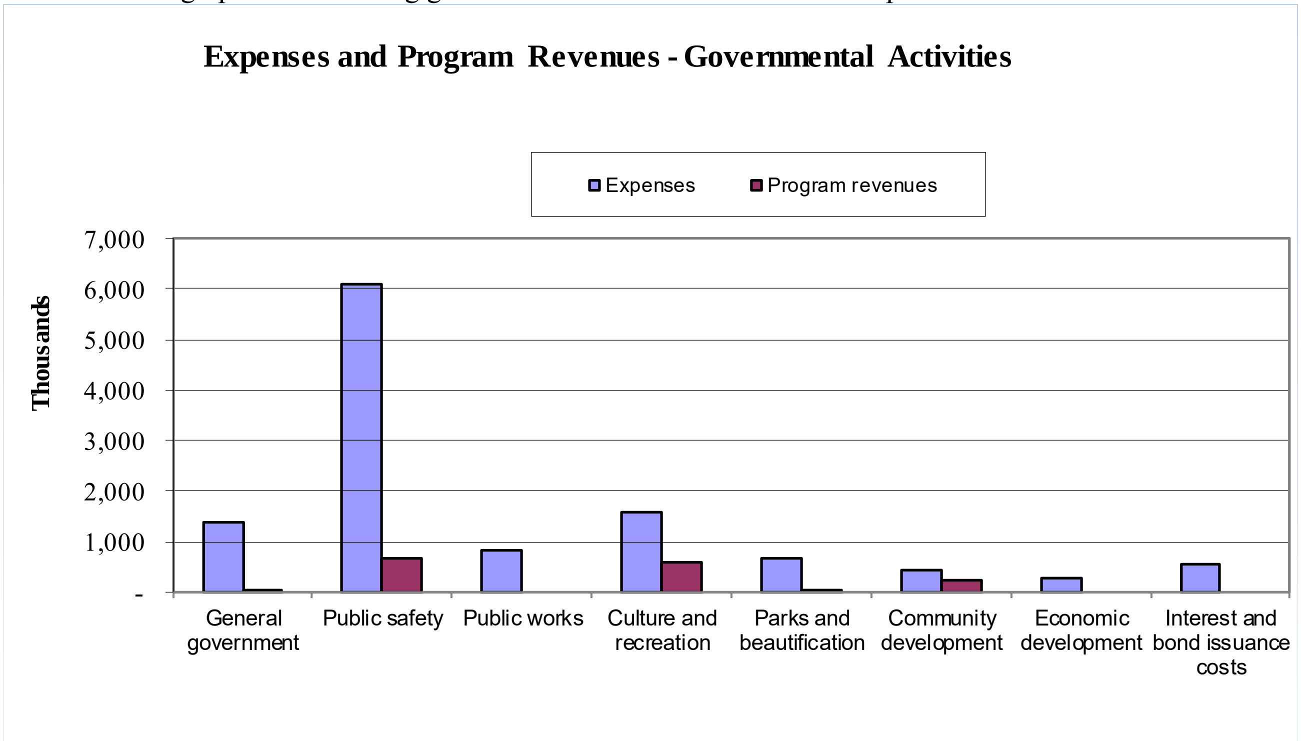
	Governmental Activities		Business-type Activities		Total	
	09/30/2022	09/30/2021	09/30/2022	09/30/2021	09/30/2022	09/30/2021
Current and other assets	$ 15,298,225	$ 12,982,950	$ 8,927,607	$ 5,572,835	$ 24,225,832	$ 18,555,785
Capital assets	31,430,300	30,346,949	18,115,630	18,328,186	49,545,930	48,675,135
Total Assets	46,728,525	43,329,899	27,043,237	23,901,021	73,771,762	67,230,920
Deferred outflows of resources	768,921	566,036	152,044	118,319	920,965	684,355
Total deferred outflows	768,921	566,036	152,044	118,319	920,965	684,355
Current liabilities	1,346,563	1,515,450	2,305,131	1,540,857	3,651,694	3,056,307
Long-term liabilities	19,929,196	21,625,528	8,118,453	7,586,019	28,047,649	29,211,547
Total liabilities	21,275,759	23,140,978	10,423,584	9,126,876	31,699,343	32,267,854
Deferred inflows of resources	1,966,020	827,456	260,251	107,639	2,226,271	935,095
Total deferred inflows	1,966,020	827,456	260,251	107,639	2,226,271	935,095
Net Position:						
Net investment in capital assets	12,326,976	11,386,772	11,460,920	11,014,660	23,787,896	22,401,432
Restricted	7,250,766	5,564,111	-	-	7,250,766	5,564,111
Unrestricted	4,677,925	2,976,618	5,050,526	3,770,165	9,728,451	6,746,783
Total Net Position	$ 24,255,667	$ 19,927,501	$ 16,511,446	$ 14,784,825	$ 40,767,113	$ 34,712,326

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	09/30/2022	09/30/2021	09/30/2022	09/30/2021	09/30/2022	09/30/2021
Revenues:						
Program revenues:						
Charges for services	$ 1,449,304	$ 1,208,191	$ 6,127,284	$ 5,863,089	$ 7,576,588	$ 7,071,280
Operating grants and contributions	38,952	131,684	-	-	38,952	131,684
Capital grants and contributions	-	854,411	202,578	-	202,578	854,411
General revenues:						
Property taxes	3,991,037	3,762,747	-	-	3,991,037	3,762,747
Sales taxes	9,283,031	7,370,537	-	-	9,283,031	7,370,537
Franchise taxes	569,457	516,814	-	-	569,457	516,814
Hotel Occupancy taxes	214,587	155,154	-	-	214,587	155,154
Investment earnings	15,723	2,763	16,756	707	32,479	3,470
Miscellaneous revenue	452,516	175,782	85,830	-	538,346	175,782
Total revenues	16,014,607	14,178,083	6,432,448	5,863,796	22,447,055	20,041,879
Expenses						
General government	1,380,007	1,433,218	-	-	1,380,007	1,433,218
Public safety	6,086,145	5,660,499	-	-	6,086,145	5,660,499
Public works	838,964	801,562	-	-	838,964	801,562
Culture and recreation	1,588,342	1,387,144	-	-	1,588,342	1,387,144
Parks and beautification	684,518	737,938	-	-	684,518	737,938
Community development	409,804	411,596	-	-	409,804	411,596
Economic development	283,064	165,116	-	-	283,064	165,116
Interest and fiscal agent charges	551,242	561,806	-	-	551,242	561,806
Water and sewer	-	-	4,032,448	4,394,454	4,032,448	4,394,454
Drainage Utility	-	-	537,734	675,847	537,734	675,847
Total expenses	11,822,086	11,158,879	4,570,182	5,070,301	16,392,268	16,229,180
Increase (decrease) in net position before transfers	4,192,521	3,019,204	1,862,266	793,495	6,054,787	3,812,699
Transfers	135,645	-	(135,645)	-	-	-
Increase (decrease) in net position	4,328,166	3,019,204	1,726,621	793,495	6,054,787	3,812,699
Net Position October 1	19,927,501	16,908,297	14,784,825	13,991,330	34,712,326	30,899,627
Net Position September 30	$ 24,255,667	$ 19,927,501	$ 16,511,446	$ 14,784,825	$ 40,767,113	$ 34,712,326

Governmental Activities. Governmental activities increased the City's net position by $4,328,166 in the current year compared with a $3,019,204 increase in the prior year. Total governmental activities revenues increased $1,836,524 (13%) to $16,014,607. Property taxes increased $228,290 due to a $47.6 million increase in assessed property values. Property tax rates did not change. Sales tax increased $1,912,494. Total governmental activities expenses increased $663,207 from the prior year. Expenses increased primarily for the following reasons: public safety 5 STEP pay increase, increase in wages and supplies at Link, and economic incentives.

Below are two graphs summarizing governmental activities revenue and expense:



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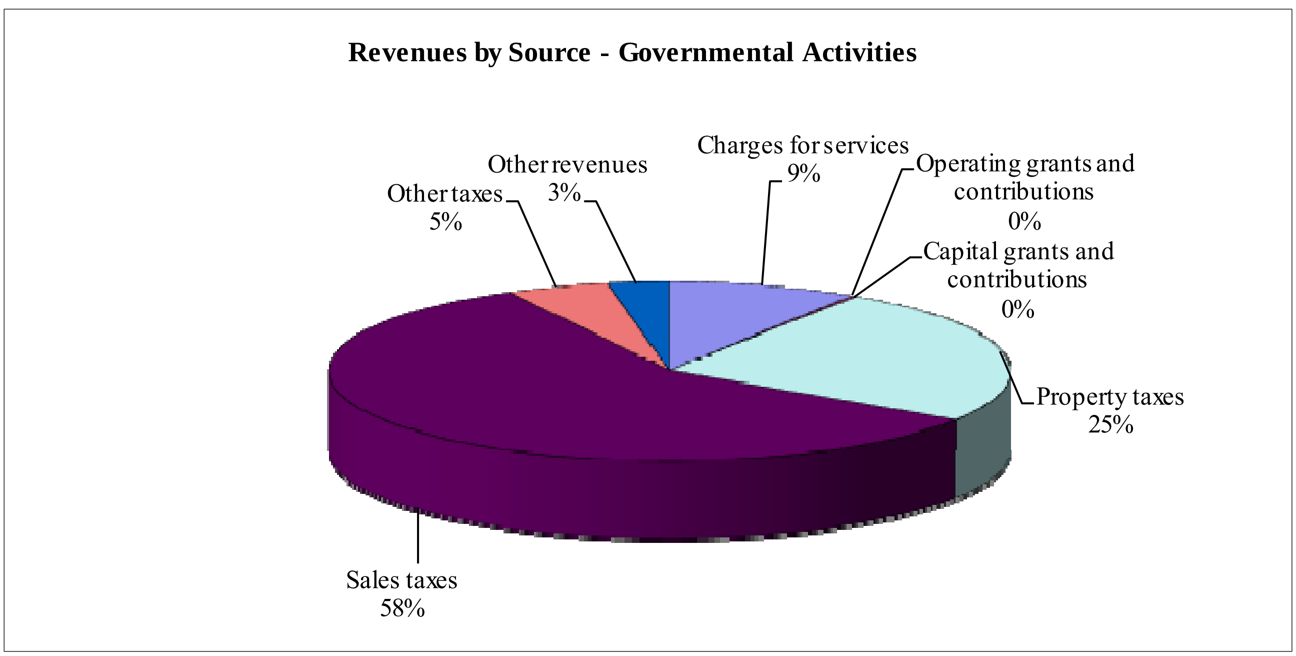
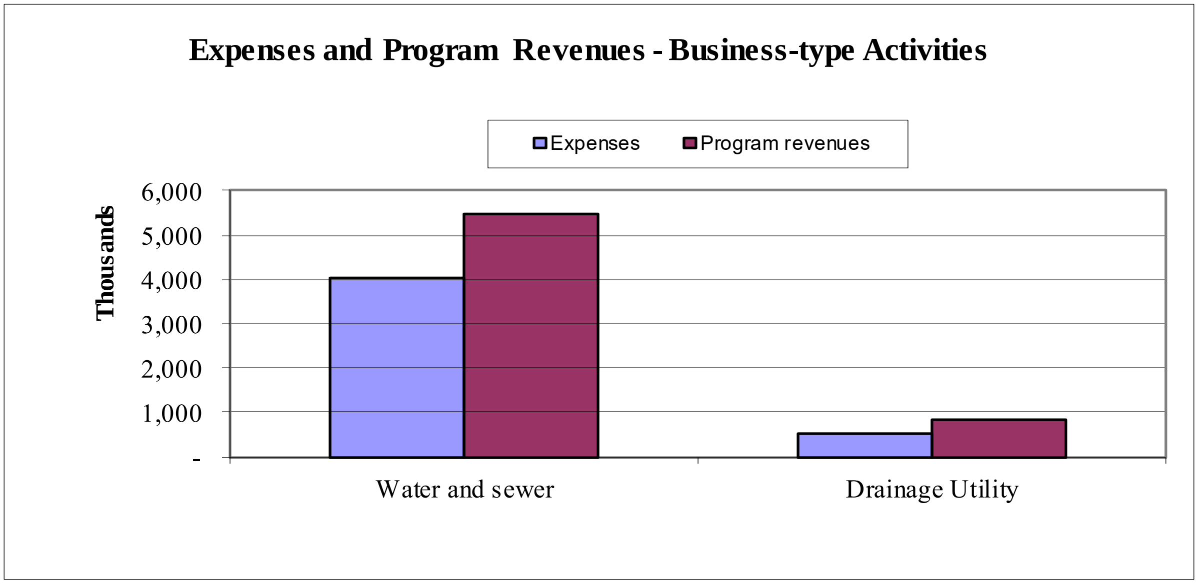


Business-type activities. Business-type activities increased the City's net position by $1,726,621 in the current year compared to an increase in net position of $793,495 in the prior year. The business-type activities total revenues increased $568,652 (9%) to $6,432,448. $264,195 of the increase is from water and sewer charges for service because 18 million more gallons of water were sold. Total expenses decreased $500,119 (11%) to $4,570,182 primarily because of repairs and maintenance costs in the previous year in part due to the winter storm in February 2021.

Below are two graphs summarizing business-type activities revenue and expense:



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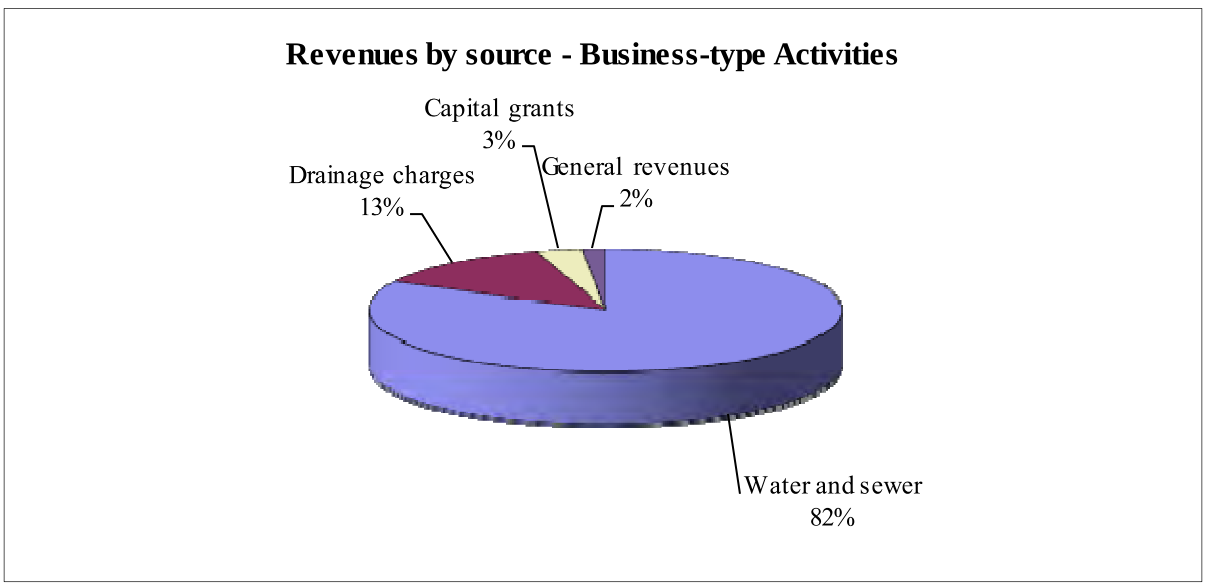


Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

At year end, the City's governmental funds reported combined ending fund balances of $12,912,365. $5,486,407 (42%) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted and assigned to indicate that it is not available for new spending because it has already been committed for projects and debt service.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $5,486,407. Fund balance of the general fund increased $1,118,970 compared to an increase of $390,454 in the prior year. Key factors in this increase are as follow:

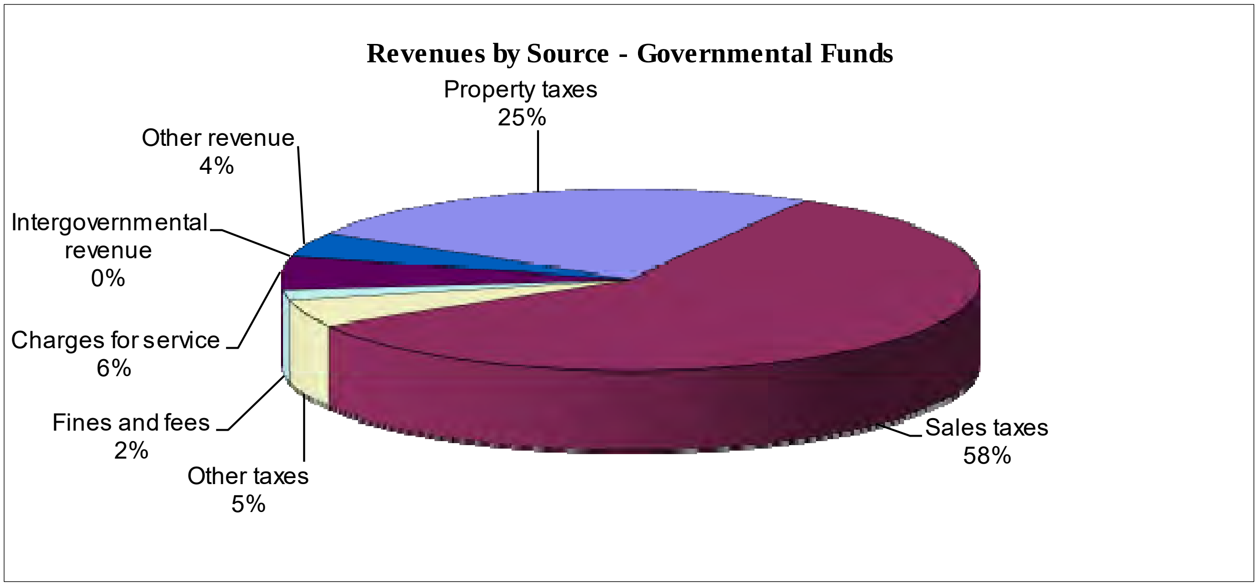
- Revenues increased $1,212,843 (16%). General fund sales taxes increased $955,047 due to growth in the local economy. Property taxes increased $174,017 due to a $47.6 million increase in assessed property values.

- Expenditures increased $830,844 (12%). Public safety increased $344,752 primarily due to 5 STEP pay increase. Capital outlay increased by $431,614 due to additional funds paid to Texas Department of Transportation for Baker Blvd street reconstruction and an ambulance which was financed.

The Crime Control and Prevention District is funded with a .375% sales tax. Sales tax revenue of the Crime Control and Prevention District was $1,733,824 and funded police expenditures of $1,268,013 during the current year. Fund balance at year-end is $881,179.

The road and street capital projects fund is funded with a .375% sales tax. Sales tax revenue of the road and street fund was $1,741,482 and funded capital projects of $1,859,875. Fund balance at year-end is $2,020,043.

Below are two graphs summarizing governmental fund revenue and expenditures.



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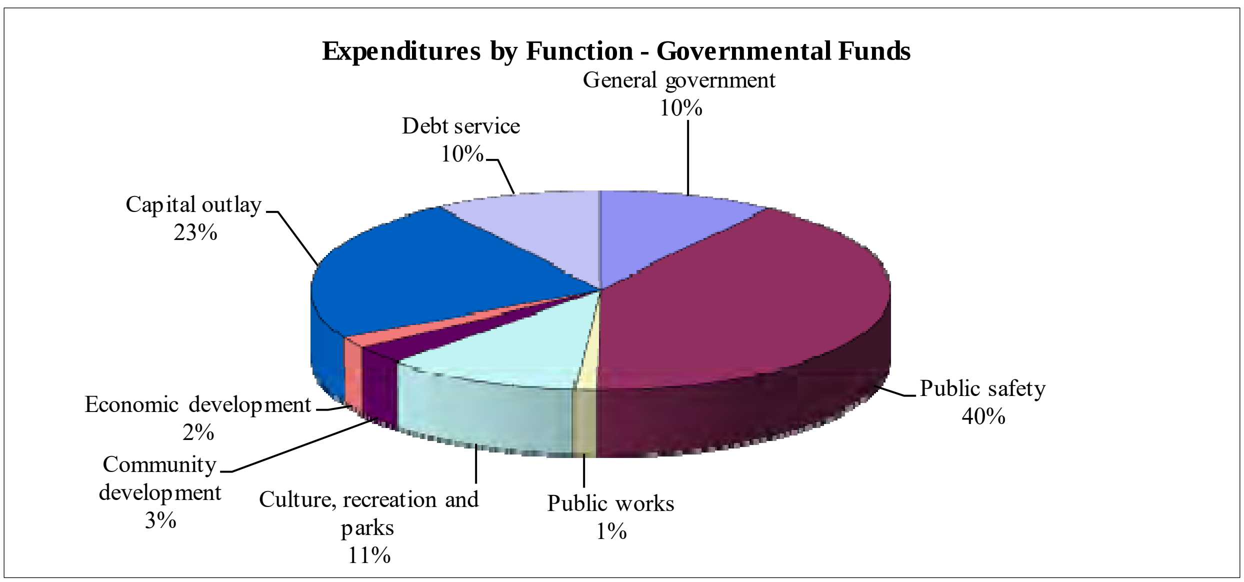

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Fund and Drainage Utility Fund at the end of the year were $4,390,693 and $659,833 respectively. The Water and Sewer Fund and Drainage Utility Fund net position increased $1,390,986 and $335,635 respectively. Factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City amended its budget during the year. Revenues were increased $668,540 to reflect an increase in sales tax. Expenditures were increased $262,387. During the year, actual revenues were $342,046 more than budgeted because sales tax exceeded expectations. Actual expenditures were $217,601 more than budgeted because of the financed purchase of an ambulance.

Capital Assets

The City's investment in capital assets for its governmental and business type activities as of September 30, 2022, amounts to $49,545,930, (net of accumulated depreciation). This investment in capital assets includes land, buildings, water and sewer systems, improvements other than buildings, machinery and equipment, and infrastructure.

Major capital asset events during the current fiscal year included the following:

Governmental Activities:

• 2022 Street improvements	$543,480
• Rufe Snow Street reconstruction	585,858
• Construction costs to complete new fire station	228,370
• Ambulance	299,855
• 2021 Street improvements	712,197

Business-type activities:

• Water meter replacement project in progress	$196,184
• Holt Caterpillar Loader	174,927

The City of Richland Hills's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	09/30/2022	09/30/2021	09/30/2022	09/30/2021	09/30/2022	09/30/2021
Land	$ 830,414	$ 830,414	$ 256,267	$ 256,267	$ 1,086,681	$ 1,086,681
Construction in progress	1,291,092	7,648,710	286,662	-	1,577,754	7,648,710
Buildings	16,602,235	10,416,749	40,048	42,518	16,642,283	10,459,267
Improvements	2,985,111	3,273,541	6,032,007	6,232,507	9,017,118	9,506,048
Water and sewer systems	-	-	11,168,929	11,706,803	11,168,929	11,706,803
Machinery and equipment	2,065,116	2,122,452	224,770	90,091	2,289,886	2,212,543
Infrastructure	7,501,493	6,055,083	-	-	7,501,493	6,055,083
Leased machinery & equip	154,839	-	106,947	-	261,786	-
Total	$ 31,430,300	$ 30,346,949	$ 18,115,630	$ 18,328,186	$ 49,545,930	$ 48,675,135

Additional information on the City's capital assets can be found in note 1.D.6 and note 7 to the financial statements.

Long-Term Debt

At year-end the City had $26,255,572 in long-term debt outstanding. $15,390,000 are general obligation bonds backed by the full faith and credit of the City and $7,960,000 are certificates of obligation secured by a combination of tax and revenue. The City's outstanding tax supported debt is rated "AA" by Standard & Poor's Ratings Services.

City of Richland Hills's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	09/30/2022	09/30/2021	09/30/2022	09/30/2021	09/30/2022	09/30/2021
Certificates of Obligation	$ 3,665,000	$ 3,860,000	$ 4,295,000	$ 4,750,000	$ 7,960,000	$ 8,610,000
General Obligation	13,411,250	13,751,750	1,978,750	2,283,250	15,390,000	16,035,000
Tax Notes	405,000	500,000	-	-	405,000	500,000
Financed purchases	817,108	585,961	1,420,753	-	2,237,861	585,961
Lease financing	155,414	-	107,297	-	262,711	-
Total	$ 18,453,772	$ 18,697,711	$ 7,801,800	$ 7,033,250	$ 26,255,572	$ 25,730,961

More detailed information about the City's debt is presented in note 8 to the Financial Statements.

Economic factors and the Next Year's Budgets and Rates

The City's tax year 2022 (fiscal year 2023) total taxable value, as provided by the Tarrant Appraisal District is $791,107,294 an increase of 11% over 2021 tax year (fiscal 2022) total taxable value of $710,674,835. The property tax rate in the fiscal year 2023 adopted budget is $0.538885, which is lower than the total tax rate of fiscal year 2022 by 2 cents. The maintenance and operations rate increased as compared to fiscal 2022 to 0.413628 and the debt rate decreased to $0.125257. The estimated property tax revenue for fiscal year 2023 is $3,239,519 which represents an increase of 12% over the projected tax revenues for fiscal year 2022 due to an increase in assessed property values in the Tarrant County area.

In the General Fund, total operating revenues for fiscal year 2023 are $9,318,263. Sales tax revenue is projected at a total of $4.7 million and is an increase of 12% over the 2022 projections. Despite the economic climate due to COVID-19 and supply chain constraints, the City's sales tax collections were robust mainly due to high sales in the industrial sector of the City. Other revenue sources such as building permit revenues are projected to increase during fiscal 2023 by 36% due to a couple of planned townhome developments approved during FY22 and are set to commence during FY23. Fines and fees are projected to decrease by 5% over 2022 due to a decrease of citations and the inability of defendants to pay their fines. This is mostly due to an increase in unemployment in the area. Total expenditures for the General Fund are budgeted at $8,716,929 and fall well below the projected total revenues of $9.3 million during fiscal 2023. There are transfers budgeted in the amount of $2,860,491 that will be going out to fund capital lease payments for the fire engine, a new ambulance and Opticom system as well as interfund transfers to the Link and TIF fund. One major change is a transfer out from the General Fund balance to the newly created Strategic Initiative Fund in the amount of $2.4 million. This new fund was approved by council to "sweep" excess General Fund balance (unassigned reserves) and utilize the funds for one-time projects such as improvements to technology, building improvements, street improvements and other approved funds.

Water and wastewater revenues for fiscal year 2023 are projected at $7,280,353 which is a 43% increase due to the water meter project's financing. The water meter project will cost $2,406,753 with $1M coming from water & wastewater fund balance and the remaining $1,406,753 being financed. The total amount is budgeted as a revenue for budgeting purposes. The corresponding expenditure is also budgeted in the water department. No water rate increases are in effect for fiscal year 2023. Proposed expenses to the water and wastewater fund are $6,960,544 which are below the expected income by $319,809. The budgeted revenues and expenditures take a conservative approach, and it is anticipated that the City's financial position will remain stable.

Request for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 3200 Diana Drive, Richland Hills, Texas 76118.

BASIC FINANCIAL STATEMENTS

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EXHIBIT A-1

CITY OF RICHLAND HILLS, TEXAS
Statement of Net Position
September 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 10,247,420	$ 3,252,972	$ 13,500,392
Investments	1,822,497	1,417,538	3,240,035
Receivables (Net of allowances for uncollectibles)			
Property tax	62,676	-	62,676
Sales tax	1,787,784	-	1,787,784
Franchise taxes	302,552	-	302,552
Accounts	727,438	800,736	1,528,174
Intergovernmental	943	-	943
Other	204,843	-	204,843
Internal balances	657	(657)	-
Prepaids	65,694	106	65,800
Supplies inventory - at cost	-	103,351	103,351
Restricted assets:			
Cash and cash equivalents	-	1,551,503	1,551,503
Investments	-	1,792,034	1,792,034
Net pension asset	75,721	10,024	85,745
Capital assets			
Non-depreciable assets	2,121,506	542,929	2,664,435
Depreciable assets, net	29,308,794	17,572,701	46,881,495
Total Assets	46,728,525	27,043,237	73,771,762
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	-	32,114	32,114
Deferred outflows related to pensions	707,703	111,548	819,251
Deferred outflows related to OPEB	61,218	8,382	69,600
Total deferred Outflows of Resources	768,921	152,044	920,965
LIABILITIES:			
Accounts payable	950,112	318,642	1,268,754
Accrued liabilities	274,243	43,464	317,707
Unearned Revenue	30,795	-	30,795
Current Liabilities Payable from Restricted Assets:			
Unearned grant revenue	-	1,771,959	1,771,959
Interest payable	91,413	27,488	118,901
Customer deposits	-	143,578	143,578
Noncurrent liabilities:			
Due Within One Year	1,018,441	809,687	1,828,128
Due in More Than One Year	18,910,755	7,308,766	26,219,521
Total Liabilities	21,275,759	10,423,584	31,699,343
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	1,944,367	257,385	2,201,752
Deferred inflows related to OPEB	21,653	2,866	24,519
Total deferred inflows of Resources	1,966,020	260,251	2,226,271
NET POSITION:			
Net investments in Capital Assets	12,326,976	11,460,920	23,787,896
Restricted for			
Public Safety	974,811	-	974,811
Culture and recreation	97,290	-	97,290
Parks and beautification	57,571	-	57,571
Economic development	1,802,626	-	1,802,626
Debt Service	569,945	-	569,945
Capital projects	3,748,523	-	3,748,523
Unrestricted Net Position	4,677,925	5,050,526	9,728,451
Total Net Position	$ 24,255,667	$ 16,511,446	$ 40,767,113

The notes to the financial statements are an integral part of this statement.

CITY OF RICHLAND HILLS, TEXAS
Statement of Activities
For the Fiscal Year Ended September 30, 2022

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	$ 1,380,007	$ 1,984	$ -	$ -
Public safety	6,086,145	639,355	14,690	-
Public works	838,964	-	-	-
Culture and recreation	1,588,342	596,566	8,557	-
Parks and beautification	684,518	-	15,705	-
Community development	409,804	211,399	-	-
Economic development	283,064	-	-	-
Interest and fiscal agent charges	551,242	-	-	-
Total governmental activities	11,822,086	1,449,304	38,952	-
Business-type activities:				
Water and sewer	4,032,448	5,292,760	-	202,578
Drainage utility	537,734	834,524	-	-
Total business-type activities	4,570,182	6,127,284	-	202,578
Total primary government	$ 16,392,268	$ 7,576,588	$ 38,952	$ 202,578

General Revenues:
Taxes:
Property Taxes, levied for general purposes
Property Taxes, levied for debt service
Proptery Taxes, levied for TIF Zone
Sales Taxes
Franchise Taxes
Hotel Occupancy Taxes
Investment Earnings
Gain on disposal of capital assets
Miscellaneous Revenues
Transfers
Total General Revenues and Transfers

CHANGE IN NET POSITION

NET POSITION, OCTOBER 1, 2021

NET POSITION, SEPTEMBER 30, 2022

The notes to the financial statements are an integral part of this statement.

EXHIBIT B-1

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
$ (1,378,023)	$ -	$ (1,378,023)
(5,432,100)	-	(5,432,100)
(838,964)	-	(838,964)
(983,219)	-	(983,219)
(668,813)	-	(668,813)
(198,405)	-	(198,405)
(283,064)	-	(283,064)
(551,242)	-	(551,242)
(10,333,830)	-	(10,333,830)
-	1,462,890	1,462,890
-	296,790	296,790
-	1,759,680	1,759,680
$ (10,333,830)	$ 1,759,680	$ (8,574,150)
$ 2,790,151	$ -	$ 2,790,151
1,025,312	-	1,025,312
175,574	-	175,574
9,283,031	-	9,283,031
569,457	-	569,457
214,587	-	214,587
15,723	16,756	32,479
23,915	85,830	109,745
428,601	-	428,601
135,645	(135,645)	-
14,661,996	(33,059)	14,628,937
4,328,166	1,726,621	6,054,787
19,927,501	14,784,825	34,712,326
$ 24,255,667	$ 16,511,446	$ 40,767,113

EXHIBIT C-1

CITY OF RICHLAND HILLS, TEXAS
Balance Sheet
Governmental Funds
September 30, 2022

	General	Crime Control District	Road & Street Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and cash equivalents	$ 5,024,710	$ 584,291	$ 2,148,365	$ 2,490,054	$ 10,247,420
Investments	43,279	-	-	1,779,218	1,822,497
Receivables (Net of allowances for uncollectibles)					
Property tax	51,642	-	-	11,034	62,676
Sales tax	894,741	333,830	335,528	223,685	1,787,784
Franchise taxes	302,552	-	-	-	302,552
Accounts	727,438	-	-	-	727,438
Intergovernmental	-	943	-	-	943
Other	-	-	-	204,843	204,843
Due from other funds	657	-	-	1,300	1,957
Prepaids	65,694	-	-	-	65,694
Total assets	$ 7,110,713	$ 919,064	$ 2,483,893	$ 4,710,134	$ 15,223,804
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 286,078	$ 10,035	$ 463,850	$ 190,149	$ 950,112
Accrued liabilities	227,279	27,850	-	19,114	274,243
Due to other funds	1,300	-	-		1,300
Unearned Revenue	-	-	-	30,795	30,795
Total liabilities	514,657	37,885	463,850	240,058	1,256,450
Deferred inflow of resources:					
Deferred revenue	1,043,955	-	-	11,034	1,054,989
Total deferred revenue	1,043,955	-	-	11,034	1,054,989
Fund Balances:					
Nonspendable:					
Prepaid items	65,694	-	-	-	65,694
Restricted for:					
Public Safety	-	881,179		93,632	974,811
Culture and recreation	-	-	-	97,290	97,290
Parks and beautification	-	-	-	57,571	57,571
Economic development	-	-	-	1,802,626	1,802,626
Debt Service	-	-	-	558,911	558,911
Capital projects	-	-	2,020,043	1,841,638	3,861,681
Assigned for capital projects	-	-	-	7,374	7,374
Unassigned	5,486,407	-	-	-	5,486,407
Total fund balances	5,552,101	881,179	2,020,043	4,459,042	12,912,365
Total liabilities, deferred inflows and fund balances	$ 7,110,713	$ 919,064	$ 2,483,893	$ 4,710,134	$ 15,223,804

The notes to the financial statements are an integral part of this statement.

EXHIBIT C-2

CITY OF RICHLAND HILLS, TEXAS
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
September 30, 2022

Total Fund Balances - Governmental Funds	$ 12,912,365
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of these assets was $61,145,806 and the accumulated depreciation and amortization was $29,715,506	31,430,300
Long-term liabilities, including $18,243,960 bonds payable, tax notes and premiums, $817,108 financed purchases $155,414 lease financing, and $353,068 compensated absences payable are not due and payable in the current period, and, therefore are not reported as liabilities in the fund financial statements.	(19,569,550)
Interest payable is not expected to be liquidated with available financial resources and is not reported as a liability in the fund financial statements.	(91,413)
Current receivables are not available soon enough to pay for the current period's expenditures and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.	1,054,989
Included in the items related to noncurrent liabilities is the recognition of the City's net pension asset required by GASB 68 in the amount of $75,751, a deferred resource inflow related to pensions of $1,944,367, and a deferred resource outflow related to pensions in the amount of $707,703. This amounts to a decrease in net position.	(1,160,943)
Included in the items related to noncurrent liabilities is the recognition of the City's OPEB liability required by GASB 75 in the amount of $359,646 and a deferred resource inflow related to OPEB in the amount of $21,653, and a deferred resource outflow related to OPEB in the amount of $61,218. This is a decrease in net position.	(320,081)
Net Position of Governmental Activities	$ 24,255,667

The notes to the financial statements are an integral part of this statement.

EXHIBIT C-3

CITY OF RICHLAND HILLS, TEXAS
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended September 30, 2022

	General	Crime Control District	Road & Street Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	$ 2,803,083	$ -	$ -	$ 1,202,936	$ 4,006,019
Sales	4,574,082	1,733,824	1,741,482	1,233,643	9,283,031
Franchise	549,332	-	-	-	549,332
Hotel occupancy tax	-	-	-	214,587	214,587
Fines and forfeitures	298,258	-	-	10,495	308,753
Licenses and permits	177,429	-	-	-	177,429
Charges for service	296,852	-	-	596,536	893,388
Intergovernmental revenue	3,296	1,603	-	-	4,899
Investment earnings	6,843	-	-	8,880	15,723
Other revenue	174,816	-	-	348,375	523,191
Total revenues	8,883,991	1,735,427	1,741,482	3,615,452	15,976,352
EXPENDITURES					
Current					
General government	1,399,903	-	-	6,040	1,405,943
Public safety	4,487,357	1,222,419	-	6,945	5,716,721
Public works	181,835	-	-	-	181,835
Culture and recreation	669,104	-	-	709,554	1,378,658
Parks and beautification	163,819	-	-	10,840	174,659
Community development	415,999	-	-	-	415,999
Economic development	-	-	-	281,478	281,478
Capital outlay	462,507	45,594	1,859,875	933,937	3,301,913
Debt service:					
Principal	-	-	-	706,953	706,953
Interest and fiscal agent charges	-	-	-	637,049	637,049
Total expenditures	7,780,524	1,268,013	1,859,875	3,292,796	14,201,208
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,103,467	467,414	(118,393)	322,656	1,775,144
OTHER FINANCING SOURCES (USES)					
Insurance recoveries	-	-	-	18,708	18,708
Sale of capital assets	-	-	-	23,915	23,915
Financed purchases	299,855	-	-	-	299,855
Lease financing	-	-	-	163,159	163,159
Transfers in	78,339	9,988	251,480	625,443	965,250
Transfers out	(362,691)	(116,860)	-	(350,054)	(829,605)
Total other financing sources (uses)	15,503	(106,872)	251,480	481,171	641,282
NET CHANGE IN FUND BALANCES	1,118,970	360,542	133,087	803,827	2,416,426
FUND BALANCE, OCTOBER 1, 2021	4,433,131	520,637	1,886,956	3,655,215	10,495,939
FUND BALANCE, SEPTEMBER 30, 2022	$ 5,552,101	$ 881,179	$ 2,020,043	$ 4,459,042	$ 12,912,365

The notes to the financial statements are an integral part of this statement.

CITY OF RICHLAND HILLS, TEXAS
Reconciliation of Statement of Revenues,
Expenditures and Changes is Fund Balances of
The Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2022

Total Net Change in Fund Balances - Governmental Funds	$ 2,416,426
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including $3,079,158 of capital outlays and $706,953 of debt principal payments is to increase net position.	3,786,111
Depreciation and amortization is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net assets.	(1,995,807)
Current year financed purchases and lease financing are other financing sources in the fund financial statements. The net effect of the increase in financed purchases and lease financing liabilities is a decrease in net position.	(463,014)
Interest payable and compensated absences are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The $3,617 increase in interest payable and $72,418 increase in compensated absences payable, and the $89,424 amortization of deferred charges, premiums and discounts increase net position.	13,389
Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(4,368)
GASB requires the City to recognize its net pension liability and deferred resource outflow and inflows related to pensions. The changes in these balances increased net position.	598,140
GASB requires the City to recognize its OPEB liability and deferred resource outflow and inflows related to OPEBs. The changes in these balances decreased net position.	(22,711)
Change in Net Position of Governmental Activities	$ 4,328,166

The notes to the financial statements are an integral part of this statement.

EXHIBIT D-1

CITY OF RICHLAND HILLS, TEXAS
Statement of Net Position
Proprietary Funds
September 30, 2022

	Water and Sewer Fund	Drainage Utility Fund	Totals
ASSETS:			
Current Assets:			
Cash and cash equivalents	$ 2,718,468	$ 534,504	$ 3,252,972
Investments	1,303,552	113,986	1,417,538
Receivables (Net of allowance for uncollectibles):			
Accounts	731,779	68,957	800,736
Prepaids	106	-	106
Supplies inventory	103,351	-	103,351
Restricted Assets:			
Cash and cash equivalents	1,551,503	-	1,551,503
Investments	1,792,034	-	1,792,034
Total current assets	8,200,793	717,447	8,918,240
Noncurrent Assets:			
Net Pension Asset	8,369	1,655	10,024
Capital assets			
Non-depreciable assets	493,929	49,000	542,929
Depreciable assets, net	11,387,290	6,185,411	17,572,701
Total capital assets	11,881,219	6,234,411	18,115,630
Total noncurrent assets	11,889,588	6,236,066	18,125,654
Total assets	$ 20,090,381	$ 6,953,513	$ 27,043,894
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	5,257	26,857	32,114
Deferred outflows related to pensions	96,245	15,303	111,548
Deferred outflows related to OPEB	7,047	1,335	8,382
Total deferred outflows of resources	108,549	43,495	152,044
LIABILITIES:			
Current Liabilities:			
Accounts payable	$ 312,147	$ 6,495	$ 318,642
Accrued liabilities	39,219	4,245	43,464
Due to other funds	657	-	657
Current Liabilities Payable from Restricted Assets:			
Current portion of noncurrent liabilities	412,987	396,700	809,687
Unearned grant revenue	1,771,959	-	1,771,959
Interest payable	15,258	12,230	27,488
Customer deposits payable	143,578	-	143,578
Total current liabilities	2,695,805	419,670	3,115,475
Noncurrent Liabilities:			
Compensated absences payable	15,046	1,688	16,734
OPEB liability	39,748	7,860	47,608
Financed purchases	1,297,254	-	1,297,254
Lease financing	88,349	-	88,349
Bonds payable	2,276,035	3,582,786	5,858,821
Total noncurrent liabilities	3,716,432	3,592,334	7,308,766
Total liabilities	6,412,237	4,012,004	10,424,241
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows related to pensions	214,891	42,494	257,385
Deferred Inflows related to OPEB	2,393	473	2,866
Total deferred outflows of resources	217,284	42,967	260,251
NET POSITION:			
Net Investment in capital assets	9,178,716	2,282,204	11,460,920
Unrestricted	4,390,693	659,833	5,050,526
Total net assets	$ 13,569,409	$ 2,942,037	$ 16,511,446

The notes to the financial statements are an integral part of this statement.

EXHIBIT D-2

CITY OF RICHLAND HILLS, TEXAS
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2022

	Water and Sewer Fund	Drainage Utility Fund	Totals
OPERATING REVENUES			
Charges for sales and services:			
Water sales	$ 2,735,075	$ -	$ 2,735,075
Sewer charges	1,918,549	-	1,918,549
Infrastructure improvement fees	-	834,524	834,524
Garbage charges	485,589		485,589
Late payment fee	87,761	-	87,761
Miscellaneous fees and charges	65,786	-	65,786
Total operating revenue	5,292,760	834,524	6,127,284
OPERATING EXPENSES			
Personnel	752,679	121,018	873,697
Contractual services	146,143	28,494	174,637
Maintenance and repairs	396,074	66,767	462,841
Water purchase	479,102	-	479,102
Sewage treatment	755,787	-	755,787
Garbage service	482,121	-	482,121
Other supplies and expenses	363,461	6,428	369,889
Depreciation	572,926	219,852	792,778
Total operating expenses	3,948,293	442,559	4,390,852
Operating income (loss)	1,344,467	391,965	1,736,432
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings	15,959	797	16,756
Gain on disposal of capital assets	51,100	34,730	85,830
Interest expense and fiscal agent charges	(84,155)	(95,175)	(179,330)
Total nonoperating revenues (expenses)	(17,096)	(59,648)	(76,744)
Income (loss) before contributions and transfers	1,327,371	332,317	1,659,688
Capital contributions and transfers			
Capital grant	202,578	-	202,578
Transfers in	-	3,318	3,318
Transfers out	(138,963)	-	(138,963)
CHANGE IN NET POSITION	1,390,986	335,635	1,726,621
NET POSITION, OCTOBER 1, 2021	12,178,423	2,606,402	14,784,825
NET POSITION, SEPTEMBER 30, 2022	$ 13,569,409	$ 2,942,037	$ 16,511,446

The notes to the financial statements are an integral part of this statement.

EXHIBIT D-3

CITY OF RICHLAND HILLS, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2022

	Water and Sewer Fund	Drainage Utility Fund	Totals
Cash flows from operating activities:			
Cash received from customers	$ 5,294,352	$ 790,278	$ 6,084,630
Cash paid to suppliers	(2,710,886)	(101,409)	(2,812,295)
Cash paid to employees	(838,615)	(120,873)	(959,488)
Net cash provided by operating activities	1,744,851	567,996	2,312,847
Cash flow from noncapital financing activities:			
Increase (decrease) in due to other funds	657	(1,730)	(1,073)
Transfers in/(out)	(138,963)	3,318	(135,645)
Net cash provided (used) by noncapital financing activities	(138,306)	1,588	(136,718)
Cash flow from capital and related financing activities:			
Proceeds from financed purchase	1,420,753	-	1,420,753
Principal payments on long-term debt	(402,480)	(360,000)	(762,480)
Capital outlay	(295,018)	(174,927)	(469,945)
Proceeds from sale of capital assets	51,100	34,730	
Capital grant	989,216	-	989,216
Interest and fiscal agent charges	(89,442)	(107,662)	(197,104)
Net cash (used) by capital and related financing activities	1,674,129	(607,859)	980,440
Cash flow from investing activities:			
Interest received	15,959	797	16,756
Purchase of investments	(815,479)	(797)	(816,276)
Net cash provided by investing activities	(799,520)	-	(799,520)
Net increase (decrease) in cash and cash equivalents	2,481,154	(38,275)	2,357,049
Cash and cash equivalents, October 1, 2021	1,788,817	572,779	2,361,596
Cash and cash equivalents, September 30, 2022	$ 4,269,971	$ 534,504	$ 4,718,645
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	$ 1,344,467	$ 391,965	$ 1,736,432
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	572,926	219,852	792,778
(Increase) decrease in accounts receivable	(3,699)	(44,246)	(47,945)
(Increase) decrease in prepaids	(5)	-	(5)
(Increase) decrease in supplies inventory	(36,570)	-	(36,570)
Increase (decrease) in accounts payable	(51,623)	280	(51,343)
Increase (decrease) in accrued liabilities	20,564	104	20,668
Increase (decrease) in compensated absences	(11,459)	1,506	(9,953)
Increase (decrease) in net pension balances	(90,115)	(4,123)	(94,238)
Increase (decrease) in OPEB Balances	(4,926)	2,658	(2,268)
Increase (decrease) in customer meter deposits	5,291	-	5,291
Total adjustments	400,384	176,031	576,415
Net cash provided by operating activities	$ 1,744,851	$ 567,996	$ 2,312,847
Noncash investing, capital and financing activities			
Vehicles acquired with lease financing	$ 110,277	$ -	$ 110,277
Total noncash investing, capital and financing activities	$ 110,277	$ -	$ 110,277

The notes to the financial statements are an integral part of this statement.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Richland Hills is a municipal corporation governed by an elected mayor and five-member council. The financial statements of the City of Richland Hills, Texas ("City") include all governmental activities, organizations, and functions for which the City exercises significant oversight responsibility. The criteria considered in determining governmental activities to be reported within the City's financial statements included: the City's accountability for the entity's fiscal matters; the scope of public service of the entity; and the nature of any special financing relationships which may exist between the City and a given governmental entity. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The City has two blended component units. Separate financial information for each can be obtained from the City.

Blended Component Units.

The Richland Hills Development Corporation (a nonprofit development corporation formed under the Development corporation act of 1979, Texas Rev Civil Statute) was incorporated June 28, 1996. The corporation serves all citizens of the City and is governed by a board of seven directors appointed by the City Council. Four of the directors are council member directors and three are citizen member directors. The purpose of the Corporation is to promote infrastructure improvements, parks and park facilities and economic development within the City and the State of Texas in order to eliminate unemployment and underemployment and to promote and encourage employment and the public welfare of, for and on behalf of the City by developing, implementing, providing, and financing projects. Operation of the Corporation is funded by .125 percent sales tax approved by the voters. The sales tax was increased to .25 percent effective April 2019. The corporation is reported as a Special Revenue Fund.

November 8, 2005, citizens of the City of Richland Hills voted to create the Richland Hills Crime Control and Prevention District (the "District") dedicated to crime reduction programs. The City Council serves as the board of directors for the District. Operation of the District is funded by .325 percent sales tax approved by the voters. The District is reported as a Special Revenue Fund.

B. Government-wide and Fund Financial Statements

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 and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds and individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are 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. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures generally are recorded when the related fund liability is incurred, however, debt service expenditures and expenditures related to compensated absences and claims and judgments, are recognized when payment is due.

Property, sales, and 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. All other revenue items are considered to be measurable and available only when the government receives payment.

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The City reports the following major governmental fund:

The ***General Fund*** is the government's primary operating fund. It accounts for all resources used to finance basic operations of the City and covers all activities for which a separate fund has not been established.

The ***Crime Control District*** special revenue fund is a blended component unit that accounts for the proceeds of a .325 percent sales tax and crime reduction programs.

The **Road and Street** capital projects fund is used to account for sales tax restricted to road and street improvements.

The City reports the following major proprietary funds:

The ***Water and Sewer Fund*** is used to account for the operation of the water and sewage systems for the City.

The ***Drainage Utility Fund*** is used to account for the construction and maintenance of the drainage system for the City.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges and transfers between the governmental activities and the business-type activities.

Amounts reported as program revenues include 1) charges for customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 of the water and sewer fund and drainage utility fund are charges to customers for sales and services. Operating expenses for the enterprise 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.

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

D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Net Position or Equity

1. *Cash, Cash Equivalents and Investments*

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments that are highly liquid with maturity within three months or less when purchased. Assets reported as cash and cash equivalents are considered cash and cash equivalents for the statement of cash flows.

2. *Receivables and Payables*

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

3. Property Tax

Ad valorem property taxes are levied each October 1 from valuations assessed as of the prior January 1 and are recognized as revenue beginning on the date of levy, October 1, when they become available. "Available" means collected within the current period or expected to be collected soon thereafter to be used to pay current liabilities. Taxes not expected to be collected within sixty days of the fiscal year ending are recorded as deferred revenue and are recognized when they become available. Taxes collected prior to the levy date to which they apply are recorded as deferred revenue and recognized as revenue of the period to which they apply. Taxes are due on October 1 immediately following the levy date and are delinquent after the following January 31. Tax liens are automatic on January 1 each year.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. *Inventory*

The inventory of supplies held by the Enterprise Funds is valued at cost using the first-in-first-out ("FIFO") method.

5. *Prepaids*

Payments made to vendors for services that will benefit periods beyond September 30 are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid expenses in the governmental funds are accounted for using the purchases method.

6. *Capital Assets*

Capital assets, which include property, plant and equipment, and infrastructure assets, are reported in the applicable governmental activities or business-type activities columns in the government-wide financial statements and in the proprietary funds financial statements. The City defines capital assets as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant and equipment of the primary government and proprietary funds are depreciated using the straight-line method over the following estimated useful lives.

Building and improvements	20 - 40 years
Office equipment	5 - 20 years
Autos and trucks	4 - 5 years
Equipment	3 - 20 years
Waterworks and sewer system	5 - 40 years
Infrastructure	20 – 40 years

The City has reported infrastructure capital assets acquired prior to the implementation of GASB Statement No. 34 at estimated historical cost.

7. *Compensated Absences*

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Sick pay benefits are not paid upon separation therefore no liability is reported for unpaid accumulated sick leave. Vacation and compensatory time are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. *Long-term Obligations*

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

9. *Pensions*

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported by 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.

10. *Fund Balance – Governmental Funds*

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 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 classifications includes amounts that cannot be spent because they are either not spendable in form (such as prepaids or inventory) or are legally or contractually required to be maintained intact (such as endowment funds).

Restricted: This classification includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed: This classification includes amounts constrained to specific purposes by a government itself, using its highest decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint (City Council ordinance).

Assigned: This classification includes amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The City Council has delegated the authority to assign fund balance to the City Manager by resolution.

Unassigned – All amounts not included in other classifications. The general fund is the only fund that will report a positive unassigned fund balance. However, in governmental funds other than the general fund, if

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted fund balance 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 first spent out of committed funds, then assigned, and finally unassigned as needed.

11. *Net Position*

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

The following is a reconciliation of restricted fund balance reported in the governmental fund financial statements to restricted net position of the governmental activities reported in the government-wide financial statements.

Restricted fund balance (Exhibit C-1)	$ 7,352,890
Adjustments	
Deferred property tax revenue restricted for debt service	11,034
Unspect bond funds added to net investments in capital assets	(113,158)
Total adjustments	(102,124)
Restricted net position (Exhibit A-1)	$ 7,250,766

12. *Use of Estimates*

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

NOTE 2: DEPOSITS AND INVESTMENTS

Substantially all operating cash and investments are maintained in consolidated cash and investment accounts. Investment income relating to consolidated investments is allocated to the individual funds monthly based on the funds' pro-rata share of total cash and investments.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

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

Investment Pools

The City invests idle funds in the Texas Local Government Investment Pool (TexPool) and TexSTAR investment pool. These pools are local government investment pool organized under the authority of the Interlocal Cooperation Act Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. All investments of the Pools are stated at amortized cost, which in most cases approximates the fair value of the securities. The objective of the Pools is to maintain a stable $1.00 net asset value; however, the $1.00 net asset value is not guaranteed or insured by the State of Texas. There are no limitations or restrictions on participant withdrawals from these pools.

The State Comptroller of Public Accounts exercises oversight responsibilities over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. As a requirement to maintain its rating, weekly portfolio information must be submitted to Standards and Poors, as well as the office of the Comptroller of Public Accounts for review.

TexSTAR has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. An advisory board composed of participants in TexSTAR and other persons who do not have a business relationship with TexSTAR has been established and maintained.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City's funds are required to be deposited and invested under the terms of a depository contract. The City's deposits are required to be collateralized with securities held by the pledging institution's trust department or agent in the City's name. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") Insurance. At September 30, 2022, the City's deposits were covered by FDIC Insurance or collateralized with securities held by the bank's agent in the City's name.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

Credit Risk– Investments

The City controls credit risk by limiting its investments to those instruments allowed by the State Public Funds Investment Act described above.

Interest Rate Risk – Investments

The City manages interest rate risk by structuring its portfolio so that it will experience minimal volatility during economic cycles. This is accomplished by purchasing high quality, short to medium term securities which will complement each other. The dollar weighted average maturity of 365 days or less will be calculated using the stated final maturity date of each security.

The City's investments at September 30, 2021, included the following:

Investment	Credit Rating	Maturities	Percentage of Total Investments	Cost	Fair Value
Tex-Pool	AAAm	24 days	48.91%	$ 2,378,260	$ 2,378,260
TexSTAR Pool	AAAm	16 days	51.09%	$ 2,484,422	$ 2,484,422
				$ 4,862,682	$ 4,862,682

Reconciliation to financial statements	
Investments from Exhibit A-1	$ 5,032,069
Less: Certificates of Deposit	(169,387)
	$ 4,862,682

NOTE 3: RESTRICTED ASSETS

Certain proceeds of the City's enterprise fund bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond ordinances and other legal restrictions. Enterprise Funds restricted assets are held for the following purposes in accordance with bond ordinances or other legal restrictions:

Cash and cash equivalents		
Customer Deposits	$	143,578
Water meter project escrow		1,407,925
Total restricted cash and cash equivalents		1,551,503
Investments		
Construction funds		1,792,034
Total restricted assets	$	4,895,040

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 4: RECEIVABLES

All accounts and property tax receivables are shown net of an allowance for uncollectibles. Water and sewer fund and drainage utility fund accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectible accounts of $866,001. The property tax receivable allowance of $77,463 and $16,551 for the general fund and debt service fund respectively, and is equal to 60% of outstanding delinquent property taxes at September 30. The fines and fees receivable in the general fund is reported net of an allowance of $1,774,540 which is 75% of the adjusted receivable. The EMS charges receivable in the general fund is reported net of an allowance of $343,601 which is accounts outstanding in excess of 60 days. These allowances are based upon historical experience. Receivables as of year-end for the City's major and nonmajor funds, including the applicable allowances for uncollectible accounts are as follows:

	General	Crime Control District	Enterprise Funds	Other Governmental Funds	Total
Receivables:					
Property tax	$ 129,105	$ -	$ -	$ 27,585	$ 156,690
Sales tax	894,741	333,830	-	559,213	1,787,784
Franchise taxes	302,552	-	-	-	302,552
Accounts	2,845,578	-	1,411,985	-	4,257,563
Earned and Unbilled Services	-	-	254,752	-	254,752
Intergovernmental	-	943	-	-	943
Other	-	-	-	204,843	204,843
Gross Receivables	4,171,976	334,773	1,666,737	791,641	6,965,127
Less: Allowance					
for Uncollectibles	(2,195,603)	-	(866,001)	(16,551)	(3,078,155)
Net Total Receivables	$ 1,976,373	$ 334,773	$ 800,736	$ 775,090	$ 3,886,972

NOTE 5: DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

In addition to liabilities, the statement of financial position and governmental funds 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 assets or fund balance that applies to a future period(s) and so will not be recognized as in inflow of resource (revenue) until that time. The city has three types of items in this category, unavailable revenues for governmental funds and deferred inflows related to pensions and deferred inflows related to OPEB in the government-wide statement of net position and proprietary funds statements.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 5: DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	General	Nonmajor	Total Governmental Funds
Deferred property taxes receivable	$ 51,642	11,034	$ 62,676
Deferred franchise tax receivable	269,539	-	269,539
Deferred fines and fees receivable	591,513	-	591,513
Deferred EMS charges receivable	124,583	-	124,583
Deferred miscellaneous receivable	6,678	-	6,678
Total deferred inflows of resources for governmental funds	$ 1,043,955	$ 11,034	$ 1,054,989

NOTE 6: INTERFUND RECEIVABLE, PAYABLES AND TRANSFERS

The composition of interfund balances for the City's individual major funds and nonmajor funds at September 30, 2022, is as follows:

Receivable Fund	Payable Fund	Amount	Purpose
General	Water and Sewer	$ 657	Expenses
Other governmental	General	1,300	Debt Service
Total Governmental Funds		$ 1,957	

The composition of interfund transfers for the City's individual major funds and nonmajor funds at September 30, 2022, is as follows:

Transfer In	Transfer Out	Amount	Purpose
General fund	Water and sewer	$ 78,339	Prior year expenses
Crime Control District	Water and sewer	9,988	Prior year expenses
Road & Street	Other Governmental Funds	251,480	Capital Projects
Other Governmental Funds	General Fund	167,083	Link funding
Other Governmental Funds	General Fund	78,297	Restricted funds
Other Governmental Funds	General Fund	117,311	Capital Projets
Other Governmental Funds	Crime Control District	116,860	Capital Projects
Other Governmental Funds	Water and sewer	47,318	Capital Projects
Other Governmental Funds	Other Governmental Funds	98,574	Capital Projects
Total Governmental Funds Transfers In		$ 965,250	
Drainage Fund	Water and sewer	$ 3,318	Prior year expenses
Total Enterprise Funds Transfers In		$ 3,318	

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 7: CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022 was as follows:

Governmental activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Non - Depreciable Assets:				
Land	$ 830,414	$ -	$ -	$ 830,414
Construction in Progress	7,648,710	1,269,592	(7,627,210)	1,291,092
Total non-depreciable assets	8,479,124	1,269,592	(7,627,210)	2,121,506
Depreciable Assets:				
Buildings	13,134,318	6,637,869	-	19,772,187
Improvements other than buildings	6,083,559	213,463	-	6,297,022
Machinery and equipment	6,189,531	366,558	(92,095)	6,463,994
Infrastructure	24,272,211	2,055,727	-	26,327,938
Leased machinery and equipment	-	163,159	-	163,159
Total capital assets being depreciated and amortized	49,679,619	9,436,776	(92,095)	59,024,300
Accumulated Depreciation and Amortization:				
Buildings	(2,717,569)	(452,383)	-	(3,169,952)
Improvements other than buildings	(2,810,018)	(501,893)	-	(3,311,911)
Machinery and equipment	(4,067,079)	(423,894)	92,095	(4,398,878)
Infrastructure	(18,217,128)	(609,317)	-	(18,826,445)
Leased machinery and equipment	-	(8,320)	-	(8,320)
Total accumulated depreciation and amortization	(27,811,794)	(1,995,807)	92,095	(29,715,506)
Governmental activities capital assets, net	$ 30,346,949	$ 8,710,561	$ (7,627,210)	$ 31,430,300

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 7: <u>CAPITAL ASSETS</u> - (Continued)

Business-type activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Non - Depreciable Assets:				
Land	$ 256,267	$ -	$ -	$ 256,267
Construction in Progress	-	286,662	-	286,662
Total non-depreciable assets	256,267	286,662	-	542,929
Depreciable Assets:				
Buildings	221,137	-	-	221,137
Improvements other than buildings	7,825,701	-	-	7,825,701
Water and sewer systems	22,220,669	8,356	-	22,229,025
Machinery and equipment	1,053,235	174,927	(158,476)	1,069,686
Leased machinery and equipment	-	110,277	-	110,277
Total capital assets being depreciated and amortized	31,320,742	293,560	(158,476)	31,455,826
Accumulated Depreciation:				
Buildings	(178,619)	(2,470)	-	(181,089)
Improvements other than buildings	(1,593,194)	(200,500)	-	(1,793,694)
Water and sewer systems	(10,513,866)	(546,230)	-	(11,060,096)
Machinery and equipment	(963,144)	(40,248)	158,476	(844,916)
Leased machinery and equipment	-	(3,330)	-	(3,330)
Total accumulated depreciation	(13,248,823)	(792,778)	158,476	(13,883,125)
Business-type activities capital assets, net	$ 18,328,186	$ (212,556)	$ -	$ 18,115,630

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

Governmental activities:	
General government	$ 21,815
Public safety	555,597
Public works	639,475
Culture and recreation	271,351
Parks and beautification	501,854
Community development	5,715
Total depreciation expense - governmental activities	$ 1,995,807
Business-type activities:	
Water and sewer	$ 572,926
Drainage Utility	219,852
Total depreciation expense - business-type activities	$ 792,778

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 8: LONG-TERM LIABILITIES

A. **Bonds Payable**

Governmental Activities

The City has issued certificates of obligation, general obligation bonds and tax notes for the construction of large capital projects. The General Obligation Bonds Series 2017 are split between the governmental activities and business-type activities 15 and 85 percent. Bonds outstanding are as follows:

	Interest Rate	Maturity	Original Issue	Amount Outstanding
Governmental activities:				
Certificates of obligation				
2016 Tax and Revenue	2.00 - 3.13%	8/15/2036	$ 4,705,000	$ 3,665,000
Total certificates of obligation			4,705,000	3,665,000
General obligation bonds				
2016 General Obligation	2.00% - 3.38%	8/15/2046	8,770,000	8,085,000
2019 General Obligation	2.25% - 4.00%	8/15/2039	5,660,000	5,225,000
Direct placement				
2017 General Obligation Refunding	1.84%	8/15/2027	228,750	101,250
Total general obligation bonds			14,658,750	13,411,250
Tax Notes				
2019 Tax Notes	3.00% - 4.00%	8/15/2026	680,000	405,000
Total contractual obligation bonds			680,000	405,000
Total governmental activities			$ 20,043,750	$ 17,481,250

The annual debt service requirements to maturity for the governmental activities bonds outstanding as of September 30, 2022, are as follows:

	Governmental Activities					
	Certificates of Obligation			Tax Notes		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 205,000	$ 128,675	$ 333,675	$ 95,000	$ 14,250	$ 109,250
2024	210,000	124,575	334,575	100,000	11,400	111,400
2025	210,000	119,850	329,850	100,000	8,400	108,400
2026	225,000	109,350	334,350	110,000	4,400	114,400
2027	240,000	98,100	338,100	-	-	-
2028-2032	1,335,000	340,100	1,675,100	-	-	-
2033-2037	1,240,000	97,306	1,337,306	-	-	-
Total	$ 3,665,000	$ 1,017,956	$ 4,682,956	$ 405,000	$ 38,450	$ 443,450

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 8: LONG-TERM LIABILITIES (Continued)

	Governmental Activities						
	General Obligation Bonds			General Obligation Bonds - Direct Placement			
	Principal	Interest	Total	Principal	Interest	Total	Total
2023	$ 370,000	$ 441,331	$ 768,932	$ 19,500	$ 1,863	$ 27,832	$ 796,764
2024	385,000	426,532	811,331	19,500	1,504	21,363	832,694
2025	405,000	408,881	811,532	20,250	1,145	21,004	832,536
2026	420,000	390,332	813,881	21,000	773	21,395	835,276
2027	550,000	373,532	813,881	21,000	386	21,395	835,276
2028-2032	3,035,000	1,527,256	4,562,256	-	-	-	4,562,256
2033-2037	3,545,000	1,008,512	4,553,512	-	-	-	4,553,512
2038-2042	2,770,000	539,144	3,309,144	-	-	-	3,309,144
2043-2047	1,830,000	156,937	1,986,937	-	-	-	1,986,937
Total	$ 13,310,000	$ 5,272,457	$ 18,431,407	$ 101,250	$ 5,671	$ 112,989	$ 18,544,396

Business-type Activities

The City's enterprise funds also issue certificates of obligation for the construction of large capital projects. Bonds outstanding are as follows:

	Interest Rate	Maturity	Original Issue	Amount Outstanding
Business-type activities				
Certificates of obligation				
2013 Tax and Revenue	3.00% - 4.50%	8/15/2033	5,370,000	3,690,000
Direct placement				
2015 Tax and Revenue	2.56%	8/15/2030	1,030,000	605,000
Total certificates of obligation			6,400,000	4,295,000
General obligation bonds				
Direct placement				
2017 General Obligation Refunding	1.84%	8/15/2027	1,296,250	573,750
2020 General Obligation Refunding	1.21%	8/15/1930	1,730,000	1,405,000
Total general obligation bonds			3,026,250	1,978,750
Total business-type activities			$ 9,426,250	$ 6,273,750

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 8: LONG-TERM LIABILITIES (Continued)

The annual debt service requirements to maturity for the business-type activities bonds outstanding as of September 30, 2022, are as follows:

	Business-type Activities						
	Certificates of Obligation			Certificates of Obligation - Direct Placement			
	Principal	Interest	Total	Principal	Interest	Total	Total
2023	$ 290,000	$ 130,700	$ 420,700	$ 70,000	$ 15,488	$ 85,488	$ 506,188
2024	290,000	122,000	412,000	70,000	13,696	83,696	495,696
2025	300,000	113,300	413,300	75,000	11,904	86,904	500,204
2026	310,000	104,300	414,300	75,000	9,984	84,984	499,284
2027	320,000	95,000	415,000	75,000	8,064	83,064	498,064
2028-2032	1,780,000	292,750	2,072,750	240,000	12,288	252,288	2,325,038
2033-2037	400,000	16,000	416,000	-	-	-	416,000
Total	$ 3,690,000	$ 874,050	$ 4,564,050	$ 605,000	$ 71,424	$ 676,424	$ 5,240,474

	Business-type Activities		
	General Obligation Bonds - Direct Placement		
	Principal	Interest	Total
2023	$ 280,500	$ 27,557	$ 308,057
2024	280,500	23,468	303,968
2025	284,750	19,377	304,127
2026	294,000	15,209	309,209
2027	294,000	10,902	304,902
2028-2032	545,000	13,250	558,250
Total	$ 1,978,750	$ 109,763	$ 2,088,513

Direct Placement Bonds

Direct placement bonds are bonds that are issued directly to an investor. The direct placement bonds include provisions that in the event the City defaults on the payments or performance of covenants, the holders of the bonds may proceed against the City for the purpose of protecting and enforcing the rights of the bondholders by mandamus or other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 8: LONG-TERM LIABILITIES (Continued)

B. Financed Purchases

Governmental Activities

On February 11, 2019, the City entered into a $607,000 purchase agreement for a fire truck due in 10 annual payments of $73,539 beginning February 28, 2020. The interest rate is 3.65%

On June 26, 2019, the City entered into a $112,733 purchase agreement for an Opticom system due in 7 annual payments of $18,772 beginning June 26, 2020. The interest rate is 3.985%.

On November 10, 2021, the City entered into a $299,855 purchase agreement for an ambulance due in 5 annual payments of $65,172 beginning November 10, 2022. The interest rate is 2.838%.

Business-type Activities

On August 15, 2022, the City entered into a $1,420,753 purchase agreement for a water meter replacement project due in 10 annual payments of $169,655 beginning August 1, 2023. The interest rate is 3.39%. The funds have been placed in an escrow account that can be drawn upon as work progresses.

The annual debt service to maturity for financed purchases outstanding as of September 30, 2022, are as follows:

	Governmental Activities Financed Purchases			Business-type Activities Financed Purchases		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 129,936	$ 27,547	$ 157,483	$ 123,499	$ 46,157	$ 169,656
2024	134,273	23,211	157,484	125,678	43,977	169,655
2025	138,756	18,727	157,483	129,939	39,716	169,655
2026	143,384	14,100	157,484	134,344	35,311	169,655
2027	129,414	9,297	138,711	138,898	30,757	169,655
2028-2032	141,345	5,734	147,079	768,395	79,882	848,277
Total	$ 817,108	$ 98,616	$ 915,724	$ 1,420,753	$ 275,800	$ 1,696,553

These assets and the related accumulated depreciation are as follows.

	Governmental Activities	Business-type Activities
Machinery and equipment	$ 1,019,588	$ -
Less: Accumulated Depreciation	(245,906)	-
Net	$ 773,682	$ -

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 8: LONG-TERM LIABILITIES (Continued)

C. Lease financing

With the implementation of Governmental Accounting Standards Board No. 87, *Leases*, a lease meeting the criteria of this statement requires the lessee to recognize a lease liability and an intangible right to use asset.

June 28, 2021, the City, as a lessee, entered into an agreement related to fleet acquisition, management, resale and maintenance. In fiscal year 2022 the City acquired nine vehicles with 12 month leases that do not meet the criteria of the statement having total monthly payments of $7,027. The leases that do meet the criteria are summarized as follows:

Description	Date	Payment Terms	Interest Rate	Original Lease	Balance 9/30/2022
Governmental Activities					
Public Works Vehicle	5/18/2022	60 months	6.37%	$ 41,500	$ 39,003
Public Works Vehicle	5/25/2022	48 months	6.23%	38,601	35,582
Public Safety Vehicle	6/8/2022	36 months	6.21%	21,283	19,629
Public Safety Vehicle	8/19/2022	36 months	6.68%	20,282	19,707
Public Safety Vehicle	9/6/2022	36 months	6.96%	18,053	18,053
Public Safety Vehicle	9/29/2022	36 months	7.71%	23,440	23,440
				$ 163,159	$ 155,414
Business-type Activities					
Utility Vehicle	5/5/2022	48 months	6.37%	$ 39,963	$ 36,983
Utility Vehicle	9/19/2022	72 months	7.31%	70,314	70,314
				$ 110,277	$ 107,297

The City's leased assets are recorded at the present value of lease payments and amortized using the straight-line method over the term of the lease. These assets are reported as leased machinery and equipment.

The future lease payments under lease agreements are as follows:

	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 42,525	$ 8,851	$ 51,376	$ 18,947	$ 6,908	$ 25,855
2024	45,281	6,095	51,376	20,287	5,569	25,856
2025	45,504	2,991	48,495	21,721	4,134	25,855
2026	15,936	866	16,802	19,416	2,627	22,043
2027	6,168	145	6,313	12,972	1,539	14,511
2028-2032	-	-	-	13,954	558	14,512
Total	$ 155,414	$ 18,948	$ 174,362	$ 107,297	$ 21,335	$ 128,632

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

D. Changes in long-term liabilities

The following is a summary of long-term debt transactions of the City for the year ended September 30, 2022.

	09/30/2021	Additions	Retirements	09/30/2022	Due Within One Year
Governmental Activities.:					
Certificates of obligation	$ 3,860,000	$ -	$ 195,000	$ 3,665,000	$ 205,000
General obligation bonds	13,625,000	-	315,000	13,310,000	370,000
Direct placement					
General obligation bonds	126,750	-	25,500	101,250	19,500
Contractual obligation bonds	-	-	-	-	-
Tax notes	500,000	-	95,000	405,000	95,000
Premiums on bonds	853,623	-	90,913	762,710	85,866
Financed purchases	585,961	299,855	68,708	817,108	129,936
Lease financing	-	163,159	7,745	155,414	42,525
Compensated Absences	280,650	353,068	280,650	353,068	70,614
Net Pension Liability	1,448,405	-	1,448,405	-	-
OPEB Liability	345,139	14,507	-	359,646	-
Total Governmental Activities	21,625,528	830,589	2,526,921	19,929,196	1,018,441
Business-type Activities:					
Certificates of obligation	4,080,000	-	390,000	3,690,000	290,000
Direct placement					
Certificates of obligation	670,000	-	65,000	605,000	70,000
General obligation bonds	2,283,250	-	304,500	1,978,750	280,500
Premiums on bonds	280,276	-	32,149	248,127	22,557
Financed purchases	-	1,420,753	-	1,420,753	123,499
Lease financing	-	110,277	2,980	107,297	18,947
Compensated Absences	30,871	20,918	30,871	20,918	4,184
Net Pension Liability	188,952	-	188,952	-	-
OPEB Liabilty	52,670	-	5,062	47,608	-
Total Business-type Activities	7,586,019	1,551,948	1,019,514	8,118,453	809,687
Total Long-Term Debt	$ 29,211,547	$ 2,382,537	$ 3,546,435	$ 28,047,649	$ 1,828,128

Compensated absences, net pension liabilities and OPEB liabilities of the governmental activities and business-type activities are paid by the general fund, water and sewer fund, and drainage utility fund, respectively.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 9: RISK MANAGEMENT

The City is exposed to various risk of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City's general liability, and property insurance is underwritten through a self-insurance fund for Texas political subdivisions. Premiums are paid to the carrier, and they administer all claims. The City is also insured for workers' compensation claims through a self-insurance fund for Texas political subdivisions. Rates are determined by the state, and the pool assigns discount rates to premiums based upon the City's claims history. The City retains, as a risk, only the deductible amount of each policy.

The City has maintained insurance coverage in all major categories of risk comparable to that of the prior year with no reduction in coverage. The amount of settlements during the past three years has not exceeded the insurance coverage.

NOTE 10: DEFINED BENEFIT PENSION PLANS

A. Plan Description

The City participates as one of 901 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

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

B. Benefits Provided

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

At retirement, the member's benefit is calculated as if the sum of the member's contributions, with interest, and the city-financed monetary credits with interest, and their age at retirement and other actuarial factors. The retiring members may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's contributions and interest.

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

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 10: DEFINED BENEFIT PENSION PLANS (Continued)

	Plan Year 2022
Employee deposit rate	7%
Matching ratio (city to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20
Updated Service Credit	100% Repeating, Transfers
Annuity Increase (to retirees)	70% of CPI

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

Inactive employees or beneficiaries currently receiving benefits	117
Inactive employees entitled to but not yet receiving benefits	128
Active employees	75
	320

C. Contributions

Member contribution rates in TMRS are either 5%, 6%, or 7% of member's total compensation, 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 city's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City were 16.01% and 16.05% in calendar years 2022 and 2021 respectively. The city's contributions to TMRS for the year ended September 30, 2022, were $789,826, and were equal to the required contributions.

D. Net Pension Liability

The city's Net Pension Liability (NPL) was measured as of December 31, 2021, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 10: DEFINED BENEFIT PENSION PLANS (Continued)

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return (Arithmetic)
Global Equity	35.0%	7.55%
Core Fixed Income	6.0%	2.00%
Non-Core Fixed Income	20.0%	5.68%
Real Return	12.0%	7.22%
Real Estate	12.0%	6.85%
Absolute Return	5.0%	5.35%
Private Equity	10.0%	10.00%
Total	100.0%	

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 10: DEFINED BENEFIT PENSION PLANS (Continued)

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 member 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 members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2020	$ 34,496,259	$ 32,858,902	$ 1,637,357
Changes for the year:			
Service cost	871,222	-	871,222
Interest	2,299,569	-	2,299,569
Change of benefit terms	-	-	-
Difference between expected and actual experience	435,654	-	435,654
Changes of assumptions	-	-	-
Contributions - employer	-	744,070	(744,070)
Contributions - employee	-	324,564	(324,564)
Net investment income	-	4,280,598	(4,280,598)
Benefit payments, including refunds of employee contributions	(1,728,359)	(1,728,359)	-
Administrative expense	-	(19,820)	19,820
Other changes	-	135	(135)
Net changes	1,878,086	3,601,188	(1,723,102)
Balance at 12/31/2021	$ 36,374,345	$ 36,460,090	$ (85,745)

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 Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase Discount Rate (7.75%)
City's Net Pension Liability/	$ 4,910,949	$ (85,745)	$ (4,156,140)

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 10: DEFINED BENEFIT PENSION PLANS (Continued)

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2022, the City recognized pension expense of $97,359.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 250,269	$ 10,163
Changes in actuarial assumptions	-	-
Difference between projected and actual investment earnings.	-	2,191,589
Contributions subsequent to the measurement date	568,982	-
Total	$ 819,251	$ 2,201,752

$568,982 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability for the year ending September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	
2022	$ (191,710)
2023	(882,252)
2024	(464,999)
2025	(412,522)
2026	-
Thereafter	-
Total	$ (1,951,483)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. PLAN DESCRIPTION

TMRS administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). The SDBF is considered to be a single-employer plan. This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 11. POSTEMPLOYEMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of $7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

The member city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers.

B. BENEFITS PROVIDED

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

Inactive employees or beneficiaries currently receiving benefits	57
Inactive employees entitle to but not yet receiving benefits	11
Active employees	75
	143

C. TOTAL OPEB LIABILITY

The City's total OPEB liability was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total OPEB Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5% including inflation
Retirees' share of benefit relate costs	$0

All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.

Mortality rates for service retirees were based on 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.

Mortality rates for disabled retirees were based on 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-froward for females. In addition, a 3.5% and a 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 11. POSTEMPLOYEMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Discount Rate

The discount rate used to measure the Total OPEB Liability was 1.84%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/2020	$ 397,809
Changes for the year:	
Service Cost	14,837
Interest	7,998
Change of benefit terms	-
Difference between expected and actual experience	(13,869)
Changes of assumptions	11,143
Benefit payments	(10,664)
Net changes	9,445
Balance at 12/31/2021	$ 407,254

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 1.84%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (.84%) or 1-percentage-point higher (2.84%) than the current rate:

	1% Decrease Discount Rate (.84%)	Discount Rate (1.84%)	1% Increase Discount Rate (2.84%)
City's Total OPEB Liability	$ 488,037	$ 407,254	$ 343,838

D. OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended September 30, 2022, the City recognized OPEB expense of $38,034.

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CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 11. POSTEMPLOYEMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	587	20,797
Changes in assumptions and other inputs	60,131	3,722
Contributions subsequent to the measurement date	8,882	-
Total	69,600	24,519

$8,882 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction to the total OPEB liability for the year ending September 30, 2023. Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:		
2022	$	11,128
2023		16,801
2024		8,883
2025		(528)
2026		(85)
Thereafter		-
Total	$	36,199

NOTE 12: CONTINGENT LIABILITIES

A. Federal and State Programs

Federal and state funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made, in compliance with program guidelines, to the grantor agency.

These programs are governed by various statutory rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, the City has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of fund monies may be required.

As it pertains to other matters of compliance, in the opinion of the City's administration, there are no significant contingent liabilities relating to matters of compliance and accordingly, no provision has been made in the accompanying financial statements for such contingencies.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 12: CONTINGENT LIABILITIES (Continued)

B. Litigation

The City has claims or lawsuits arising from the normal course of business. Although the outcome of these claims and lawsuits is not presently determinable, it is the opinion of City management and legal counsel that they will not have a material adverse effect on the financial condition of the City.

NOTE 13: CONTRACTS AND COMMITMENTS

A. Wastewater Treatment

On April 18, 2017, the City Council approved a 20 year agreement with the City of Fort Worth whereby Fort Worth agreed to provide wastewater treatment to the City. The agreement allows the City to connect its wastewater system to the Fort Worth waste water system. Charges to the City are based upon cost-of-service rate studies performed by independent utility rate consultants. This contract has been amended various times during the years. Charges during the year for the treatment of wastewater by the City of Fort Worth were $423,844.

B. Water Treatment

The City entered into a 20 year agreement with the City of Fort Worth effective January 1, 2011 through September 30, 2031 whereby Fort Worth agreed to provide treated water to the City. Rates to purchase the water will be based upon a cost-of-service rate study conducted every three years by independent utility rate consultants. Charges during the year for the purchase of treated water from the City of Fort Worth were $479,102.

C. Transportation of Sewerage

On May 13, 1986, the City entered into an agreement with the City of Hurst to allow sewerage to be metered in Hurst then transported through the Trinity River Authority Calloway Branch sewer line to the city of Fort Worth. Charges to the City are based upon current sewer rates charged to Hurst by the Trinity River Authority and a $75.00 per month meter service charge. Charges during the year from the City of Hurst were $282,636.

NOTE 14: SUBSEQUENT EVENTS

Subsequent events were evaluated through March 21, 2023, which is the date the financial statements were available to be issued.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2022

NOTE 15: CORONAVIRUS LOCAL FISCAL RECOVERY FUND

Under the American Rescue Plan Act of 2021, the Coronavirus Local Recovery Fund (CLFRF) provides emergency funding for eligible local governments. The U.S. Treasury manages the distribution of these funds to Texas counties and cities with populations above 50,000. Cities, villages, towns, and townships serving populations of less than 50,000 are classified as nonentitlement units of local government and will receive funding distributed by the Texas Division of Emergency Management. \$985,321 and \$989,215 was received during the years ended September 30, 2021, and 2022 respectively. \$202,578 has been spent and recognized as revenues. The \$1,771,959 funds that have not been spent are reported as unearned revenue.

NOTE 16: CHANGE IN ACCOUNTING PRINCIPAL

For 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for leases accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the City's 2022 financial statements and did not have an effect on the beginning net position.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT E-1

CITY OF RICHLAND HILLS, TEXAS
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Property	$ 2,948,805	$ 2,941,076	$ 2,803,083	$ (137,993)
Sales	3,501,750	4,218,809	4,574,082	355,273
Franchise	517,000	539,240	549,332	10,092
Fines and forfeitures	402,500	274,900	298,258	23,358
Licenses and permits	152,500	153,920	177,429	23,509
Charges for service	276,050	287,200	296,852	9,652
Intergovernmental revenue	-	-	3,296	3,296
Investment earnings	1,500	3,500	6,843	3,343
Other revenue	73,300	123,300	174,816	51,516
Total revenues	7,873,405	8,541,945	8,883,991	342,046
EXPENDITURES				
Current				
General government	1,396,566	1,393,869	1,399,903	(6,034)
Public safety	4,317,719	4,500,206	4,487,357	12,849
Public works	291,129	202,465	181,835	20,630
Culture and recreation	661,040	665,636	669,104	(3,468)
Parks and beautification	249,656	243,796	163,819	79,977
Community development	384,426	394,299	415,999	(21,700)
Capital outlay	-	162,652	462,507	(299,855)
Total expenditures	7,300,536	7,562,923	7,780,524	(217,601)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	572,869	979,022	1,103,467	124,445
OTHER FINANCING SOURCES (USES)				
Financed purchases	-	-	299,855	299,855
Transfers in	-	-	78,339	78,339
Transfers out	(563,626)	(493,783)	(362,691)	131,092
Total other financing sources (uses)	(563,626)	(493,783)	15,503	509,286
NET CHANGE IN FUND BALANCES	9,243	485,239	1,118,970	633,731
FUND BALANCE, OCTOBER 1, 2021	4,433,131	4,433,131	4,433,131	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 4,442,374	$ 4,918,370	$ 5,552,101	$ 633,731

The accompanying notes to required supplementary information are an integral part of this schedule.

EXHIBIT E-2

CITY OF RICHLAND HILLS, TEXAS
Crime Control District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Sales	$ 1,500,000	$ 1,603,419	$ 1,733,824	$ 130,405
Intergovernmental revenues	12,000	-	1,603	1,603
Total revenues	1,512,000	1,603,419	1,735,427	132,008
EXPENDITURES				
Current				
Public safety	1,225,844	1,242,757	1,222,419	20,338
Capital outlay	49,804	49,804	45,594	4,210
Total expenditures	1,275,648	1,292,561	1,268,013	24,548
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	236,352	310,858	467,414	156,556
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	9,988	9,988
Transfers out	(106,860)	(116,860)	(116,860)	-
Total other financing sources (uses)	(106,860)	(116,860)	(106,872)	9,988
NET CHANGE IN FUND BALANCES	129,492	193,998	360,542	166,544
FUND BALANCE, OCTOBER 1, 2021	520,637	520,637	520,637	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 650,129	$ 714,635	$ 881,179	$ 166,544

The accompanying notes to required supplementary information are an integral part of this schedule.

CITY OF RICHLAND HILLS, TEXAS
Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Years (will ultimately be displayed)

	2014	2015	2016
Total Pension Liability			
Service Cost	$ 687,735	$ 747,466	$ 768,050
Interest (on the Total Pension Liability)	1,871,624	1,924,741	1,944,232
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(712,052)	(370,657)	$ (390,269)
Change of assumptions	-	212,735	-
Benefit payments, including refunds of employee contributions	(978,956)	(1,257,766)	(1,177,105)
Net Change in Total Pension Liability	868,351	1,256,519	1,144,908
Total Pension Liability - Beginning	26,883,097	27,751,448	29,007,967
Total Pension Liability - Ending	$ 27,751,448	$ 29,007,967	$ 30,152,875
Plan Fiduciary Net Position			
Contributions - Employer	$ 721,134	$ 736,648	$ 675,283
Contributions - Employee	284,230	291,329	292,511
Net Investment Income	1,371,030	37,404	1,698,601
Benefit payments, including refunds of employee contributions	(978,956)	(1,257,766)	(1,177,105)
Administrative Expense	(14,314)	(22,782)	(19,182)
Other	(1,177)	(1,125)	(1,034)
Net Change in Plan Fiduciary Net Position	1,381,947	(216,292)	1,469,074
Plan Fiduciary Net Position - Beginning	23,965,772	25,347,719	25,131,427
Plan Fiduciary Net Position - Ending	$ 25,347,719	$ 25,131,427	$ 26,600,501
Net Pension Liability/(Asset) - Ending	$ 2,403,729	$ 3,876,540	$ 3,552,374
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.34%	86.64%	88.22%
Covered Payroll	$ 4,060,434	$ 4,161,836	$ 4,178,724
Net Pension Liability as a Percentage of Covered Payroll	59.20%	93.14%	85.01%

The accompanying notes to required supplementary information are an integral part of this schedule.

EXHIBIT E-3

2017	2018	2019	2020	2021
$ 818,261	$ 902,607	$ 893,134	$ 874,546	$ 871,222
2,011,541	2,057,136	2,124,314	2,219,334	2,299,569
-	-	-	-	-
$ (298,938)	$ 538	$ 113,437	$ (68,235)	$ 435,654
-	-	81,366	-	-
(1,522,784)	(2,272,345)	(1,648,272)	(1,942,256)	(1,728,359)
1,008,080	687,936	1,563,979	1,083,389	1,878,086
30,152,875	31,160,955	31,848,891	33,412,870	34,496,259
$ 31,160,955	$ 31,848,891	$ 33,412,870	$ 34,496,259	$ 36,374,345
$ 713,878	$ 774,634	738,471	729,799	744,070
309,612	339,326	334,149	326,846	324,564
3,687,182	(891,663)	4,280,458	2,380,513	4,280,598
(1,522,784)	(2,272,345)	(1,648,272)	(1,942,256)	(1,728,359)
(19,106)	(17,234)	(24,197)	(15,413)	(19,820)
(968)	(900)	(727)	(601)	135
3,167,814	(2,068,182)	3,679,882	1,478,888	3,601,188
26,600,501	29,768,315	27,700,132	31,380,014	32,858,902
$ 29,768,315	$ 27,700,133	$ 31,380,014	$ 32,858,902	$ 36,460,090
$ 1,392,640	$ 4,148,758	$ 2,032,856	$ 1,637,357	$ (85,745)
95.53%	86.97%	93.92%	95.25%	100.24%
$ 4,423,034	$ 4,847,513	4,773,564	4,669,225	4,636,625
31.49%	85.59%	42.59%	35.07%	-1.85%

CITY OF RICHLAND HILLS, TEXAS
Schedule of Contributions
Last 10 Fiscal Years (will ultimately be displayed)

	2014	2015	2016	2017
Actuarially Determined Contribution	$ 701,213	$ 722,326	$ 713,791	$ 711,966
Contributions in relation to the actuarially determined contribution	$ 701,213	$ 722,326	$ 713,791	$ 711,966
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 4,013,063	$ 4,145,235	$ 4,303,832	$ 4,409,872
Contributions as a percentage of covered payroll	17.47%	17.43%	16.59%	16.14%

The accompanying notes to required supplementary information are an integral part of this schedule.

EXHIBIT E-4

2018		2019		2020		2021		2022
$	762,645	$	752,726		708,466		717,202		789,826
$	762,645	$	752,726	$	708,466	$	717,202	$	789,826
$	-	$	-	$	-	$	-	$	-
$	4,755,061	$	4,827,173	$	4,544,174	$	4,501,008	$	5,077,128
	16.04%		15.59%		15.59%		15.93%		15.56%

EXHIBIT E-5

CITY OF RICHLAND HILLS, TEXAS
Schedule of Changes in OPEB Liability and Related Ratios
Last 10 Years (will ultimately be displayed)

	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	$ 9,731	$ 12,119	$ 10,024	$ 11,206	$ 14,837
Interest (on the Total OPEB Liability)	9,484	9,578	10,292	9,556	7,998
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	-	(11,178)	1,385	(12,260)	(13,869)
Change of assumptions	20,853	(18,310)	51,104	49,045	11,143
Benefit payments, including refunds of employee contributions	(2,654)	(2,909)	(3,341)	(3,268)	(10,664)
Net Change in Total OPEB Liability	37,414	(10,700)	69,464	54,279	9,445
Total OPEB Liability - Beginning	247,352	284,766	274,066	343,530	397,809
Total OPEB Liability - Ending	$ 284,766	$ 274,066	$ 343,530	$ 397,809	$ 407,254
Covered Payroll	$ 4,423,034	$ 4,847,513	$ 4,773,564	$ 4,669,225	$ 4,669,225
Total OPEB Liability as a Percentage of Covered Payroll	6.44%	5.65%	7.20%	8.52%	8.72%

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

The accompanying notes to required supplementary information are an integral part of this schedule.

CITY OF RICHLAND HILLS, TEXAS
Notes to Required Supplementary Information
September 30, 2022

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Crime Control District, Court Building Security Special Revenue Fund, Richland Hills Development Corporation Special Revenue Fund, Court Technology Special Revenue Fund, Hotel Occupancy Tax Special Revenue Fund, Link Operations Special Revenue Fund, Debt Service Fund, Road and Street Capital Project Fund, Oil & Gas Lease Capital Projects Fund, the Capital Projects Fund, the Baker Boulevard Projects Fund and the vehicle replacement fund. All annual appropriations lapse at fiscal year end.

At least 35 days prior to the beginning of the budget year, October 1, the City Manager will submit his proposed city budget for the ensuing year to the City Council. From its date of submission, the proposed budget shall be a public record. The City Council shall hold a public hearing on the proposed budget at least 14 days before the beginning of the budget year. At least 10 days notice of such public hearing will be given by notice in the official newspaper. After a hearing, the City Council may make such changes it deems proper in the proposed budget and adopt a final budget prior to the beginning of the budget year. All budget hearings and actions on the budget shall be open to the public. If a final budget is not adopted by the beginning of the budget year, the proposed budget of the City Manager shall be deemed to have been approved. The budget shall go into effect on the first day of the budget year. The budget may be amended during the year only after complying with the notice procedure called for above for adoption of the budget. The City Manager is authorized to transfer budgeted amounts between line items and departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at September 30, and encumbrances outstanding at the time are to be either canceled or appropriately provided for in the subsequent year's budget.

The City's budget was properly amended throughout the year as needed.

B. Excess of Expenditures Over Appropriations

The following funds had actual expenditures that exceeded appropriations.

Fund	Amount	Explanation
General fund	$ 217,601	Ambulance purchased with capital lease
Court building security	756	Court expenses
Hotel Occupancy Tax	865	Economic development
Link Operations	26,607	Program supplies
Road and Street	89,328	Street improvements
Baker Boulevard Projects	2,416	Facility improvements
Vehicle Replacement	135,229	Vehicles acquired with lease financing

CITY OF RICHLAND HILLS, TEXAS
Notes to Required Supplementary Information
September 30, 2022

C. Schedule of Contributions

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	24 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Table. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes	There were no benefit changes during the year.

D. Schedule of Changes in OPEB Liability

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

NONMAJOR GOVERNMENTAL FUNDS COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS
The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects or proprietary funds) that are legally restricted to expenditures for specified purposes.

Court Building Security Fund is used to account for the City's share of fines to be used to enhance building security for municipal court.

The **Richland Hills Development Corporation** is a blended component unit which accounts for the promotion of infrastructure improvements, parks and park facilities and economic development within the City and the State of Texas in order to eliminate unemployment and underemployment and to promote and encourage employment and the public welfare of, for and on behalf of the City.

Court Technology Fund is used to account for the City's share of fines to be used for improvements to municipal court technology.

Library Grants Fund is used to account for grants to be used for the library.

Red Light Camera Enforce Fund accounts for all revenues and expenditures related to red light cameras placed at intersections in the City.

The **Hotel Occupancy Tax Fund** accounts for the proceeds of a 7 percent hotel occupancy tax and expenditures related tourism.

The **Keep Richland Hills Beautiful Fund** accounts for donations to be used for the City's parks.

The **Recreation Event Fund** accounts for recreational events that are hosted by the City.

The **Crime Victim Liaison Fund** is used to account for expenses of the crime victim liaison cops grant.

The **Link Operations Fund** is used to account for operations of the Link event and recreation center.

The **Contributions and Donations fund** is used to account for donations made to the City for various activities.

The **Police Seizure and Police Forfeiture funds** account for seizure and forfeiture funds.

The **LEOSE fund** accounts for grants for public safety training.

DEBT SERVICE FUND

The **Debt Service Fund** is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

CAPITAL PROJECT FUNDS

The Capital Project Funds account for all resources used for the acquisition and/or construction of capital facilities by the City, except those financed by the Enterprise Funds.

The **Oil and Gas Lease Fund** is used to account for the proceeds of the oil and gas lease bonus and future expenditures for capital projects.

The **Capital Projects Fund** accounts for the purchase of equipment by the City.

The **2019 GO Bonds Fund** is used to account for bond proceeds for the purpose of constructing and equipping a new fire station.

The **2019 Tax Notes Fund** accounts for the proceeds of the 2019 Tax Notes, which will be used for the demolition and renovation of space formerly used as a city jail to be used for city administrative uses, including conference rooms, training rooms, criminal investigation and related municipal use.

The **Baker Boulevard Projects Fund** is used to account for the receipts of the Baker Boulevard TIF zone and the green ribbon and intersection projects.

The **Link Activity Center Fund** is used to account for the construction of the multi-purpose community facility.

The **Vehicle Replacement Fund** accounts for replacement vehicles purchased by the City.

The **Link Replacement Fund** accounts for capital asset replacement at the Link.

CITY OF RICHLAND HILLS, TEXAS
Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2022

	Court Building Security	Richland Hills Development Corporation	Court Technology	Library Grants	Red Light Camera Enforce
ASSETS					
Cash	$ -	$ 1,390,894	$ -	$ 3,327	$ -
Investments	28,331	-	9,670	-	357
Receivables (Net of allowances for uncollectibles)					
Property tax	-	-	-	-	-
Sales tax	-	223,685	-	-	-
Other	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	$ 28,331	$ 1,614,579	$ 9,670	$ 3,327	$ 357
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ 5,906	$ -	$ 50	$ -
Accrued liabilities	-	3,789	-	-	-
Unearned revenues	-	-	-	-	-
Total liabilities	-	9,695	-	50	-
Deferred inflows of resources					
Deferred revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balance:					
Restricted for:					
Public Safety	28,331	-	9,670	-	357
Culture and recreation	-	-	-	3,277	-
Parks and beautification	-	-	-	-	-
Economic Development	-	1,604,884	-	-	-
Debt Service	-	-	-	-	-
Capital Projects	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balances	28,331	1,604,884	9,670	3,277	357
Total liabilities, deferred inflows of resources and fund balances	$ 28,331	$ 1,614,579	$ 9,670	$ 3,327	$ 357

Special Revenue							
Hotel Occupancy Tax	Keep Richland Hills Beautiful	Recreation Event	Crime Victim Liaison	Link Operations	Contributions & Donations	Police Seizure	Police Forfeiture
$ 153,483	$ -	$ 1,016	$ -	$ 170,768	$ 37,492	$ -	$ 7,384
24,091	58,571	-	14,081	-	-	23,846	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
21,548	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
$ 199,122	$ 58,571	1,016	14,081	170,768	37,492	23,846	7,384
$ -	$ 1,000	$ 751	$ -	$ 69,158	$ 349	$ -	$ -
1,380	-	-	-	13,945	-	-	-
-	-	-	-	30,795	-	-	-
1,380	1,000	751	-	113,898	349	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	14,081	-	-	23,846	7,384
-	-	-	-	56,870	37,143	-	-
-	57,571	-	-	-	-	-	-
197,742	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	265	-	-	-	-	-
197,742	57,571	265	14,081	56,870	37,143	23,846	7,384
$ 199,122	$ 58,571	$ 1,016	$ 14,081	$ 170,768	$ 37,492	$ 23,846	$ 7,384

CITY OF RICHLAND HILLS, TEXAS
Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2022

	LEOSE	Total Special Revenue Funds	Debt Service	Oil & Gas Lease	Capital Projects
ASSETS					
Cash	$ 9,963	$ 1,774,327	$ 195,992	$ 76,435	$ 304,245
Investments	-	158,947	365,972	209,099	91,620
Receivables (Net of allowances for uncollectibles)					
Property tax	-	-	11,034	-	-
Sales tax	-	223,685	-	-	-
Other	-	21,548	-	183,295	-
Due from other funds	-	-	1,300	-	-
Total assets	$ 9,963	$ 2,178,507	$ 574,298	$ 468,829	$ 395,865
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ 77,214	$ 4,353	$ -	$ 100,000
Accrued liabilities	-	19,114	-	-	-
Unearned revenues	-	30,795	-	-	-
Total liabilities	-	127,123	4,353	-	100,000
Deferred inflows of resources					
Deferred revenue	-	-	11,034	-	-
Total deferred inflows of resources	-	-	11,034	-	-
Fund Balance:					
Restricted for:					
Public Safety	9,963	93,632	-	-	-
Culture and recreation	-	97,290	-	-	-
Parks and beautification	-	57,571	-	-	-
Economic Development	-	1,802,626	-	-	-
Debt Service	-	-	558,911	-	-
Capital Projects	-	-	-	468,829	295,865
Assigned	-	265	-	-	-
Total fund balances	9,963	2,051,384	558,911	468,829	295,865
Total liabilities, deferred inflows of resources and fund balances	$ 9,963	$ 2,178,507	$ 574,298	$ 468,829	$ 395,865

EXHIBIT F-1

Capital Projects Funds							
2019 GO Bonds	2019 Tax Notes	Baker Boulevard Projects	Link Activity Center	Vehicle Replacement	Link Replacement	Total Capital Projects Funds	Total Nonmajor Funds
$ 113,158	$ 175	$ -	$ 12,447	$ 8,650	$ 4,625	$ 519,735	$ 2,490,054
-	6,097	947,483	-	-	-	1,254,299	1,779,218
-	-	-	-	-	-	-	11,034
-	-	-	-	-	-	-	223,685
-	-	-	-	-	-	183,295	204,843
-	-	-	-	-	-	-	1,300
$ 113,158	$ 6,272	$ 947,483	$ 12,447	$ 8,650	$ 4,625	$ 1,957,329	$ 4,710,134
$ -	$ -	$ 2,416	$ -	$ 6,166	$ -	$ 108,582	$ 190,149
-	-		-	-	-	-	19,114
-	-		-			-	30,795
-	-	2,416	-	6,166	-	108,582	240,058
-	-	-	-	-	-	-	11,034
-	-	-	-	-	-	-	11,034
-	-	-	-	-	-	-	93,632
-	-	-	-	-	-	-	97,290
-	-	-	-	-	-	-	57,571
-	-	-	-	-	-	-	1,802,626
-	-	-	-	-	-	-	558,911
113,158	6,272	945,067	12,447	-	-	1,841,638	1,841,638
-	-	-	-	2,484	4,625	7,109	7,374
113,158	6,272	945,067	12,447	2,484	4,625	1,848,747	4,459,042
$ 113,158	$ 6,272	$ 947,483	$ 12,447	$ 8,650	$ 4,625	$ 1,957,329	$ 4,710,134

CITY OF RICHLAND HILLS, TEXAS
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended September 30, 2022

	Court Building Security	Richland Hills Development Corporation	Court Technology	Library Grants	Red Light Camera Enforce
REVENUES					
Taxes:					
Property taxes	$ -	$ -	$ -	$ -	$ -
Sales	-	1,160,988	-	-	-
Hotel occupancy tax	-	-	-	-	-
Fines and forfeitures	5,610	-	4,885	-	-
Charges for service	-	-	-	-	-
Investment earnings	-	-	-	-	-
Other revenue	-	-	-	-	-
Total revenue	5,610	1,160,988	4,885	-	-
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	756	-	-	-	-
Culture and recreation	-	-	-	6,276	-
Parks and beautification	-	68	-	-	-
Economic development	-	202,430	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service					
Principal	-	135,000	-	-	-
Interest	-	94,063	-	-	-
Bond Issuance Cost					
Total expenditures	756	431,561	-	6,276	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,854	729,427	4,885	(6,276)	-
Other financing sources (uses):					
Insurance recoveries	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Lease financing	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses):	-	-	-	-	-
NET CHANGE IN FUND BALANCES	4,854	729,427	4,885	(6,276)	-
FUND BALANCE, OCTOBER 1, 2021	23,477	875,457	4,785	9,553	357
FUND BALANCE, SEPTEMBER 30, 2022	$ 28,331	$ 1,604,884	$ 9,670	$ 3,277	$ 357

Special Revenue							
Hotel Occupancy Tax	Keep Richland Hills Beautiful	Recreation Event	Crime Victim Liaison	Link Operations	Contributions & Donations	Police Seizure	Police Forfeiture
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
214,587	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	596,536	-	-	-
-	-	-	-	-	-	157	-
-	15,705	7,000	-	-	10,682	6,396	475
214,587	15,705	7,000	-	596,536	10,682	6,553	475
-	-	-	-	-	-	-	-
-	-	-	3,781	-	2,408	-	-
-	-	6,735	-	681,280	690	3,183	9,059
-	10,772	-	-	-	-	-	-
79,048	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
60,000	-	-	-	-	-	-	-
42,413	-	-	-	-	-	-	-
181,461	10,772	6,735	3,781	681,280	3,098	3,183	9,059
33,126	4,933	265	(3,781)	(84,744)	7,584	3,370	(8,584)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	167,083	29,559	20,476	15,968
-	-	-	-	-	-	-	-
-	-	-	-	167,083	29,559	20,476	15,968
33,126	4,933	265	(3,781)	82,339	37,143	23,846	7,384
164,616	52,638	-	17,862	(25,469)	-	-	-
$ 197,742	$ 57,571	$ 265	$ 14,081	$ 56,870	$ 37,143	$ 23,846	$ 7,384

CITY OF RICHLAND HILLS, TEXAS
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended September 30, 2022

	LEOSE	Total Special Revenue Funds	Debt Service	Oil & Gas Lease	Capital Projects
REVENUES					
Taxes:					
Property taxes	$ -	$ -	$ 1,027,362	$ -	$ -
Sales	-	1,160,988	-	-	-
Hotel occupancy tax	-	214,587	-	-	-
Fines and forfeitures	-	10,495	-	-	-
Charges for service	-	596,536	-	-	-
Investment earnings	-	157	6,872	-	-
Other revenue	-	40,258	-	308,117	-
Total revenue	-	2,023,021	1,034,234	308,117	-
EXPENDITURES					
Current:					
General government	-	-	6,040	-	-
Public safety	-	6,945	-	-	-
Culture and recreation	2,331	709,554	-	-	-
Parks and beautification	-	10,840	-	-	-
Economic development	-	281,478	-	-	-
Capital Outlay	-	-	-	62,081	212,032
Debt Service					
Principal	-	195,000	435,500	-	68,708
Interest	-	136,476	475,263	-	23,603
Bond Issuance Cost			-		
Total expenditures	2,331	1,340,293	916,803	62,081	304,343
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,331)	682,728	117,431	246,036	(304,343)
Other financing sources (uses):					
Insurance recoveries	-	-	-	-	-
Gain/loss on the sale of capital assets	-	-	-	-	-
Lease financing	-	-	-	-	-
Transfers in	12,294	245,380	-	-	246,396
Transfers out	-	-	-	-	-
Total other financing sources (uses):	12,294	245,380	-	-	246,396
NET CHANGE IN FUND BALANCES	9,963	928,108	117,431	246,036	(57,947)
FUND BALANCE, OCTOBER 1, 2021	-	1,123,276	441,480	222,793	353,812
FUND BALANCE, SEPTEMBER 30,	$ 9,963	$ 2,051,384	$ 558,911	$ 468,829	$ 295,865

Capital Projects Funds							
2019 GO Bonds	2019 Tax Notes	Baker Boulevard Projects	Link Activity Center	Vehicle Replacement	Link Replacement	Total Capital Projects Funds	Total Nonmajor Funds
$ -	$ -	$ 175,574	$ -	$ -	$ -	$ 175,574	$ 1,202,936
-	-	72,655	-	-	-	72,655	1,233,643
-	-	-	-	-	-	-	214,587
-	-	-	-	-	-	-	10,495
-	-	-	-	-	-	-	596,536
1,851	-	-	-	-	-	1,851	8,880
-	-	-	-	-	-	308,117	348,375
1,851	-	248,229	-	-	-	558,197	3,615,452
-	-	-	-	-	-	-	6,040
-	-	-	-	-	-	-	6,945
-	-	-	-	-	-	-	709,554
-	-	-	-	-	-	-	10,840
-	-	-	-	-	-	-	281,478
228,370	32,119	87,396	-	291,564	20,375	933,937	933,937
-	-	-	-	7,745	-	76,453	706,953
-	-	-	-	1,707	-	25,310	637,049
-	-					-	-
228,370	32,119	87,396	-	301,016	20,375	1,035,700	3,292,796
(226,519)	(32,119)	160,833	-	(301,016)	(20,375)	(477,503)	322,656
-	-	-	-	18,708	-	18,708	18,708
-	-	-		23,915	-	23,915	23,915
-	-	-	-	163,159	-	163,159	163,159
-	44,488	-	-	64,179	25,000	380,063	625,443
(251,480)	-	(98,574)	-	-	-	(350,054)	(350,054)
(251,480)	44,488	(98,574)	-	269,961	25,000	235,791	481,171
(477,999)	12,369	62,259	-	(31,055)	4,625	(241,712)	803,827
591,157	(6,097)	882,808	12,447	33,539	-	2,090,459	3,655,215
$ 113,158	$ 6,272	$ 945,067	$ 12,447	$ 2,484	$ 4,625	$ 1,848,747	$ 4,459,042

EXHIBIT G-1

CITY OF RICHLAND HILLS, TEXAS
Court Building Security Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Fines and forfeitures	$ 5,700	$ 5,500	$ 5,610	$ 110
Total revenues	5,700	5,500	5,610	110
EXPENDITURES				
Current				
Public safety	4,000	-	756	(756)
Total expenditures	4,000	-	756	(756)
NET CHANGE IN FUND BALANCES	1,700	5,500	4,854	(646)
FUND BALANCE, OCTOBER 1, 2021	23,477	23,477	23,477	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 25,177	$ 28,977	$ 28,331	$ (646)

EXHIBIT G-2

CITY OF RICHLAND HILLS, TEXAS
Richland Hills Development Corporation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Sales	$ 1,000,000	$ 1,073,022	$ 1,160,988	$ 87,966
Total revenues	1,000,000	1,073,022	1,160,988	87,966
EXPENDITURES				
Current				
Parks and beautification	-	68	68	-
Economic development	227,325	205,927	202,430	3,497
Debt service:				
Principal	135,000	135,000	135,000	-
Interest and fiscal agent charges	94,063	94,063	94,063	(1)
Total expenditures	456,388	435,057	431,561	3,496
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	543,613	637,965	729,427	91,462
OTHER FINANCING SOURCES (USES)				
Transfers out	(640,000)	-	-	-
Total other financing sources (uses)	(640,000)	-	-	-
NET CHANGE IN FUND BALANCES	(96,388)	637,965	729,427	91,462
FUND BALANCE, OCTOBER 1, 2021	875,457	875,457	875,457	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 779,070	$ 1,513,422	$ 1,604,884	$ 91,462

EXHIBIT G-3

CITY OF RICHLAND HILLS, TEXAS
Court Technology Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Fines and forfeitures	$ 6,500	$ 4,900	$ 4,885	$ (15)
Total revenues	6,500	4,900	4,885	(15)
EXPENDITURES				
Current				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
NET CHANGE IN FUND BALANCES	6,500	4,900	4,885	(15)
FUND BALANCE, OCTOBER 1, 2021	4,785	4,785	4,785	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 11,285	$ 9,685	$ 9,670	$ (15)

EXHIBIT G-4

CITY OF RICHLAND HILLS, TEXAS
Hotel Occupancy Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
Taxes:				
Hotel occupancy tax	$ 180,000	$ 180,000	$ 214,587	$ 34,587
Total revenues	180,000	180,000	214,587	34,587
EXPENDITURES				
Economic development	91,255	78,184	79,048	(864)
Debt service:				
Principal	60,000	60,000	60,000	-
Interest and fiscal agent charges	42,412	42,412	42,413	(1)
Total expenditures	193,667	180,596	181,461	(865)
NET CHANGE IN FUND BALANCES	(13,667)	(596)	33,126	33,722
FUND BALANCE, OCTOBER 1, 2021	164,616	164,616	164,616	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 150,949	$ 164,020	$ 197,742	$ 33,722

EXHIBIT G-5

CITY OF RICHLAND HILLS, TEXAS
Link Operations Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for Service	$ 497,300	$ 563,670	$ 596,536	$ 32,866
Total revenues	497,300	563,670	596,536	32,866
EXPENDITURES				
Current				
Culture and recreation	662,067	654,673	681,280	(26,607)
Total expenditures	662,067	654,673	681,280	(26,607)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(164,767)	(91,003)	(84,744)	6,259
OTHER FINANCING SOURCES (USES)				
Transfers in	165,000	165,000	167,083	2,083
Total other financing sources (uses)	165,000	165,000	167,083	2,083
NET CHANGE IN FUND BALANCES	233	73,997	82,339	8,342
FUND BALANCE, OCTOBER 1, 2021	(25,469)	(25,469)	(25,469)	-
FUND BALANCE, SEPTEMBER 30, 2022	$ (25,236)	48,528	56,870	$ 8,342

EXHIBIT G-6

CITY OF RICHLAND HILLS, TEXAS
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Property taxes	$ 1,040,805	$ 1,026,085	$ 1,027,362	$ 1,277
Investment earnings	-	6,000	6,872	872
Total revenues	1,040,805	1,032,085	1,034,234	2,149
EXPENDITURES				
Current				
General government	5,000.00	5,000.00	6,040	(1,040)
Debt service:				
Principal	435,500	435,500	435,500	-
Interest and fiscal agent charges	475,263	476,303	475,263	1,040
Total expenditures	915,763	916,803	916,803	0
NET CHANGE IN FUND BALANCES	125,042	115,282	117,431	2,149
FUND BALANCE, OCTOBER 1, 2021	441,480	441,480	441,480	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 566,522	$ 556,762	$ 558,911	$ 2,149

EXHIBIT G-7

CITY OF RICHLAND HILLS, TEXAS
Road and Street Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Sales	$ 1,335,000	$ 1,609,084	$ 1,741,482	$ 132,398
Intergovernmental revenue			-	-
Total revenues	1,335,000	1,609,084	1,741,482	132,398
EXPENDITURES				
Capital outlay	2,050,000	1,770,547	1,859,875	(89,328)
Total expenditures	2,050,000	1,770,547	1,859,875	(89,328)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(715,000)	(161,463)	(118,393)	43,070
OTHER FINANCING SOURCES (USES)				
Transfers in	-	251,480	251,480	-
Total other financing sources (uses)	-	251,480	251,480	-
NET CHANGE IN FUND BALANCES	(715,000)	90,017	133,087	43,070
FUND BALANCE, OCTOBER 1, 2021	1,886,956	1,886,956	1,886,956	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 1,171,956	$ 1,976,973	$ 2,020,043	$ 43,070

EXHIBIT G-8

CITY OF RICHLAND HILLS, TEXAS
Oil & Gas Lease Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Other revenue	$ 35,000	$ 125,000	$ 308,117	$ 183,117
Total revenues	35,000	125,000	308,117	183,117
EXPENDITURES				
Capital outlay	87,000	89,400	62,081	27,319
Total expenditures	87,000	89,400	62,081	27,319
NET CHANGE IN FUND BALANCES	(52,000)	35,600	246,036	210,436
FUND BALANCE, OCTOBER 1, 2021	222,793	222,793	222,793	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 170,793	$ 258,393	$ 468,829	$ 210,436

EXHIBIT G-9

CITY OF RICHLAND HILLS, TEXAS
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental revenue	$ -	$ 87,000	$ -	(87,000)
Total revenues	-	87,000	-	(87,000)
EXPENDITURES				
Current				
Capital outlay	967,336	227,001	212,032	14,969
Debt service:				
Principal	136,643	68,708	68,708	0
Interest and fiscal agent charges	21,668	23,603	23,603	(0)
Total expenditures	1,125,647	319,312	304,343	14,969
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,125,647)	(232,312)	(304,343)	(72,031)
OTHER FINANCING SOURCES (USES)				
Transfers in	888,311	192,311	246,396	54,085
Total other financing sources (uses)	888,311	192,311	246,396	54,085
NET CHANGE IN FUND BALANCES	(237,336)	(40,001)	(57,947)	(17,946)
FUND BALANCE, OCTOBER 1, 2021	353,812	353,812	353,812	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 116,476	313,811	295,865	(17,946)

EXHIBIT G-10

CITY OF RICHLAND HILLS, TEXAS
Baker Boulevard Projects
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Property taxes	$ 183,826	$ 175,574	$ 175,574	$ -
Sales	75,000	75,000	72,655	(2,345)
Total revenues	258,826	250,574	248,229	(2,345)
EXPENDITURES				
Current				
Capital outlay	80,000	84,980	87,396	(2,416)
Total expenditures	80,000	84,980	87,396	(2,416)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	178,826	165,594	160,833	(4,761)
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(92,477)	(98,574)	(6,097)
Total other financing sources (uses)	-	(92,477)	(98,574)	(6,097)
NET CHANGE IN FUND BALANCES	178,826	73,117	62,259	(10,858)
FUND BALANCE, OCTOBER 1, 2021	882,808	882,808	882,808	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 1,061,634	$ 955,925	$ 945,067	$ (10,858)

EXHIBIT G-11

CITY OF RICHLAND HILLS, TEXAS
Vehicle Replacement
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Property taxes	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
Current				
Capital outlay	222,745	165,787	291,564	(125,777)
Debt service:				
Principal			7,745	(7,745)
Interest and fiscal agent charges			1,707	(1,707)
Total expenditures	222,745	165,787	301,016	(135,229)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(222,745)	(165,787)	(301,016)	(135,229)
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	18,708	18,708
Proceeds from sale of capital assets	182,899	175,000	23,915	(151,085)
Lease financing	-	-	163,159	163,159
Transfers in	16,860	16,860	64,179	47,319
Total other financing sources (uses)	199,759	191,860	269,961	78,101
NET CHANGE IN FUND BALANCES	(22,986)	26,073	(31,055)	(57,128)
FUND BALANCE, OCTOBER 1, 2021	33,539	33,539	33,539	-
FUND BALANCE, SEPTEMBER 30, 2022	$ 10,553	$ 59,612	$ 2,484	$ (57,128)

STATISTICAL DATA
(Unaudited)

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CITY OF RICHLAND HILLS, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2022
STATISTICAL SECTION INDEX
(Unaudited)

This part of the City of Richland Hills' 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 government's overall financial health.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports of the relevant year.

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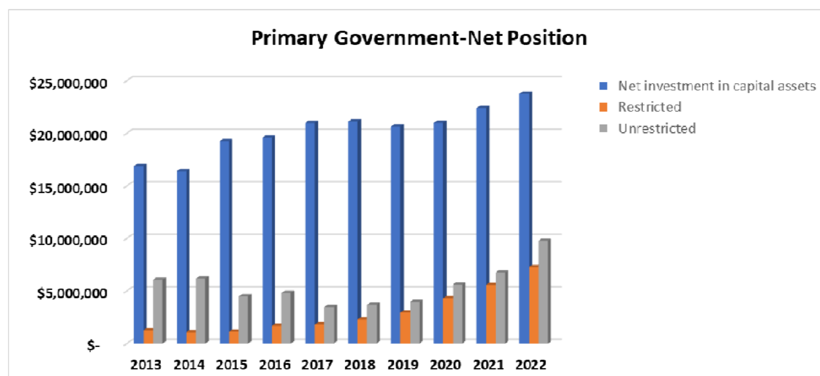
CITY OF RICHLAND HILLS, TEXAS **TABLE 1**
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	$ 9,777,284	$ 10,136,996	$ 10,450,781	$ 10,653,314	$11,342,503	$10,617,667	$9,925,810	$9,928,481	$ 11,386,772	$ 12,326,976
Restricted	1,245,956	1,069,428	1,127,400	1,692,036	1,812,889	2,298,796	2,946,115	4,304,087	5,564,111	7,250,766
Unrestricted	2,240,995	3,410,142	2,205,841	2,791,787	1,415,184	1,708,787	1,718,246	2,675,729	2,976,618	4,677,925
Total governmental activities net position	$ 13,264,235	$ 14,616,566	$ 13,784,022	$ 15,137,137	$14,570,576	$14,625,250	$14,590,171	$16,908,297	$19,927,501	$24,255,667
Business-type activities:										
Net investment in capital assets	$ 7,096,222	$ 6,254,783	$ 8,788,016	$ 8,921,383	$9,637,000	$10,501,116	$10,728,810	$11,062,511	$ 11,014,660	$ 11,460,920
Restricted	-	-	-	-	-	-	-	-		
Unrestricted	3,811,452	2,770,715	2,284,595	2,010,464	2,053,701	1,968,931	2,230,173	2,928,819	3,770,165	5,050,526
Total business-type activities net position	$ 10,907,674	$ 9,025,498	$ 11,072,611	$ 10,931,847	$11,690,701	$12,470,047	$12,958,983	$13,991,330	$14,784,825	$16,511,446
Primary government:										
Net investment in capital assets	$ 16,873,506	$ 16,391,779	$ 19,238,797	$ 19,574,697	$20,979,503	$21,118,783	$20,654,620	$20,990,992	$ 22,401,432.0	$ 23,787,896
Restricted	1,245,956	1,069,428	1,127,400	1,692,036	1,812,889	2,298,796	2,946,115	4,304,087	5,564,111	7,250,766
Unrestricted	6,052,447	6,180,857	4,490,436	4,802,251	3,468,885	3,677,718	3,948,419	5,604,548	6,746,783	9,728,451
Total primary government activities net position	$ 24,171,909	$ 23,642,064	$ 24,856,633	$ 26,068,984	$26,261,277	$27,095,297	$27,549,154	$30,899,627	$34,712,326	$40,767,113



CITY OF RICHLAND HILLS, TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2013	**2014**	**2015**	**2016**
EXPENSES				
Governmental activities:				
General government	$ 654,916	$ 1,241,332	$ 1,182,618	$ 1,297,325
Public safety	4,977,046	5,023,432	4,898,102	5,250,251
Public works	716,031	641,584	695,387	743,555
Culture and recreation	435,470	422,537	413,433	445,559
Parks and beautification	15,628	88,408	74,723	45,555
Community development	757,894	769,346	787,272	527,634
Economic development	-	-	-	184,833
Interest and fiscal agent charges	70,283	36,102	33,408	272,493
Bond issuance costs	-	-	-	269,037
Total governmental activities expenses	7,627,268	8,222,741	8,084,943	9,036,242
Business-type activities:				
Water and wastewater	3,183,727	5,183,820	3,801,600	3,939,736
Drainage utility	548,407	2,493,216	399,214	609,757
Total business-type activities expenses	3,732,134	7,677,036	4,200,814	4,549,493
Total primary government expenses	$ 11,359,402	$ 15,899,777	$ 12,285,757	$ 13,585,735
PROGRAM REVENUES				
Governmental activities:				
Charges for services	$ 1,281,205	$ 1,223,032	$ 1,115,626	$ 1,400,803
Operating grants and contributions	382,669	332,703	324,176	212,901
Capital grants and contributions	1,885,625	173,007	298,227	364,313
Total governmental activities program revenues	3,549,499	1,728,742	1,738,029	1,978,017
Business-type activities				
Charges for services	4,933,914	4,697,772	4,698,246	4,916,055
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	4,933,914	4,697,772	4,698,246	4,916,055
Total primary government program revenues	$ 8,483,413	$ 6,426,514	$ 6,436,275	$ 6,894,072
NET (EXPENSE) REVENUE				
Governmental activities	$ (4,077,769)	$ (6,493,999)	$ (6,346,914)	$ (7,058,225)
Business-type activities	1,201,780	(2,979,264)	497,432	366,562
Total primary government net expense	$ (2,875,989)	$ (9,473,263)	$ (5,849,482)	$ (6,691,663)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	$ 2,174,946	$ 2,309,156	$ 2,324,952	$ 2,364,093
Sales	2,743,469	3,852,303	4,023,815	4,471,407
Franchise	471,759	602,352	590,583	599,094
Hotel occupancy	194,967	210,250	210,250	232,946
Investment earnings	2,076	1,078	9,701	2,992
Miscellaneous	8,513	8,777	8,777	232,653
Gain (loss) on retirement of capital assets	28,678	(269,203)	6,452	-
Transfers in (out)	(57,091)	413,985	413,985	508,155
Total governmental activities	5,567,317	7,128,698	7,588,515	8,411,340
Business-type activities:				
Investment earnings	4,141	1,529	1,542	829
Miscellaneous	6,233	10,397	10,397	-
Transfers in (out)	57,091	(413,983)	(413,985)	(508,155)
Total business-type activities	67,465	(402,057)	(402,046)	(507,326)
Total primary government	$ 5,634,782	$ 6,726,641	$ 7,186,469	$ 7,904,014
Change in Net Position				
Governmental activities	$ 1,489,548	$ 634,699	$ 1,241,601	$ 1,353,115
Business-type activies	1,269,245	(3,381,321)	95,386	(140,764)
Total primary government	$ 2,758,793	$ (2,746,622)	$ 1,336,987	$ 1,212,351

(Continued)

TABLE 2

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 2,070,959	$ 1,735,244	$ 1,802,970	$ 1,305,958	1,433,218	1,380,007
5,377,655	5,710,989	6,030,013	5,895,176	5,660,499	6,086,145
682,106	664,835	929,775	690,123	801,562	838,964
1,445,683	1,366,158	1,585,385	1,362,787	1,387,144	1,588,342
565,333	567,625	660,430	644,340	737,938	684,518
387,387	476,545	282,211	472,435	411,596	409,804
113,213	127,644	202,730	268,713	165,116	283,064
422,212	427,832	447,445	585,288	561,806	551,242
-	5,852	203,390	-	-	-
11,064,548	11,082,724	12,144,349	11,224,820	11,158,879	11,822,086
3,574,827	3,463,115	4,163,091	3,563,124	4,394,454	4,032,448
604,158	686,287	663,439	584,961	675,847	537,734
4,178,985	4,149,402	4,826,530	4,148,085	5,070,301	4,570,182
$ 15,243,533	$ 15,232,126	$ 16,970,879	$ 15,372,905	$ 16,229,180	$ 16,392,268
$ 1,481,181	$ 1,775,163	$ 1,711,007	$ 1,509,317	$ 1,208,191	$ 1,449,304
225,025	196,804	29,361	368,625	131,684	38,952
4,148	39,582	205,260	118,210	854,411	-
1,710,354	2,011,549	1,945,628	1,996,152	2,194,286	1,488,256
5,058,451	5,144,552	5,142,527	5,167,724	5,863,089	6,127,284
173,079	9,585	145,000	-		202,578
5,231,530	5,154,137	5,287,527	5,167,724	5,863,089	6,329,862
$ 6,941,884	$ 7,165,686	$ 7,233,155	$ 7,163,876	$ 8,057,375	$ 7,818,118
$ (9,354,194)	$ (9,071,175)	$ (10,198,721)	$ (9,228,668)	$ (8,964,593)	$ (10,333,830)
1,052,545	1,004,735	460,997	1,019,639	792,788	1,759,680
$ (8,301,649)	$ (8,066,440)	$ (9,737,724)	$ (8,209,029)	$ (8,171,805)	$ (8,574,150)
$ 2,839,255	$ 2,972,668	$ 3,199,055	$ 3,707,148	$ 3,762,747	$ 3,991,037
4,735,759	5,081,993	5,851,598	6,906,449	7,370,537	9,283,031
512,109	560,282	650,388	547,312	516,814	569,457
226,677	231,045	200,577	85,603	155,154	214,587
16,669	33,085	46,896	73,895	2,763	15,723
97,487	149,513	166,686	226,387	170,411	452,516
61,519	106,522	48,442	-	5,371	
298,158	210,192	-	-	-	135,645.00
8,787,633	9,345,300	10,163,642	11,546,794	11,983,797	14,661,996
4,467	12,704	27,939	12,708	707	16,756
-	-	-	-		85,830
(298,158)	(210,192)	-	-		(135,645)
(293,691)	(197,488)	27,939	12,708	707	(33,059)
$ 8,493,942	$ 9,147,812	$ 10,191,581	$ 11,559,502	$ 11,984,504	$ 14,628,937
$ (566,561)	$ 274,125	$ (35,079)	$ 2,318,126	$ 3,019,204	$ 4,328,166
758,854	807,247	488,936	1,032,347	793,495	1,726,621
$ 192,293	$ 1,081,372	$ 453,857	$ 3,350,473	$ 3,812,699	$ 6,054,787

(Concluded)

CITY OF RICHLAND HILLS, TEXAS
FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2013	**2014**	**2015**	**2016**	**2017**
General Fund					
Nonspendable	$ 432,896	$ 487,319	$ -	$ 46,221	$ 1,813
Restricted	-	-	-	57,661	59,086
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	1,549,578	2,384,982	3,031,436	3,883,656	2,630,467
Total general fund	$ 1,982,474	$ 2,872,301	$ 3,031,436	$ 3,987,538	$ 2,691,366
All Other Governmental Funds					
Restricted	$ 1,411,511	$ 1,511,691	$ 1,513,668	$ 11,552,448	$ 2,347,740
Assigned	23,425	23,425	23,425	40,711	2,711
Unassigned	(40,487)	(367,364)	(216,619)	(91,145)	-
Total all other governmental funds	$ 1,394,449	$ 1,167,752	$ 1,320,474	$ 11,502,014	$ 2,350,451

(Continued)

TABLE 3

Fiscal Year				
2018	**2019**	**2020**	**2021**	**2022**
$ 63,242	$ 22,013	$ 49,732	$ 48,023	$ 65,694
64,622	94,408	100,793	81,349	-
-	-	-	-	-
-	-	-	-	-
2,827,940	2,849,792	3,912,570	4,303,759	5,486,407
$ 2,955,804	$ 2,966,213	$ 4,063,095	$ 4,433,131	$ 5,552,101
$ 2,395,212	$ 9,549,679	$ 10,166,690	$ 6,060,835	$ 7,352,890
2,711	216,947	270,108	33,539	7,374
-	-	-	(31,566)	-
$ 2,397,923	$ 9,766,626	$ 10,436,798	$ 6,062,808	$ 7,360,264

(concluded)

CITY OF RICHLAND HILLS, TEXAS
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2013	**2014**	**2015**	**2016**
REVENUES				
Taxes	$ 5,634,403	$ 6,959,860	$ 7,131,372	$ 7,715,290
Fines and forfeitures	901,659	775,521	775,521	953,662
Licenses and permits	99,370	131,148	131,148	155,834
Charges for service	279,873	260,172	260,172	316,544
Intergovernmental	1,989,549	309,768	485,486	280,429
Investment earnings	2,076	1,078	1,078	2,992
Miscellaneous	287,258	204,719	145,694	233,745
Total revenues	9,194,188	8,642,266	8,930,471	9,658,496
EXPENDITURES				
Current operations:				
General government	610,000	1,181,854	1,181,854	1,288,242
Public safety	4,677,900	4,788,070	4,789,942	4,948,279
Public works	394,109	252,849	252,849	292,570
Culture and recreation	389,945	378,424	378,425	403,527
Parks and beutification	8,110	81,620	81,620	45,555
Community development	753,020	769,346	769,346	438,384
Economic development	-	-	-	184,833
Capital outlay	2,853,936	921,268	895,743	4,917,553
Debt service:				
Principal	308,000	330,000	330,000	355,451
Interest and fiscal agent charges	81,240	36,404	36,404	24,799
Bond issuance costs	-	-	-	269,037
Total expenditures	10,076,260	8,739,835	8,716,183	13,168,230
Excess (deficiency) of revenues over (under) expenditures	(882,072)	(97,569)	214,288	(3,509,734)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	37,442	-	6,452	40,711
Proceeds from capital lease	-	-	-	-
Proceeds of bond issuance	415,000	-	-	13,475,000
Financed Purchases				
Lease Financing				
Refund on existing debt	-	-	-	-
Bond issuance premium	-	-	-	623,510
Proceeds from insurance recovery	-	-	-	-
Transfers in	146,707	705,559	705,560	942,848
Transfers out	(203,798)	(291,574)	(291,575)	(434,693)
Total other financing sources (uses)	395,351	413,985	420,437	14,647,376
Net change in fund balances	$ (486,721)	$ 316,416	$ 634,725	$ 11,137,642
Debt service as a percentage of non-capital expenditures	5.39%	4.69%	4.69%	4.61%

(Continued)

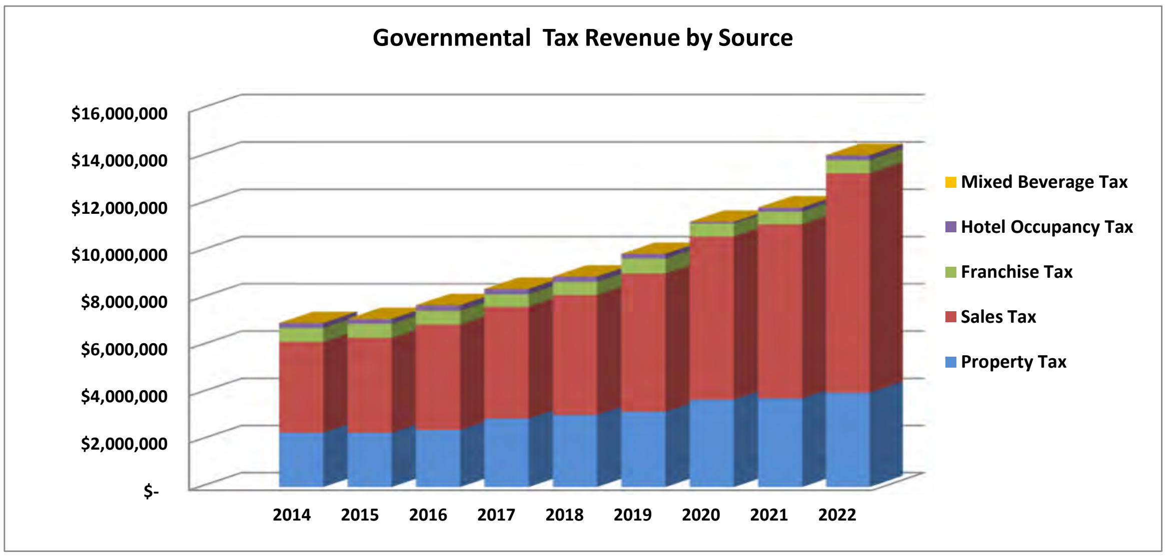
TABLE 4

Fiscal Year 2017	2018	2019	2020	2021	2022
$ 8,400,231	$ 8,923,509	$ 9,883,901	$ 11,261,193	$ 11,841,892	$ 14,052,969
784,004	755,599	747,816	421,680	293,125	308,753
168,640	138,751	168,765	383,038	186,174	177,429
407,685	687,291	694,494	713,931	665,780	893,388
428,826	212,493	209,449	456,161	955,460	4,899
16,669	33,085	46,896	73,895	2,763	15,723
121,224	173,406	191,858	193,276	246,679	523,191
10,327,279	10,924,134	11,943,179	13,503,174	14,191,873	15,976,352
2,102,399	1,693,517	1,720,769	1,260,799	1,395,739	1,405,943
4,955,726	5,415,041	5,355,003	5,317,932	5,461,574	5,716,721
173,764	185,479	240,479	158,080	231,511	181,835
726,122	1,041,613	1,076,150	1,055,758	1,135,135	1,378,658
134,826	125,182	216,351	177,500	146,179	174,659
381,325	481,077	275,784	461,423	415,953	415,999
113,213	127,644	202,730	268,713	165,116	281,478
11,855,499	953,090	1,359,363	2,416,463	7,866,272	3,301,913
254,729	405,610	402,540	694,054	721,871	706,953
669,467	471,912	464,340	668,016	661,848	637,049
-	5,852	203,390	-	-	-
21,367,070	10,906,017	11,516,899	12,478,738	18,201,198	14,201,208
(11,039,791)	18,117	426,280	1,024,436	(4,009,325)	1,775,144
61,519	77,295	48,442	22,885	5,371	23,915
232,379	-	-	719,733		
-	228,750	6,340,000	-		
					299,855
					163,159
-	(222,444)	-	-		
-	-	564,390	-		
-	-	-	-		18,708
2,498,158	2,061,600	610,959	291,844	978,623	965,250
(2,200,000)	(1,851,408)	(610,959)	(291,844)	(978,623)	(829,605)
592,056	293,793	6,952,832	742,618	5,371	641,282
$ (10,447,735)	$ 311,910	$ 7,379,112	$ 1,767,054	$ (4,003,954)	$ 2,416,426
9.36%	8.79%	8.21%	13.53%	13.39%	12.08%

(concluded)

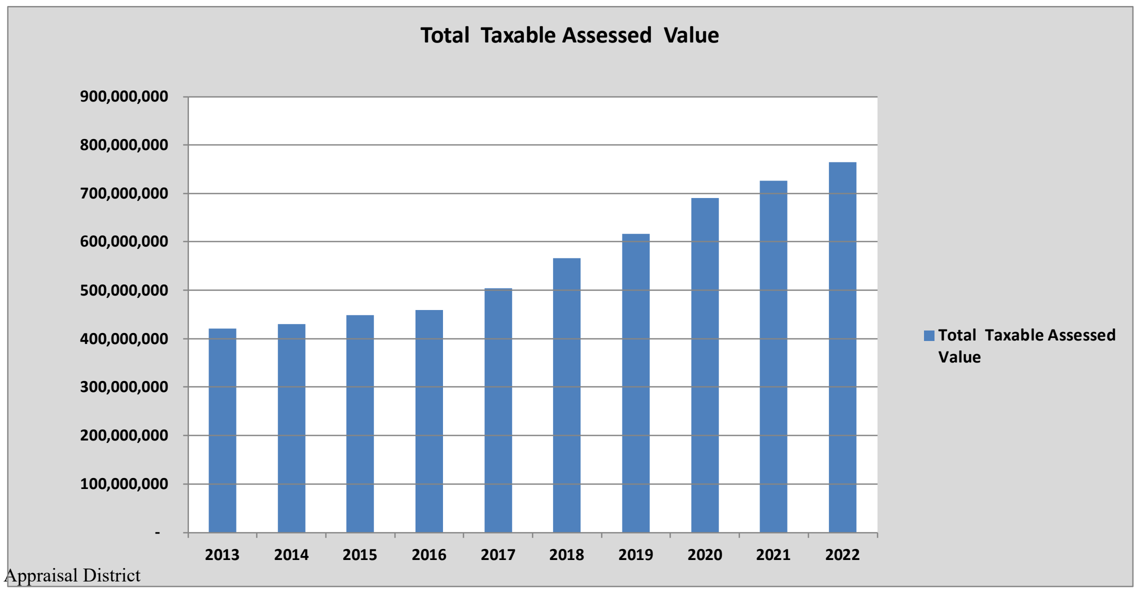
CITY OF RICHLAND HILLS, TEXAS **TABLE 5**
GOVERNMENTAL FUNDS
TAX REVENUE BY SOURCE
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Fiscal Year	Property Tax	Sales Tax	Mixed Beverage Tax	Franchise Tax	Hotel Occupancy Tax	Total Tax Revenue
2013	2,187,394	2,741,969	1,500	508,573	194,967	5,634,403
2014	2,306,724	3,850,729	1,574	590,583	210,250	6,959,860
2015	2,306,724	4,021,746	2,069	590,583	210,250	7,131,372
2016	2,416,008	4,469,203	2,204	594,929	232,946	7,715,290
2017	2,909,940	4,733,430	2,329	527,855	226,677	8,400,231
2018	3,061,504	5,080,421	1,572	548,966	231,045	8,923,508
2019	3,198,614	5,849,484	2,114	633,112	200,577	9,883,901
2020	3,707,148	6,906,449	1,640	547,312	73,895	11,236,444
2021	3,760,884	7,367,612	2,925	533,360	177,111	11,841,892
2022	4,006,019	9,280,247	2,784	549,332	214,587	14,052,969



CITY OF RICHLAND HILLS, TEXAS **TABLE 6**
ASSESSED AND ESTIMATED ACTUAL
VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Assessed Property Value: Residential Property	Commercial Property	Industrial Property	Other Property	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2013	233,751,444	132,749,662	11,100,542	4,133,920	78,054,664	39,336,819	420,453,413	0.528094	420,453,413	100.0%
2014	244,644,818	133,773,931	11,034,455	5,204,810	83,241,474	47,763,360	430,136,128	0.528094	430,136,128	100.0%
2015	249,818,804	140,619,127	10,954,105	8,567,090	88,156,960	49,823,877	448,292,209	0.528094	448,292,209	100.0%
2016	252,248,877	148,470,367	10,935,105	6,433,902	89,767,063	48,639,210	459,216,104	0.528805	459,216,104	100.0%
2017	283,204,384	164,847,074	13,090,988	497,316	94,503,549	51,585,738	504,557,573	0.595633	504,557,573	100.0%
2018	317,868,306	199,515,427	14,298,894	111,002	101,993,372	67,615,182	566,171,819	0.563738	566,171,819	100.0%
2019	352,011,740	208,140,145	15,195,814	341,130	108,277,963	67,797,937	616,168,855	0.541880	616,168,855	100.0%
2020	394,094,551	231,526,855	20,884,453	1,805,720	109,575,049	67,301,522	690,585,106	0.558551	690,585,106	100.0%
2021	423,423,768	239,006,207	19,145,422	1,052,000	111,532,031	67,882,417	726,277,011	0.558551	726,277,011	100.0%
2022	464,667,753	236,648,205	19,514,353	1,091,238	109,451,688	67,834,625	763,538,612	0.558551	763,538,612	100.0%



Source: Tarrant Appraisal District

Note: Property in the City is reassessed each year by the Tarrant Appraisal District.
Property is assessed at actual value; therefore,the assessed values are equal to actual value.

CITY OF RICHLAND HILLS, TEXAS **TABLE 7**
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years
(Unaudited)

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
OVERLAPPING RATES										
Tarrant County	0.264000	0.264000	0.264000	0.264000	0.244000	0.244000	0.234000	0.234000	0.229000	0.229000
Tarrant County Hospital District	0.227897	0.227897	0.227897	0.227897	0.224429	0.224429	0.224429	0.224429	0.224429	0.224429
Tarrant County College District	0.148970	0.149500	0.149500	0.149500	0.140060	0.140060	0.136070	0.130170	0.130170	0.130170
Birdville Independent School District	1.435000	1.435000	1.435000	1.453900	1.453900	1.453900	1.453900	1.383900	1.380300	1.338000
CITY DIRECT RATES										
Operating & Maintenance	0.465214	0.467694	0.469092	0.470680	0.471433	0.460847	0.450755	0.418051	0.418051	0.418051
Interest & Sinking	0.062880	0.060400	0.059002	0.058125	0.124200	0.102891	0.091125	0.140500	0.140500	0.140500
Total Direct Rate	0.528094	0.528094	0.528094	0.528805	0.595633	0.563738	0.541880	0.558551	0.558551	0.558551
Total Direct & Overlapping Rate	2.603961	2.604491	2.604491	2.624102	2.658022	2.626127	2.590279	2.531050	2.522450	2.480150

Note: All rates per $100 assessed value.
Totals are not provided for columns since they would be meaningless.
Some of the jurisdictions are mutually exclusive.

Sources: Tarrant Appraisal District and City records.

CITY OF RICHLAND HILLS, TEXAS **TABLE 8**
PRINCIPAL PROPERTY TAXPAYERS
Current and Ten Years Ago
(Unaudited)

		2022			2013		
Taxpayer	**Industry**	**2021 Taxable Assessed Valuation****	**Rank**	**Percentage of Total Taxable Assesed Valuation**	**2012 Taxable Assessed Valuation***	**Rank**	**Percentage of Total Taxable Assesed Valuation**
1. A&R Calloway LLC	Apartments	$ 26,600,000		3.5%	$ -		-
2. Stuart C Irby LLC	Retailer	17,347,170		2.3%	5,153,118		1.2%
3. 356 Midway Venture LLC	Real Estate/Commercial	11,286,435		1.5%	-		-
4. Buyers Barricades	Retailer	10,809,231		1.4%	-		-
5. Hung Properties #1 LP	Real Estate/Commercial	8,500,000		1.1%	3,125,000		-
6. WalMart Stores	Retailer	6,899,655		0.9%			-
7. Oncor Electric Co	Utility	6,869,584		0.9%	4,770,737		1.1%
8. MB Midway LLC		6,399,655		0.8%			
9. Hudgins Donald L	Commercial	6,008,825		0.8%			
10. Linron Properties LTD	Real Estate/Commercial	5,728,950		0.8%			
E.L. Baker/Baker Develop.	Real Estate/Commercial			0.0%			0.0%
Storage Trust Properties	Storage Facility			0.0%			
First Industrial, LP	Real Estate/Commercial			0.0%	11,888,728		2.8%
Southwestern Bell	Utility	-		0.0%	6,574,185		1.6%
Chesapeake Equipment	Oil/Gas			0.0%	6,450,000		1.5%
CNN Churchill III	Hotel			0.0%	3,034,869		0.7%
Regency Raintree	Apartments	-		0.0%	4,484,200		1.1%
AHC Richland Hill LLC	Senior living			0.0%	3,552,000		0.8%
Chesapeake Operating	Oil/Gas	-		0.0%	2,991,300		0.7%
Total		$ 106,449,505		13.9%	$ 52,024,137		12.4%
Total assessed value of other taxpayers		657,089,107		86.1%	368,429,276		87.6%
Total assessed value of all taxpayers		$ 763,538,612		100.0%	$ 420,453,413		100.0%

Source: Tarrant Appraisal District
* Taxpayers assessed on January 1, 2011 (2011 tax year) for the 2011-2012 fiscal year.
** Taxpayers assessed on January 1, 2021 (2021 tax year) for the 2021 -2022 fiscal year.

CITY OF RICHLAND HILLS, TEXAS **TABLE 9**
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Unaudited)

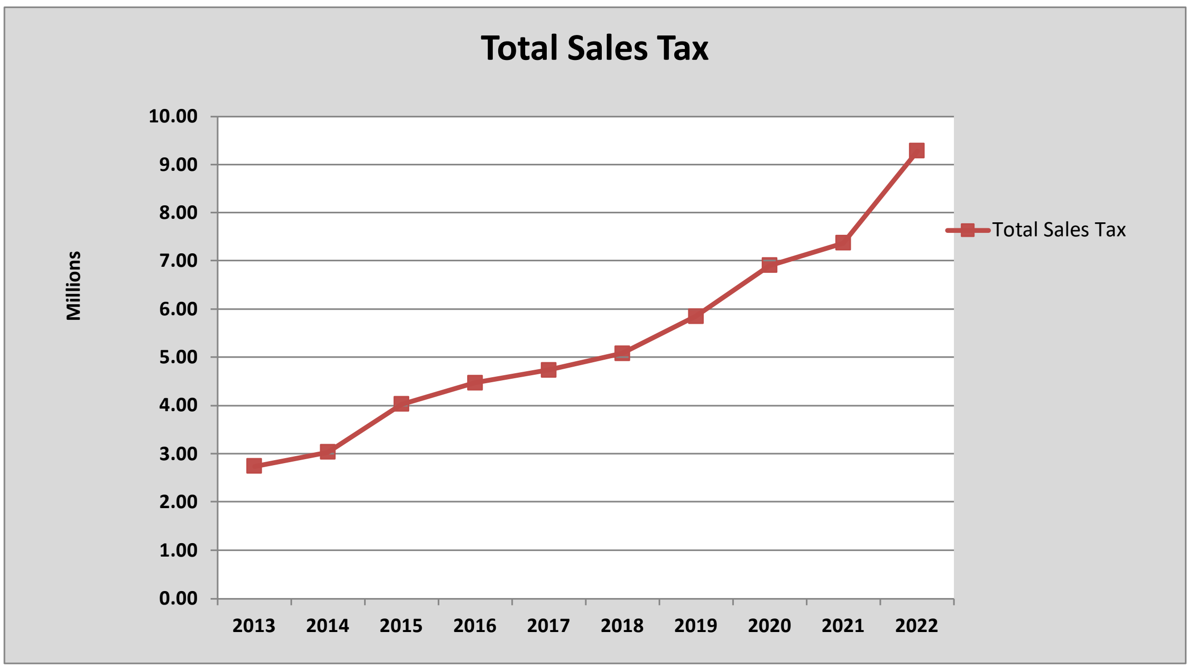
Fiscal Year Ended 9/30	Actual Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	2012	2,162,748	2,119,438	98.0%	37,007	2,156,445	99.7%
2014	2013	2,250,917	2,231,421	99.1%	10,195	2,241,616	99.6%
2015	2014	2,316,163	2,272,895	98.1%	38,044	2,310,939	99.8%
2016	2015	2,380,796	2,354,223	98.9%	21,564	2,375,787	99.8%
2017	2016	2,875,298	2,836,300	98.6%	34,370	2,870,670	99.8%
2018	2017	3,008,103	2,970,529	98.8%	30,548	3,001,077	99.8%
2019	2018	3,158,251	3,116,025	98.7%	31,539	3,147,564	99.7%
2020	2019	3,630,618	3,580,932	98.6%	35,758	3,616,690	99.6%
2021	2020	3,721,627	3,671,287	98.6%	15,120	3,686,407	99.1%
2022	2021	3,946,468	3,907,870	99.0%	-	3,907,870	99.0%

Source: Tarrant County Tax Assessor Collector.

Tax Lien and Assessment Date:	January 1 each year
Taxes due:	October 1 of the same year
Taxes delinquent:	February 1 of the following year

CITY OF RICHLAND HILLS, TEXAS **TABLE 10**
SALES TAX COLLECTIONS BY FUND
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended 9/30	General	(TIF) Tax Increment Financing	Crime Control District	Road and Street *	Richland Hills Development Corporation	Total Sales Tax Collections
2013	1,822,994	7,002	684,911	-	228,562	2,743,469
2014	1,987,280	35,470	754,203	-	252,648	3,029,601
2015	2,583,922	101,400	1,003,104	-	335,389	4,023,815
2016	2,873,295	107,428	1,118,369	-	372,315	4,471,407
2017	2,980,714	178,474	1,186,765	-	389,806	4,735,759
2018	3,267,337	104,325	1,293,803	-	416,528	5,081,993
2019	3,303,034	49,252	1,248,819	625,562	624,931	5,851,598
2020	3,367,227	80,581	1,302,112	1,292,928	861,952	6,904,800
2021	3,619,035	68,182	1,380,638	1,381,609	921,073	7,370,537
2022	4,574,082	72,655	1,733,824	1,741,482	1,160,988	9,283,031



* Sales tax was voted to be collected effective April 2019.
Source: City records.

CITY OF RICHLAND HILLS, TEXAS
RATIOS OF TOTAL OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

	GOVERNMENTAL ACTIVITIES						
Fiscal Year	**General Obligaton Bonds**	**Premiums**	**Certificates of Obligation (1)**	**Public Property Finance Contractual Obligations**	**Tax Notes**	**Financed Purchases/ Capital Leases**	**Leases (4)**
2013	-	-	365,000	1,004,000	-	47,420	
2014	-	-	250,000	801,000	-	39,016	
2015	-	-	130,000	591,000	-	30,104	
2016	8,770,000	623,510	4,705,000	375,000	-	20,653	
2017	8,770,000	565,372	4,585,000	297,000	-	196,303	
2018	8,863,250	523,579	4,410,000	42,000	-	141,193	
2019	14,388,500	1,046,871	4,230,000	-	680,000	95,403	
2020	14,077,250	950,156	4,050,000	-	590,000	702,332	
2021	13,751,750	853,623	3,860,000	-	500,000	585,961	
2022	13,411,250	762,710	3,665,000	-	405,000	817,108	155,414

Notes:
Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) Includes certificate of obligation secured by combination property tax and revenue.
(2) Includes governmental activities and business-type activities debt.
(3) See Table 16 for population and personal income data.
(4) Leases applies to new GASB87 Requirements

TABLE 11

BUSINESS-TYPE ACTIVITIES							
General Obligation Bonds	Certificates of Obligation	Premiums	Financed Purchases/ Capital Leases	Leases (4)	Total Primary Government (2)	Total Debt Per Capita (3)	Per Capita Debt as a Percent of Capita Income (3)
-	12,230,000	537,466	160,167		14,344,053	1,839	7.5%
-	11,500,000	505,314	109,110		13,204,440	1,693	6.9%
-	11,750,000	473,166	55,756		13,030,026	1,645	6.7%
-	10,895,000	441,021	270,722		26,100,906	3,296	13.4%
-	10,000,000	408,871	206,981		25,029,527	3,160	12.8%
1,151,750	7,935,000	376,723	140,683		23,584,178	2,978	10.3%
1,011,500	7,405,000	344,573	71,725		29,273,572	3,696	12.3%
862,750	6,850,000	312,423	-		28,394,911	3,585	11.3%
2,283,250	4,750,000	280,276	-		26,864,860	3,383	9.9%
1,978,750	4,295,000	248,127	1,420,753	107,297	27,159,112	3,201	8.7%

CITY OF RICHLAND HILLS, TEXAS **TABLE 12**
RATIOS OF GENERAL BONDED DEBT
PER ASSESSED VALUE AND PER CAPITA
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Bonded Debt	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value (1)	Net Bonded Debt Per Capita (2)
2013	1,004,000	125,011	878,989	0.21%	113
2014	801,000	144,394	656,606	0.15%	84
2015	591,000	185,035	405,965	0.09%	51
2016	9,440,379	164,196	9,276,183	2.02%	1,171
2017	9,339,859	237,811	9,102,048	1.80%	1,149
2018	10,314,328	310,514	10,003,814	1.77%	1,263
2019	16,142,630	363,334	15,779,296	2.56%	1,992
2020	15,625,494	385,295	15,240,199	2.21%	1,924
2021	16,661,501	441,480	16,220,021	2.23%	2,043
2022	15,959,230	558,911	15,400,319	2.02%	1,815

Notes:
Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) See Table 6 for taxable value data.
(2) See Table 16 for population and personal income data.

CITY OF RICHLAND HILLS, TEXAS **TABLE 13**
GENERAL BONDED DEBT AS A RATIO OF
ANNUAL GOVERNMENTAL EXPENDITURES
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Principal	Interest and fees	Total Debt Service	Total Governmental Expenditures (1)	Ratio of Debt Service to Governmental Expenditures
2013	238,000	52,190	290,190	10,076,260	2.9%
2014	203,000	29,730	232,730	9,312,525	2.5%
2015	210,000	29,730	239,730	8,716,183	2.8%
2016	346,000	22,978	368,978	13,168,230	2.8%
2017	198,000	664,965	862,965	21,367,070	4.0%
2018	350,500	464,388	814,888	10,906,017	7.5%
2019	356,750	460,171	816,921	11,516,899	7.1%
2020	581,250	636,650	1,217,900	12,478,738	9.8%
2021	605,500	633,857	1,239,357	18,201,198	6.8%
2022	630,500	609,839	1,240,339	14,201,208	8.7%

Notes: (1) Includes general, special revenue, debt service and capital project funds.

CITY OF RICHLAND HILLS, TEXAS **TABLE 14**
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
As of September 30, 2022
(Unaudited)

Governmental Unit	Tax Supported Debt Outstanding	Estimated Percent Applicable*	Estimated Share of Direct and Overlapping Debt
City of Richland Hills	$ 19,216,482	100%	$ 19,216,482
Total direct debt			$ 19,216,482
Tarrant County (1)	222,640,000	0.37%	$ 823,768
Tarrant County Hospital District(1)	14,495,000	0.37%	53,632
Tarrant County College District	255,995,000	0.36%	921,582
Birdville Independent School District(2)	409,397,347	6.52%	26,692,707
Total overlapping debt			$ 28,491,689
Total direct and overlapping debt			$ 47,708,171
Total Direct and Overlapping Debt per Capita:			$ 5,623

Source: (1) Respective entities AFR as of FY21 (current not avail. at the time this report was prepared.
(2) Birdville ISD AFR FY22

*Estimated percentage is based on formula using assessed net taxable property values located within the Richland Hills City limits.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Richland Hills. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borned by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF RICHLAND HILLS, TEXAS **TABLE 15**
Computation of Legal Debt Margin
September 30, 2022
(Unaudited)

Article XI, Section 5 of the State of Texas Constitution state in part:

"… no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent of the taxable property for such city."

As a home rule city, the City of Richland Hills is not limited by the law in the amount of debt it may issue. The City's charter provides that general property taxes are limited to $1.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation bonds.

The tax rate for fiscal year 2022 was established at $.558551 per $100 of assessed valuation based on 100% appraised value.

CITY OF RICHLAND HILLS, TEXAS **TABLE 16**
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Estimated Population [1]	Median Household Income[3]	Per Capita Income[3]	Public School Enrollment	Unemployment Rate [2]
2013	7,801	50,788	22,682	1,441	6.0%
2014	7,801	50,788	22,682	1,765	6.0%
2015	7,920	50,788	22,682	1,765	6.0%
2016	7,920	50,126	24,612	1,765	4.2%
2017	7,920	50,126	24,612	1,765	3.5%
2018	7,920	59,206	29,023	1,765	3.4%
2019	7,920	61,105	29,953	1,765	3.1%
2020	7,920	64,802	31,766	1,765	7.5%
2021	7,940	70,139	34,122	1,765	3.4%
2022	8,484	64,038	36,653	1765	3.8%

Sources: U.S. Census Bureau
1 North Central Texas Council of Governments (NCTCOG)
2 Texas Workforce Commission
Birdville ISD
3 Data for Tarrant County/NCTCOG

CITY OF RICHLAND HILLS, TEXAS **TABLE 17**
PRINCIPAL EMPLOYERS
Current and Ten Years Ago
(Unaudited)

		2022			2013		
Employer	**Industry**	**Number of Employees**	**Rank**	**% of Total Employment**	**Number of Employees**	**Rank**	**% of Total Employment**
Smith Lawn and Tree	Landscape and Horticulture	150	1	15%	-	-	
Birdville ISD (2 schools)	Independent School District	130	2	13%	178	1	19%
Buyers Barricade	Equipment Rentals	115	3	12%	-	-	
WalMart Neighborhood Market	Grocery Store	103	4	11%	-	-	
Trugreen Chemlawn	Landscape and Horticulture	100	5	10%	60	9	6%
City of Richland Hills	Municipality	94	6	10%	78	6	8%
Hamilton Form Company	Industrial Machinery/Equipment	90	7	9%	100	5	11%
Accurate Metal Stamping	Metal Fabrication	70	8	7%	-	-	
Lexington Place	Nursing and Personal Care	69	9	7%	101	3	11%
Valley Dynamo	Table Top Games	54	10	6%	100	4	11%
Royal Bath	Plumbing Equipment/Manufacturing	-	-		72	7	8%
Harris Packaging	Corrugated Boxes	-	-		120	2	13%
Sterling House Nursing Home	Nursing and Personal Care	-	-		65	8	7%
Richland Hills Nursing Home	Nursing and Personal Care	-	-		59	10	6%
Total		975		100%	933		100%

Sources: City records, company records and North Central Texas Council of Governments

Richland Elementary in Birdville ISD closed in 2021

CITY OF RICHLAND HILLS, TEXAS **TABLE 18**
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

	FISCAL YEAR									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Police										
Physical arrests	354	416	404	347	438	557	208	515	489	611
Number of law violations	1,279	1,346	976	798	1,266	2,783	4,820	3,082	2568	4433
Fire										
Number of fire runs	1,375	566	554	740	647	663	663	499	581	604
Number of EMS runs	909	920	902	990	1020	1047	1047	1022	1089	1180
Public Works - Streets										
Streets resurfacing (miles)	1.0	0.8	1.5	-	1	1	3	1	1	1
Potholes repaired	207	369	168	247	211	356	381	437	455	241
Public Works - Water/Wastewater										
New Connections	2	9	13	1	2	1	4	2	6	8
Water main breaks	9	31	30	19	26	11	13	20	23	26
Average daily consumption (thousands of gallons)	882	654	789	686	877	937	940	978	75 *	1,100
Peak daily consumption (thousands of gallons)	1,517	1,048	1,494	1,125	1,415	1,885	1,870	1,901	396 *	1,600
Average daily sewer treatment (thousands of gallons)	468	407	793	546	457	537	540	553	415	800
Library										
Volumes collection	40,276	37,117	41,701	36,598	37,881	38,123	28,500	27,728	27,346	27,652
Total volumes borrowed	52,218	55,635	37,805	41,980	52,304	59,686	17,820	31,277	27,315	36,728
Recreation center (1)										
Link Memberships	-	-	-	-	402	635	615	756	671	904
Fitness Only Memberhips	-	-	-	-	30	39	34	15	26	5
Rentals	-	-	-	-	17	359	393	280	327	758

*Water consumption decrease from Ft. Worth Wholesale Water records. City used more well water during FY 2021
Note: The City's recreation center, the LINK, opened in April 2017.

Source: Various City departments

CITY OF RICHLAND HILLS, TEXAS **TABLE 19**
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	11	11	11	8	8	9	9	9	10	10
(1) Un-Marked Units	-	-	-	-	-	9	9	9	6	6
(1) Un-Marked Volunteer Unit	-	-	-	-	-	1	1	1	0	0
(1) Crime Scene Van	-	-	-	-	-	-	-	-	-	1
(1) Speed Trailer	-	-	-	-	-	1	1	1	1	1
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Fire trucks	2	2	2	2	2	2	2	2	2	2
Ambulances	1	1	1	1	1	1	1	1	2	2
Public Works - Streets										
Streets (miles)	43.51	43.51	43.51	43.51	43.51	43.51	43.51	43.51	43.51	43.51
Street lights	462	462	462	462	462	462	462	462	462	462
Traffic signals	9	9	9	9	9	9	9	9	9	9
Public Works - Water/Wastewater										
Water mains (miles)	47	47	47	47	47	47	47	47	47	47
Fire hydrants	350	350	350	355	355	355	355	355	355	385
Storage capacity (thousands of gallons)	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360
Sanitary sewer (miles)	60	60	60	60	60	60	60	60	60	60
Storm sewer (miles)	2.5	2.5	2.5	2.5	2.5	3	3	3	3	3
Culture and recreation										
Parks	4	4	4	4	4	5	5	5	5	6
Parks acreage	12.1	12.1	12.1	12.1	12.1	12.6	12.6	12.6	12.6	13.8
Recreation center	1	1	1	1	1	1	1	1	1	1
Playgrounds	3	3	3	3	4	4	4	4	4	4
Recreation center	-	-	-	-	1	1	1	1	1	1

Note: (1) Information available starting in Fiscal Year 2018.
Source: Various City departmental records.

CITY OF RICHLAND HILLS, TEXAS **TABLE 20**
FULL-TIME EQUIVALENT (FTE) CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function/Program										
General government										
Administration	7	8	8	8	8	8	8	8	8	8
City Secretary	1	1	1	1	1	1	1	1	1	1
Economic development	-	-	-	-	-	-	-	-	-	-
Facilities maintenance	-	-	-	-	-	2	2	2	2	2
Public safety										
Police	24	25	26	23	22	26	29	29	29	25.5
Fire	16	17	17	17	17	17	17	17	17	17
Municipal court	2	2	2	2	2	2	2	2	2	2
Animal services	2	2	2	2	2	2	2	2	2	2
Public Works - Streets	2	2	2	2	2	2	2	2	2	2
Culture and recreation										
Library	7	7	7	7	7	7	7	7	7	7
Parks & Recreation	1	1	1	1	25	27	33	34	34	34
Community development	3	3	4	4	4	4	4	4	4	4
Water and wastewater	10	10	10	9	9	9	9	9	9	9
Drainage utility	3	3	3	2	2	2	2	2	2	2
Total employees	78	81	83	78	101	109	118	119	119	116
Total hours worked	173,696	177,204	181,822	188,203	191,910	208,167	182,240	197,377	197,377	197,377
Total FTE employees (1)	83.5	85.2	87.4	90.5	92.3	100.1	87.6	94.9	94.9	94.9

Note: (1) 1 FTE = 2080 hrs worked in one year.
Source: City records.

OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION

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GMS CERTIFIED PUBLIC ACCOUNTANTS
GEORGE | MORGAN | SNEED

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

To the Honorable Mayor and City Council
City of Richland Hills, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Richland Hills, Texas (the "City"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 4, 2023.

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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

George, Morgan & Sneed, P.C.
1849 Wall Street | Weatherford, TX 76086 | *Phone* 817.594.2704 | *Fax* 817.599.7389

www.gms-cpa.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Richland Hills' 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 financial statements. 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*.

Purpose of this Report

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

George, Morgan & Sneed, P.C.

George, Morgan & Sneed, P.C.
Weatherford, Texas
April 4, 2023

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Candice Edmondson, City Manager

Date: April 24, 2023

Subject: Richland Crossing Minor PD Amendment

Agenda Item:

Consider a minor PD amendment to the Planned Development for the property described as Block L Lots 7 and 8A Richland Hills Addition, otherwise known as 7145 Baker Boulevard, Richland Hills, Texas 76118 and Block L Lot 6 Richland Hills Addition, otherwise known as 7151 Baker Boulevard, Richland Hills, Texas 76118 (Ordinance 1454-22)

Background Information:

On July 25, 2022, City Council approved Ordinance 1454-22, a Planned Development to construct townhomes at 7145 and 7151 Baker Boulevard. The project is wrapping up the civil engineering phase, and the developer is preparing to break ground on the public infrastructure improvements soon. The development will be called Richland Crossing.

On January 26, 2023, MetroCom Properties, Inc. (developer) submitted several minor amendments to the Planned Development as a result of detaching the single-family townhomes. The proposed amendments satisfied all the conditions of a minor PD amendment as outlined in Article 6, Section 6.07.04 of the City Ordinance and were administratively approved by the City Manager. A copy of the approval letter is attached to this memo for your review.

Recently the developer requested that the minimum building size be reduced from 1500sf to 1350sf to allow for a differentiating product mix within Richland Crossing. DR Horton is preparing to purchase the lots to build the townhomes and would like to reduce the minimum building size to 1350sf. This will allow DR Horton to build 3-4 different floor plans, ranging in size, to capture the market and make this a successful community.

Since the change would not decrease the floor area by more than ten percent, the amendment satisfies the request of a minor PD amendment. While the City Manager would be allowed to administratively approve the request per City Ordinance, I have chosen to present the request to City Council for your consideration. My decision to bring this request to the Council is because the minimum building size was set at 1200sf when the project was originally presented to the City. Based on feedback during stakeholder meetings, the minimum building size was increased to 1500sf. Therefore, I feel that it is most appropriate for City Council to consider this minor PD amendment.

Representatives from MetroCom Properties and DR Horton will be in attendance to answer any questions.

Financial Considerations:

There are no financial impacts as a result of the minor PD amendment request.

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

Ordinance 1454-22
Section 6.07.04 – Planned Development (PD) Modifications
Richland Crossing PD Minor Amendment Approval Letter
Revised Site Plan
Minimum Building Size Reduction Request from MetroCom Properties

Council Action Requested:

Motion to approve minor PD amendment to the Planned Development for the property described as Block L Lots 7 and 8A Richland Hills Addition, otherwise known as 7145 Baker Boulevard, Richland Hills, Texas 76118 and Block L Lot 6 Richland Hills Addition, otherwise known as 7151 Baker Boulevard, Richland Hills, Texas 76118 (Ordinance 1454-22)

ORDINANCE NO. 1454-22

AN ORDINANCE AMENDING CHAPTER 90 OF THE CITY CODE, AS AMENDED, THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF RICHLAND HILLS, BY CHANGING THE ZONING OF CERTAIN PROPERTIES, SPECIFICALLY BLOCK L LOTS 7 AND 8A RICHLAND HILLS ADDITION, OTHERWISE KNOWN AS 7145 BAKER BOULEVARD, RICHLAND HILLS, TEXAS 76118 AND BLOCK L LOT 6 RICHLAND HILLS ADDITION, OTHERWISE KNOWN AS 7151 BAKER BOULEVARD, RICHLAND HILLS, TEXAS 76118, CURRENTLY ZONED AS PD (PLANNED DEVELOPMENT) WITH A BASE ZONING OF SF-7 AND MF-2, TO PD (PLANNED DEVELOPMENT) WITH A BASE ZONING OF MF-2, TO ALLOW FOR ADDITIONAL DESIGN REQUIREMENTS; PROVIDING FOR THE AMENDMENT OF THE OFFICIAL ZONING MAP TO REFLECT SUCH CHANGES; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A PENALTY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE, PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Richland Hills is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, pursuant to Chapter 211 of the Local Government Code, the City has adopted a comprehensive zoning ordinance and map regulating the location and use of buildings, other structures and land for business, industrial, residential or other purposes, and providing for a method to amend said ordinance and map for the purpose of promoting the public health, safety, morals and general welfare, all in accordance with a comprehensive plan; and

WHEREAS, a change in the zoning of the properties listed below was requested by persons or entities having a proprietary interest in those properties; and

WHEREAS, a public hearing was held at a meeting of the Planning and Zoning Commission on June 28, 2022, and of the City Council on July 25, 2022, with respect to the proposed use changes described herein; and

WHEREAS, all requirements of law dealing with notice to other property owners, publication and all procedural requirements have been complied with in accordance with the comprehensive zoning ordinance and chapter 211 of the Local Government Code; and

WHEREAS, the City Council of the City of Richland Hills does hereby deem it advisable and in the public interest to amend Chapter 90 of the City Code, as amended, as described herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHLAND HILLS, TEXAS, THAT;

SECTION 1.
PROPERTY RE-ZONED

Chapter 90, as amended, is hereby amended by rezoning the property located at Block L, Lots 7 and 8A, Richland Hills Addition, otherwise known as 7145 Baker Boulevard, Richland Hills, Texas 76118, and Block L, Lot 6, Richland Hills Addition, otherwise known as 7151 Baker Boulevard, Richland Hills, Texas 76118, according to the plat recorded in Volume 388-C at Page 168 of the Plat Records of Tarrant County, Texas, and being more particularly described on the attached **Exhibit A**, from PD (Planned Development) with a base zoning of Single-Family Residential SF-7 and Multiple-Family Residential MF-2 to PD (Planned Development) with a base zoning of Multiple-Family MF-2, with uses permitted as set forth in Section 3 of this Ordinance.

SECTION 2.
DIRECTION TO AMEND THE OFFICIAL ZONING MAP

The City Secretary is hereby directed to amend the official zoning map to reflect the changes in uses approved herein.

SECTION 3.
PROPERTY SUBJECT TO ZONING ORDINANCE

The use of the properties hereinabove described shall be subject to all the applicable regulations contained in the Comprehensive Zoning Ordinance and all other applicable and pertinent ordinances of the City of Richland Hills, Texas, for the zoning district into which they have been assigned. The Planned Unit Development district created herein affecting above-referenced properties shall be specifically subject to the regulations applicable to the MF-2 Multiple-Family Medium Density zoning district, except in the following respects:

A. Site development standards. Development of the property shall comply with the development standards of the MF-2 Multiple-Family zoning districts and the standards described below.

   1. Lot dimensions and setbacks shall be as follows.

Height	2 stories maximum, not to exceed 45 feet
Front Yard (minimum)	10 feet
Side Yard - Interior (min)	N/A
Side Yard - Street (min)	5 feet

Rear Yard (minimum)	20 feet of driveway
Building size (minimum)	3 Bedroom 1,500 square feet
Lot Width (minimum)	22 feet (single family lots)
Building Width (minimum)	88 feet
Lot Depth (minimum)	90 feet
Lot Size (minimum)	1,980 square feet
Lot Coverage	65 % maximum
Density	Up to 10.03 units per gross acre

2. The development shall set aside at least twenty-five percent (25%) of the land area as open space, with 21% being common open space, and 4% consisting of the ten-foot (10') landscape buffer. All common open space areas and amenities must be owned and maintained by the homeowner's association. The common open space areas shall be as shown on the Site Plan attached and incorporated hereto as **Exhibit B**.

3. A permanent Homeowner's Association shall be established, for the maintenance of the walls, common area landscaping and other common neighborhood facilities, prior to the first home sale and occupancy. The HOA shall be supported by mandatory annual fees charged to each homeowner, pro-rata, based on the projected maintenance and management costs. After initial installation and maintenance provided by the developer, such maintenance responsibilities shall be turned over to the homeowners, who shall be permanently responsible to maintain said common features and areas, using a professional management company.

4. A four-foot wide sidewalk shall be constructed adjacent to all internal streets.

5. All crosswalks shall be constructed of stamped and stained concrete.

6. The number of parking spaces provided shall exceed the minimum requirement of 2 spaces per dwelling unit plus 1 additional space per every 4 units for guest parking. All parking off Blue Jay Way to be guest parking only. Residents must use their required parking for their home (to be required by HOA regulations).

7. The development shall include a cluster mailbox. The location and design shall be approved by the Development Review Committee and US Postal Service.

8. Outdoor street lighting on the site shall be installed along the main internal street and be selected from Oncor's decorative street lighting options.

9. Masonry monument development entry signs shall be installed at both entrances at Baker Boulevard and Popplewell Street.

B. Building design standards. Building design and appearance shall comply with the conceptual building elevations shown on the Site Plan and the standards described below.

1. The exterior wall materials – 75% of each façade (excluding doors and windows) shall consist of masonry construction materials and/or fiber-reinforced cementitious board.

2. Garages shall be rear entry with alley access to individual driveways.

3. A minimum roof pitch of 6:12 (inches of rise per inches of run) from side to side shall apply to the predominant roof, except a tile or slate roof may have a minimum roof pitch of 5:12 (inches of rise per inches of run) from side to side. A variety of roof pitches may be incorporated into the roof design provided that the predominant roof meets the minimum roof pitch requirement. Porches, dormers and shed roofs shall have a minimum 3:12 (inches of rise per inches of run).

4. All multi-tenant buildings will include a monitored fire alarm and a fire sprinkler system that is compliant with NFPA Standard 13D. Additionally, buildings will be constructed with fire suppression walls with resistance ratings certified for United States.

5. Each building shall include at least three of the following architectural elements.
   a) Awnings/canopies.
   b) Balconies (a minimum of 25 square feet in size).
   c) Dormers.
   d) Offsets within each building (minimum 20' to receive credit).
   e) Patio (a minimum of 25 square feet in size).
   f) Porches (a minimum of 25 square feet in size).
   g) Stoops (a minimum of 2' tall by 4' wide).
   h) Varied roof height in building (minimum 10' difference)
   i) Decorative sconce lighting.
   j) Decorative banding or molding.
   k) Decorative overhangs above garage doors.
   l) Eyebrow soldier course over garage doors.
   m) Decorative brackets on garage doors.
   n) Decorative garage doors.

SECTION 4.
ORDINANCE CUMULATIVE

This Ordinance shall be cumulative of all other ordinances of the City of Richland Hills affecting zoning and land use, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this Ordinance.

SECTION 5.
PENALTY CLAUSE

Any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance shall be fined not more than Two Thousand Dollars ($2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense. In addition, any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance may be subjected to such civil penalties as authorized by law.

SECTION 6.
RESERVATION OF RIGHTS AND REMEDIES FOR ACCRUED VIOLATIONS

All rights or remedies of the City are expressly saved as to any and all violations of Chapter 90, as amended, or any other ordinance affecting zoning and land use that have accrued at the time of the effective date of this Ordinance and as to such accrued violations and all pending litigation, both civil and criminal, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the Courts.

SECTION 7.
SEVERABILITY CLAUSE

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 8.
PUBLICATION CLAUSE

The City Secretary of the City of Richland Hills is hereby directed to publish in the official newspaper of the City the caption, penalty clause, and effective date clause of this Ordinance as required by law.

SECTION 9.
EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

APPROVED AND ADOPTED at a regular meeting of the Richland Hills City Council on July 25, 2022, by a vote of 5 ayes, 0 nays, and 0 abstentions.

APPROVED:

THE HONORABLE MAYOR EDWARD LOPEZ

ATTEST:

LINDSAY WELLS, CITY SECRETARY

APPROVED AS TO FORM:

JAMES DONOVAN, CITY ATTORNEY

EXHIBIT A

BEING all of Lots 6 and 7, and the east 170.00 feet of Lot 8 of Block L of RICHLAND HILLS, an addition to the City of Richland Hills, Tarrant County, Texas, according to the plat recorded in Volume 388-C at Page 168 of the Plat Records of Tarrant County, Texas. And being more particularly described by metes and bounds as follows:

BEGINNING at a 1 /2" iron rod set for corner at the intersection of the north right-of-way line of Baker Boulevard (State Highway 183) (having a 160-foot-wide right-of-way) with the west right-of-way line of Popplewell Street (having a 50-foot-wide right-of-way); the same point being the southwest corner of the above mentioned Lot 6;

THENCE West along the said north right-of-way line of Baker Boulevard (State Highway No. 183) and along the south line of Lots 6, 7, and 8 for a distance of 641.50 feet to a 5/8" iron rod found for corner;

THENCE North 00 degrees 05 minutes 00 seconds East departing the sold north right-of-way line of Baker Boulevard (State Highway No, 183) for a distance of 337.50 feet to a copped Iron rod found for corner in the north line of the above mentioned Lot 8;

THENCE East along the north line of Lots 8, 7, and 6 for a distance of 641.50 feet to a capped iron rod found for corner in the west right-of-way line of Popplewell Street, the some point being the northeast corner of Lot 6;

THENCE South 00 degrees 05 minutes 00 seconds West along the said west right-of-way line of Popplewell Street and along the east line of Lot 6 for a distance of 337.50 feet to the POINT OF BEGINNING;

CONTAINING 4.9703 acres of land, more or less.

RESIDENTIAL SITE DATA

GROSS ACREAGE: 4.97 ACRES

RESIDENTIAL LOTS: 51
RESIDENTIAL LOT AREA: 2.56 ACRES (51.5%)

OPEN SPACE TOTALS:
- OPEN SPACE: 1.07 ACRES (21.5%)
- 10' LANDSCAPE BUFFER: 0.21 ACRES (4.2%)
- TOTAL: 1.28 ACRES (25.8%)

POPPLEWELL STREET
R.O.W. DEDICATION: 0.04 ACRES (0.8%)

STREET PAVEMENT AREA: 0.53 ACRES (10.7%)
ALLEY PAVEMENT AREA: 0.56 ACRES (11.3%)

LOT SUMMARY AND DENSITY

RESIDENTIAL LOTS: 51
MINIMUM LOT AREA: 1,980 SF
COMMON AREAS: 8
GROSS ACREAGE: 4.97 ACRES
DENSITY (LOTS PER ACRE): 10.3 LOTS PER ACRE

PARKING SUMMARY

ONSITE GARAGE PARKING SPACES: 102
ONSITE DRIVEWAY PARKING SPACES: 97
INSET PARKING SPACES: 34
TOTAL PARKING SPACES: 233
PARKING SPACES PER UNIT: 4.57

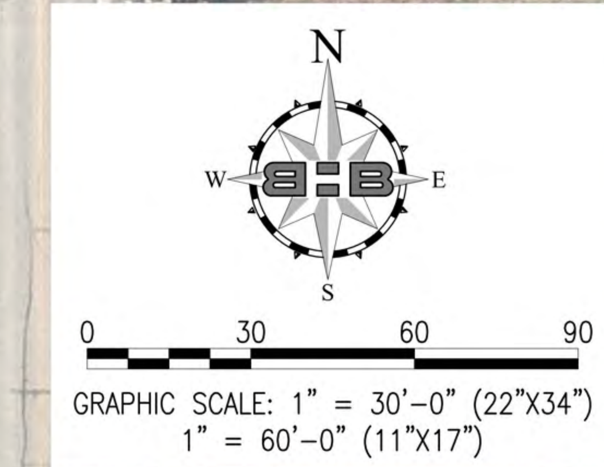
ZONING

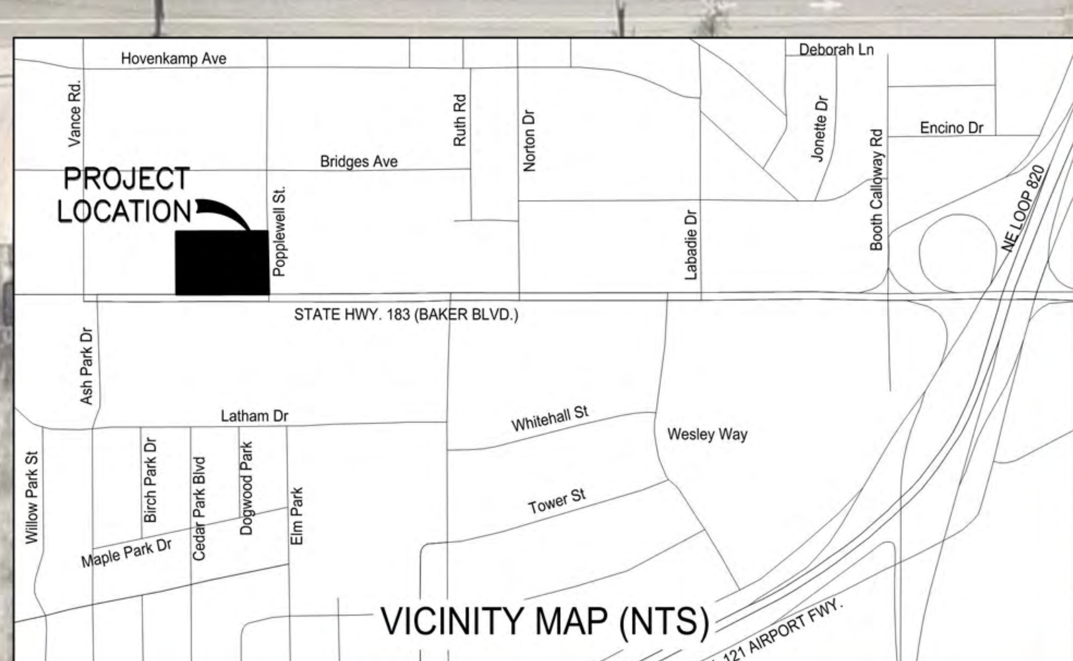
EXISTING ZONING: PD MF-2 AND SF-7
PROPOSED ZONING:
PD (MF-2) MULTI-FAMILY RESIDENTIAL

ZONING REGULATIONS

FRONT YARD:	10' MINIMUM
SIDE YARD:	INTERNAL UNIT - 0' MINIMUM EXTERNAL UNIT - 5' MINIMUM
REAR YARD:	20' MINIMUM (EXCEPT 10' MIN. LOT 2, BLK. A; LOT 27, BLK. B; LOT 2, BLK. C; LOT 6, BLK. E AND LOT 8, BLK. E)
LOT WIDTH:	INTERNAL UNIT - 22' MINIMUM EXTERNAL UNIT - 27' MINIMUM
LOT DEPTH:	80' AVERAGE DEPTH
LOT SIZE:	1,980 S.F. (MINIMUM)
LOT COVERAGE:	65% MAXIMUM
DENSITY:	UP TO 11 UNITS PER GROSS ACRE.

NOTE: ALL PARKING OFF OF BLUE JAY WAY IS TO BE GUEST PARKING ONLY. ALL RESIDENTS MUST USE THEIR REQUIRED PARKING FOR THEIR HOME.





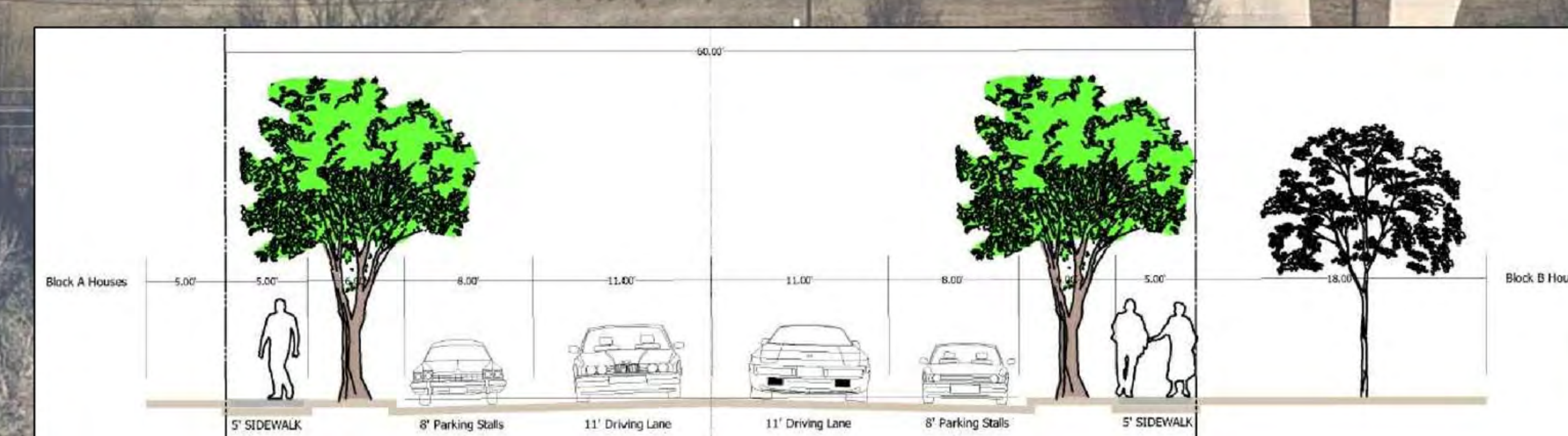
VICINITY MAP (NTS)

WALL AND FENCE LEGEND

6' IRON FENCE w/ LIVING SCREEN AND MASONRY COLUMNS 8' APART

6' MASONRY WALL

5' IRON FENCE



BLUE JAY WAY STREET CROSS SECTION

RICHLAND CROSSING

51 - 90' x 22' TOWN HOME LOTS
ZONING EXHIBIT
FROM PD MF-2 AND SF-7
TO PD MF-2

RICHLAND HILLS, TARRANT COUNTY, TEXAS

DATE OF PREPARATION:
JUNE 17, 2022

OWNER:

183 Popplewell, LLC
JOHN GIBSON
1616 SYRACUSE DRIVE
RICHARDSON, TEXAS 75081

DEVELOPER:

MetroCom Properties, Inc.
ROBERT MAXEY
611 SOUTH MAIN STREET, SUITE 400
GRAPEVINE, TEXAS 76051
214-536-6345
robertmaxey@veriszon.net

PREPARED BY:

BAIRD, HAMPTON & BROWN
engineering and surveying
949 Hilltop Drive, Weatherford, TX 76086
mail@bhbinc.com • 817.596.7575 • bhbinc.com
TBPELS Firm #44, #10194146

6.17.2022 11:30AM F:\job\2022\800\030 Richland Villas\01 Design & Drafting\02 Civil\04 Exhibits\LOT LAYOUT No 4.dwg LAYOUT

McCLATCHY

Beaufort Gazette
Belleville News-Democrat
Bellingham Herald
Bradenton Herald
Centre Daily Times
Charlotte Observer
Columbus Ledger-Enquirer
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Merced Sun-Star
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The Olympian
Sacramento Bee
Fort Worth Star-Telegram
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Sun Herald - Biloxi
Sun News - Myrtle Beach
The News Tribune Tacoma
The Telegraph - Macon
San Luis Obispo Tribune
Tri-City Herald
Wichita Eagle

AFFIDAVIT OF PUBLICATION

Account #	Order Number	Identification	Order PO	Amount	Cols	Depth
19462	296913	Print Legal Ad - IPL0083274		$108.36	1	67 L

Attention: Karen Evans

CITY OF RICHLAND HILLS
3200 DIANA DR
FORT WORTH, TX 761186237

CITY OF RICHLAND HILLS
ORDINANCE NO. 1454-22

AN ORDINANCE AMENDING CHAPTER 90 OF THE CITY CODE, AS AMENDED, THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF RICHLAND HILLS, BY CHANGING THE ZONING OF CERTAIN PROPERTIES, SPECIFICALLY BLOCK L LOTS 7 AND 8A RICHLAND HILLS ADDITION, OTHERWISE KNOWN AS 7145 BAKER BOULEVARD, RICHLAND HILLS, TEXAS 76118 AND BLOCK L LOT 6 RICHLAND HILLS ADDITION, OTHERWISE KNOWN AS 7151 BAKER BOULEVARD, RICHLAND HILLS, TEXAS 76118, CURRENTLY ZONED AS PD (PLANNED DEVELOPMENT) with a Base zoning of sf-7 and mf-2, TO PD (PLANNED DEVELOPMENT) with a base zoning of mf-2, TO ALLOW FOR additional design requirements; PROVIDING FOR THE AMENDMENT OF THE OFFICIAL ZONING MAP TO REFLECT SUCH CHANGES; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A PENALTY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE, PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

SECTION 5. PENALTY CLAUSE
Any person, firm, or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance shall be fined not more than Two Thousand Dollars ($2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense. In addition, any person, firm or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance may be subjected to such civil penalties as authorized by law.

SECTION 8. PUBLICATION CLAUSE
The City Secretary of the City of Richland Hills is hereby directed to publish this ordinance to the extent required by law.

SECTION 9. EFFECTIVE DATE
This Ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

APPROVED AND ADOPTED at a regular meeting of the Richland Hills City Council on July 25, 2022, by a vote of 5 ayes, 0 nays, and 0 abstentions.
IPL0083274
Jul 29 2022

THE STATE OF TEXAS
COUNTY OF TARRANT

Before me, a Notary Public in and for said County and State, this day personally appeared Amanda Grisham, Bid and Legal Coordinator for the Star-Telegram, published by the Star-Telegram, Inc. at Fort Worth, in Tarrant County, Texas; and who, after being duly sworn, did depose and say that the attached clipping of an advertisement was published in the above named paper on the listed dates:

No. of Insertions: 1

Beginning Issue of: 07/29/2022

Ending Issue of: 07/29/2022

Amanda Grisham

Sworn to and subscribed before me this 29th day of July in the year of 2022

Stefani Beard

Notary Public in and for the state of Texas, residing in Dallas County

STEFANI SCOTT BEARD
My Notary ID # 131788951
Expires October 23, 2022

Extra charge for lost or duplicate affidavits.
Legal document please do not destroy!

City of Richland Hills, TX
Thursday, April 20, 2023

Chapter 90. Zoning

Article 6. Development Review Procedures

§ 6.07. PD Application and Review.

6.07.04 Planned Development (PD) Modifications.

(A) Minor PD amendment and adjustment. The zoning administrator may approve or defer for city council consideration a minor PD amendment and adjustment to the planned development master plan provided all of the following conditions are satisfied:

(1) The project boundaries are not altered.

(2) Uses other than those specifically approved in the planned development master plan are not added. Uses may be deleted but not to the extent that the character of the project is substantially altered from the character described within the PD design statement.

(3) The allocation of land to particular uses or the relationship of uses within the project are not substantially altered.

(4) The density of housing is not increased more than ten percent or decreased by more than 30 percent.

(5) The land area allocated to nonresidential uses is not increased or decreased by more than ten percent.

(6) Floor area, if prescribed, is not increased or decreased by more than ten percent.

(7) Floor area ratios, if prescribed, are not increased.

(8) Open space ratios, if prescribed, are not decreased.

(B) Zoning administrator approval.

(1) The zoning administrator shall determine if proposed amendments to an approved planned development master plan satisfy the above criteria.

(2) If the zoning administrator finds that these criteria are not satisfied, an amended planned development master plan shall be submitted for full review and approval according to the procedures set forth in these regulations.

City of Richland Hills, Texas
3200 Diana Drive | Richland Hills, TX, 76118
817-616-3800 | richlandhills.com

February 20, 2023

Robert Maxey
Karen Maxey
RC 51 Townhome Lots, LTD
611 S. Main Street, Suite #400
Grapevine, Texas 76051

Re: Richland Crossing Minor PD Amendment Request

Robert and Karen,

I have received your request for a minor amendment to the Planned Development for Richland Crossing. After reviewing the request, I have concluded that it meets the requirements of a minor amendment and have approved the following changes:

- Design and construction of 52 single-family detached homes in place of 51 single-family, attached homes
- Decrease of residential lot area from 2.56 acres to 2.28 acres
- A side yard (interior) setback of a minimum of 3'
- Decrease in the building width minimum from 88' to 19' since the homes will be constructed as detached units instead of multiple attached units
- Decrease of open space from 1.07 acres to 1.03 acres (totaling 1.24 acres from 1.28 acres)
- Increase of density (lots per acre) from 10.3 lots per acre to 10.46 lots per acre
- Increase of onsite garage parking spaces from 102 to 104
- Increase of onsite driveway parking spaces from 97 to 99
- Increase of inset parking spaces from 34 to 37
- Increase of total parking from 233 to 240
- Increase of parking spaces per unit from 4.57 to 4.62
- Increase of lot depth from 80' average depth to 90' average depth

I am including the revised site plan you submitted on February 16, 2023 as an attachment to this approval to show that the revised site plan has also been approved along with the minor amendment request.

Sincerely,

Candice Edmondson

Candice Edmondson
City Manager

N

GRAPHIC SCALE: 1" = 30'-0" (22"X34")
1" = 60'-0" (11"X17")

RICHLAND CROSSING

52 - 90' x 22' SINGLE FAMILY LOTS
ZONING EXHIBIT
FROM PD (MF-2) AND SF-7
TO PD (MF-2)

RICHLAND HILLS, TARRANT COUNTY, TEXAS

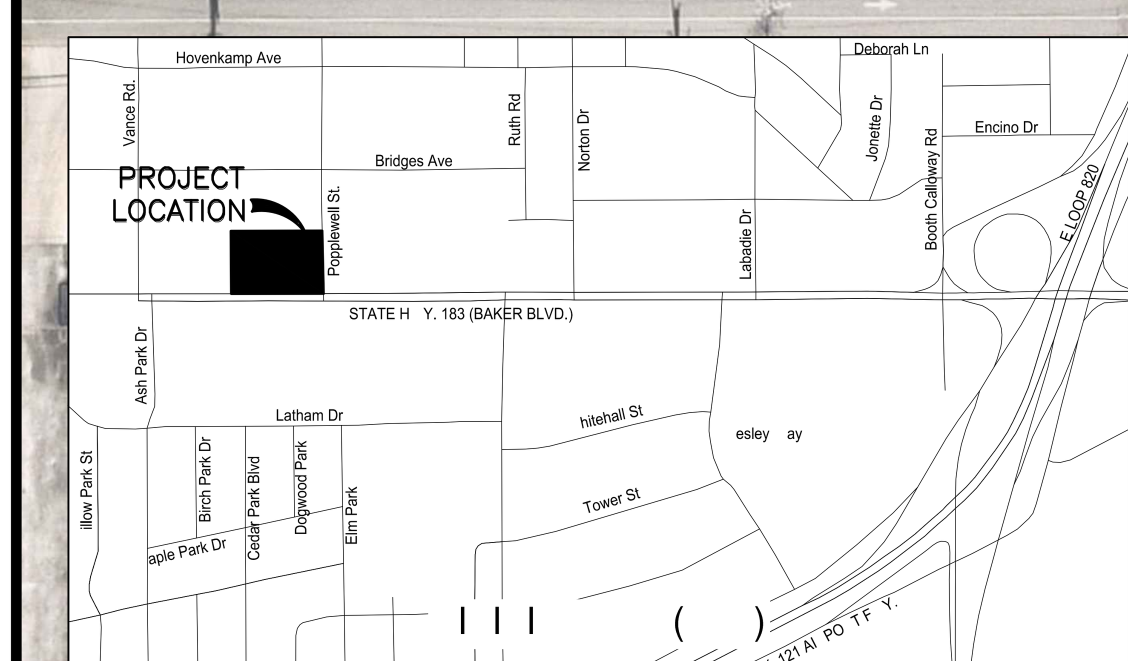
DATE OF PREPARATION:
JUNE, 2022
REV. FEBRUARY 2023

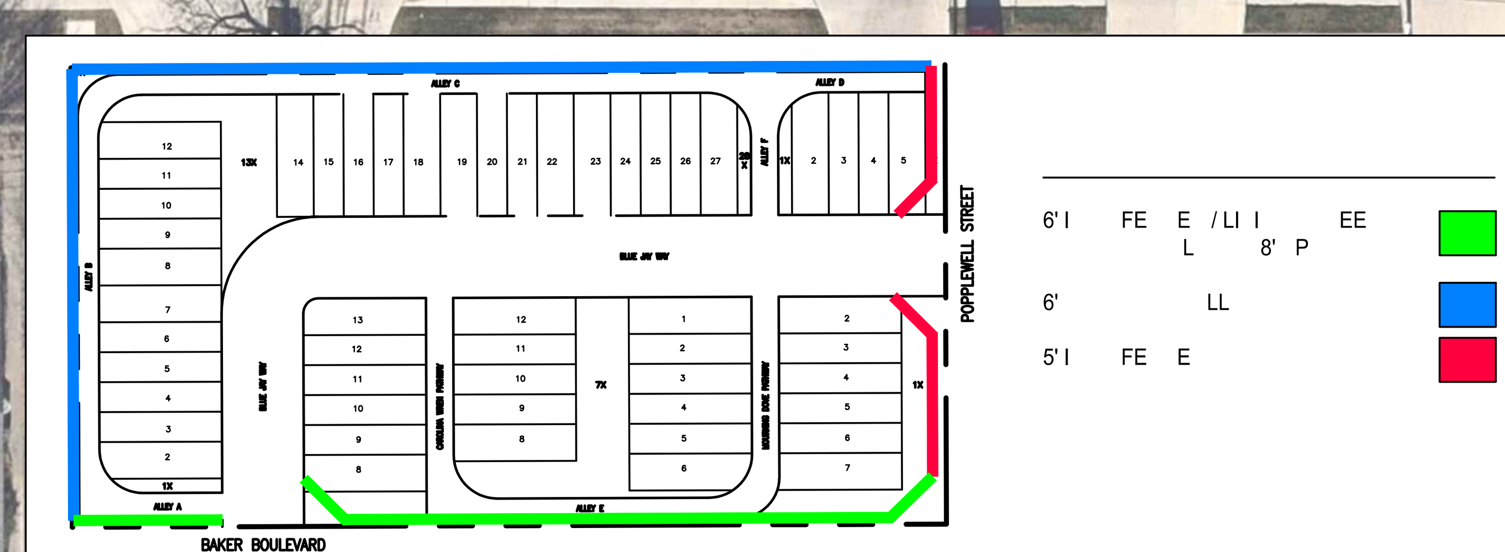
OWNER/DEVELOPER:

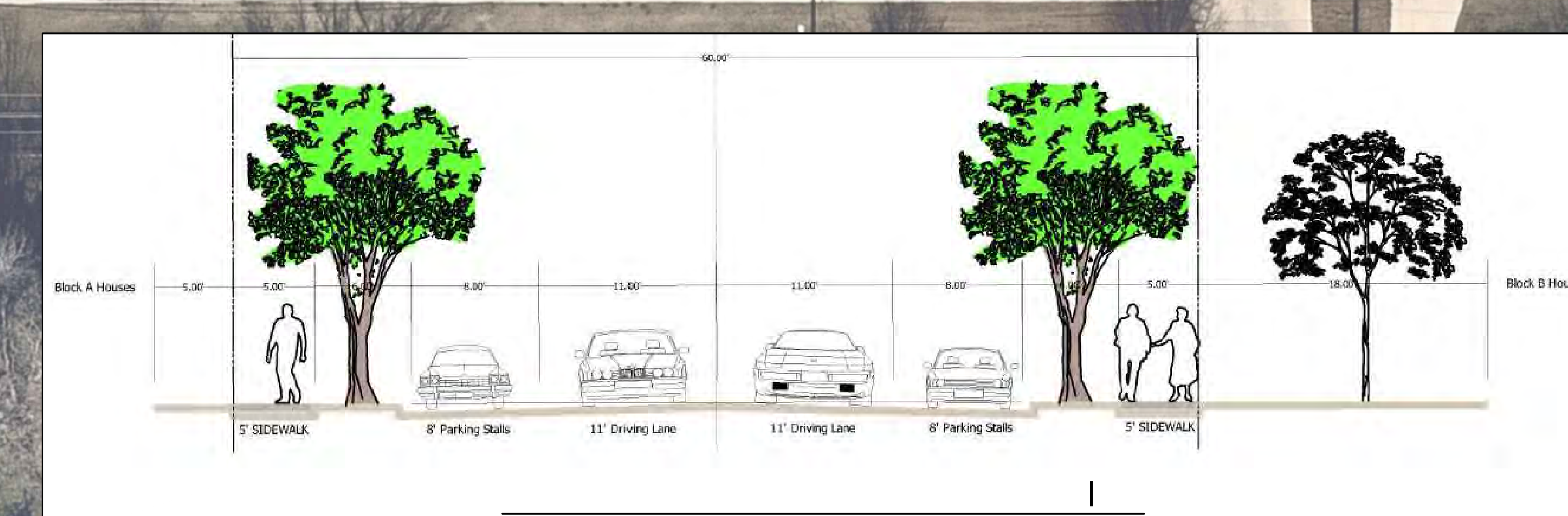
RC 51 TOWNHOME LOTS, L.T.D.
ROBERT MAXEY
611 SOUTH MAIN STREET, SUITE 400
GRAPEVINE, TEXAS 76051
214-536-6345
robertmaxey@veriszon.net

PREPARED BY:

BAIRD, HAMPTON & BROWN
engineering and surveying
949 i top rive, eatherford, 76086
ai bhbinc.co • 817.596.7575 • bhbinc.co
BPE Fir #44, #10194146







2.16.2023 10:03AM F:\job\2022\800\030 Richland Villas\01 Design & Drafting\02 Civil\04 Exhibits\Zoning Exhibit.dwg LAYOUT

April 17, 2023

Candice Edmondson
City Manager
City of Richland Hills
3200 Diana Drive
Richland Hills, TX 76118
817-616-3800
cedmondson@richlandhills.com

RE: Richland Crossing Planned Development Minimum Building SF Reduction

This letter is a formal request to amend the development standards set forth in Ordinance No. 1454-22 for the Richland Crossing project.

The intent of the amendment is to modify Section A - 1 table in the ordinance to reduce the minimum Building size to 1,350 SF as to 1,500 SF.

Below is a summary of the proposed modifications to the Development Standards:

1. **Building Size – (minimum)**

   Current: 1,500 SF

   Proposed: 1,350 SF

The building size minimum comes due to the product being changed from an attached 22' townhome to a detached 19' minimum product size. The reduction in building size will allow for a differentiating product mix in square footage.

If you have any questions or need additional information, please do not hesitate to reach out to myself or Michael Smith at 512-818-4233.

Sincerely,

Robert Maxey

51 Townhome Lots LTD

Cc: Logan Thatcher – Asst City Manager – City of Richland Hills

Michael Smith – DVP of Land Acquisitions – DR Horton (DFW Central)

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Kip Dernovich, Director of Public Works and Capital Projects

Date: April 24, 2023

Subject: Street Improvement Projects

Agenda Item:

Street Improvement Projects

Background Information:

Staff will provide an update on the FY 2023 street improvement projects.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

No Council Action

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Patricia Albrecht, Director of Finance and Administrative Services

Date: April 24, 2023

Subject: 2nd Quarter Investment Report

Agenda Item:

2nd Quarter Investment Report

Background Information:

Staff will provide a quarterly investment report for the period of January 1, 2023- March 31, 2023.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

2nd Quarter Investment Report

Council Action Requested:

No Council Action

Richland Hills

2nd Quarter Investment Report

January 1, 2023- March 31, 2023

2nd QUARTER INVESTMENT REPORT FY 2023

Bank	Fund	Name of Account	1/1/2023	Deposits/Withdrawals	Interest	3/31/2023
JP Morgan Chase	1	General Fund Account	4,468,608	3,066,613	20,476	7,535,221
JP Morgan Chase	2	Revenue Fund Account	3,424,455	1,412,956	13,014	4,837,411
JP Morgan Chase	26	Richland Hills Economic Development Corp	1,390,894	496,449	4,936	1,887,343
JP Morgan Chase	65	Richland Hills Crime Control Fund	584,827	308,043	2,384	892,871
JP Morgan Chase	1	Certificate of Deposit-Maturity 11/2023	169,387	814	-	170,201
		Total	10,038,171	5,284,875	40,810	15,323,046
TEXPOOL	1	General Fund	969,239	916,937	18,833	1,886,176
TEXPOOL	2	Revenue Fund	1,312,845	14,457	14,457	1,327,303
TEXPOOL	22	Drainage Fund	114,996	1,266	1,266	116,263
TexSTAR	27	2019 GO Bonds	108,536	1,195	1,195	109,731
TexSTAR	6	Police Seizue Funds	24,054	977	267	25,031
TexSTAR	10	I & S Funds	558,797	719,492	10,960	1,278,289
TexSTAR	77	Hotel Motel Occupancy Tax Fund	-	169,888	1,350	169,888
TexSTAR	89	Tax Increment Fund	-	759,917	5,954	759,917
TexSTAR	101	ARPA Funds	1,779,254	(8,455)	19,501	1,770,799
		Total	4,867,722	2,575,675	73,785	7,443,396
		Total Holdings	**14,905,893.04**	**7,860,550**	**114,595**	**22,766,443**

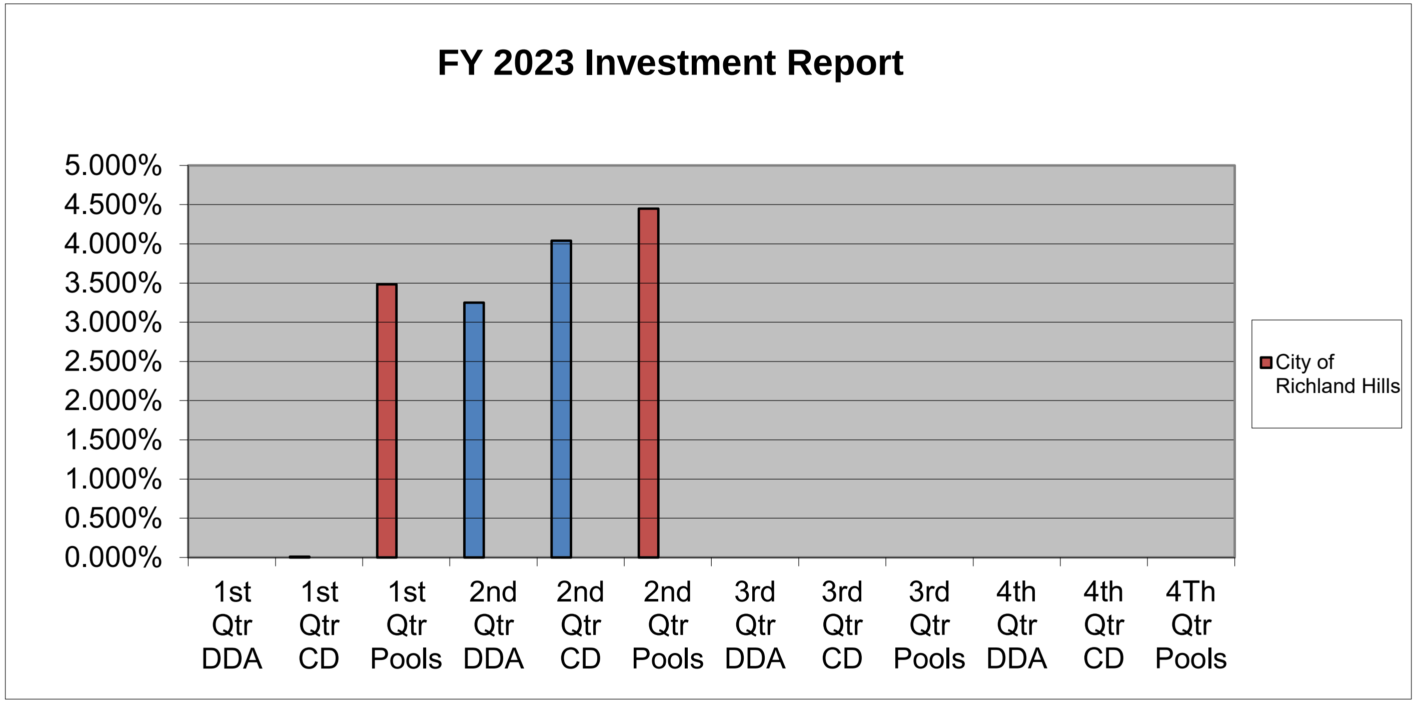
City of Richland Hills
Inventory Holdings Report- City Portfolio

3/31/2023

Settle Date	Cusip	Security Type	Par	Rate	Settlement Date	Maturity	Purchase Yield	Purchase Principal	Original Prem/Disc	Current Book	Market Price	Gain/Loss	Original D-T-M	Current D-T-M	Amortization	Percent of Total Holdings
3/31/2023		Hybrid DDA	15,152,845	3.250%	3/31/2023	4/1/2023	3.250%	15,152,845	-	15,152,845	100.00%	-	1	1	0.00	66.56%
3/31/2023		Pools	7,443,396	4.450%	3/31/2023	4/1/2023	4.450%	7,443,396	-	7,443,396	100.00%		1	1	0.00	32.69%
11/23/2023		CD	170,201	4.040%	11/23/2023	11/23/2022	4.040%	170,201		170,201	100.00%	-	180	180	0.00	0.75%
			22,766,443					22,766,443		22,766,443						100.00%

TEXPOOL and TexSTAR Pools
Hybrid DDA=Demand Deposit Account
CD=Certificate of Deposit

Investment Transactions
Quarter Ending
3/31/23



DDA Accounts=JP MORGAN CHASE
POOLS=Texpool and TexSTAR

City of Richland Hills
Quarterly Investment Report-City Portfolio

January 1, 2023 - March 31, 2023

Portfolio Summary Management Report

This quarterly report is in full compliance with the investment policy and strategy as established for the City of Richland Hills and the Public Funds Investment Act (Chapter 2256, Government Code).

Beginning Book Value 1/1/23	$	14,905,893.04	Ending Book Value 3/31/23	$	22,766,442.74
Beginning Market Value 1/1/23	$	14,905,893.04	Ending Market Value 3/31/23.	$	22,766,442.74
			Accrued Interest Receivable	$	-
			Unrealized Gain/Loss on 3/31/23	$	-
WAM at Beginning Period Date*	1 day		WAM at Ending Period Date*	1 day	
			Change in Market Value	$	7,860,549.70

Average Yield to Maturity for quarter	3.850%
Average Yield to Maturity 6 month T-Bill	4.753%

Patricia Albrecht

Patricia Albrecht, Finance Director

Candice Edmondson

Candice Edmondson, City Manager

*WAM-Weighted Average Maturity
"Change in Market Value" is required data, but will primarily reflect the receipt and expenditure of the City's funds from quarter to quarter.

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Jason Brown, Director of Parks and Recreation

Date: April 24, 2023

Subject: Clean, Green & Lean Event

Agenda Item:

Clean, Green & Lean Event

Background Information:

Staff will provide an update on the Clean, Green & Lean event scheduled for Saturday, April 29, 2023 from 8:00 a.m. – 10:00 a.m. at the Hike and Bike Trail and from 10:00 a.m. – 2:00 p.m. at The Link Event & Recreation Center.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

No Council Action

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Candice Edmondson, City Manager

Date: April 24, 2023

Subject: Charter Amendment Election

Agenda Item:

Charter Amendment Election

Background Information:

The City of Richland Hills will hold a Special Election on Saturday, May 6, 2023 for the purpose of amending the City Charter. The Election Day polling place will be Richland Hills City Hall, 3200 Diana Drive, Richland Hills, Texas 76118. Polling sites will be open from 7:00 a.m. – 7:00 p.m. on Election Day.

Early voting will be Monday, April 24, 2023 through Tuesday, May 2, 2023. There will not be a primary early voting location in Richland Hills; however, voters can vote at any Tarrant County polling location during early voting and on Election Day.

Voters can learn more about the proposed Charter amendments and view the sample ballot at https://www.richlandhills.com/421/Proposed-City-Charter-Amendments.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

No Council Action

Memorandum

To: Honorable Mayor Edward Lopez and Richland Hills City Council Members

From: Candice Edmondson, City Manager

Date: April 24, 2023

Subject: March Department Monthly Reports

Agenda Item:

March Department Monthly Reports

Background Information:

Attached are the monthly Department Reports. If you have any questions regarding the reports, please contact me or the appropriate Department Head.

Financial Considerations:

N/A

Board/Citizen Input:

N/A

Legal Review:

N/A

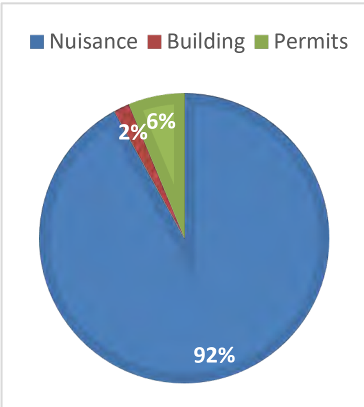
Attachments:

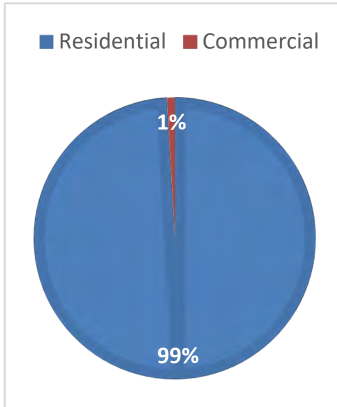
March Department Reports

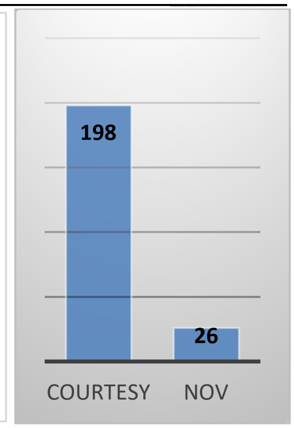
Council Action Requested:

No Council Action

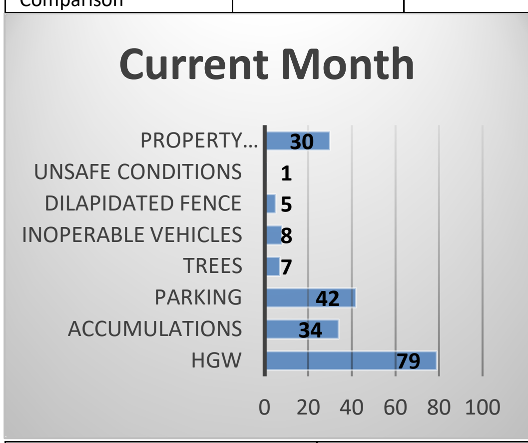
Code Compliance

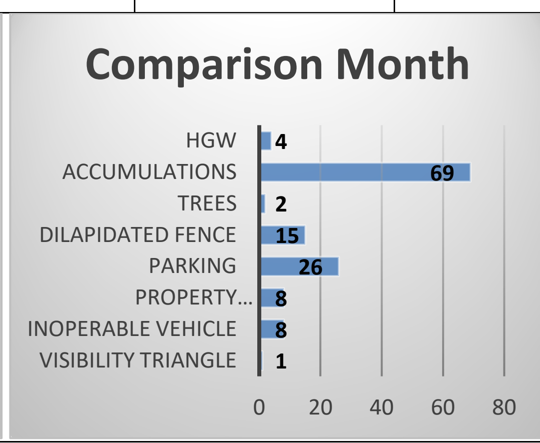






	Current Month Violations				
	Notices Issued	**Pending Compliance**	**Compliance Obtained**	**Citations Issued**	**Abatement by City**
Nuisance Violations	206	117	107	2	0
Building Violations	4	2	2	0	0
Zoning Issues	0	0	0	0	0
Permit Violations	14	5	9	0	0
Fiscal Year Totals	550	188	380	9	0
Previous Fiscal Year Comparison	465	228	237	14	0





March 2023 Inspections

11 Inspections Conducted

Citizen Contact

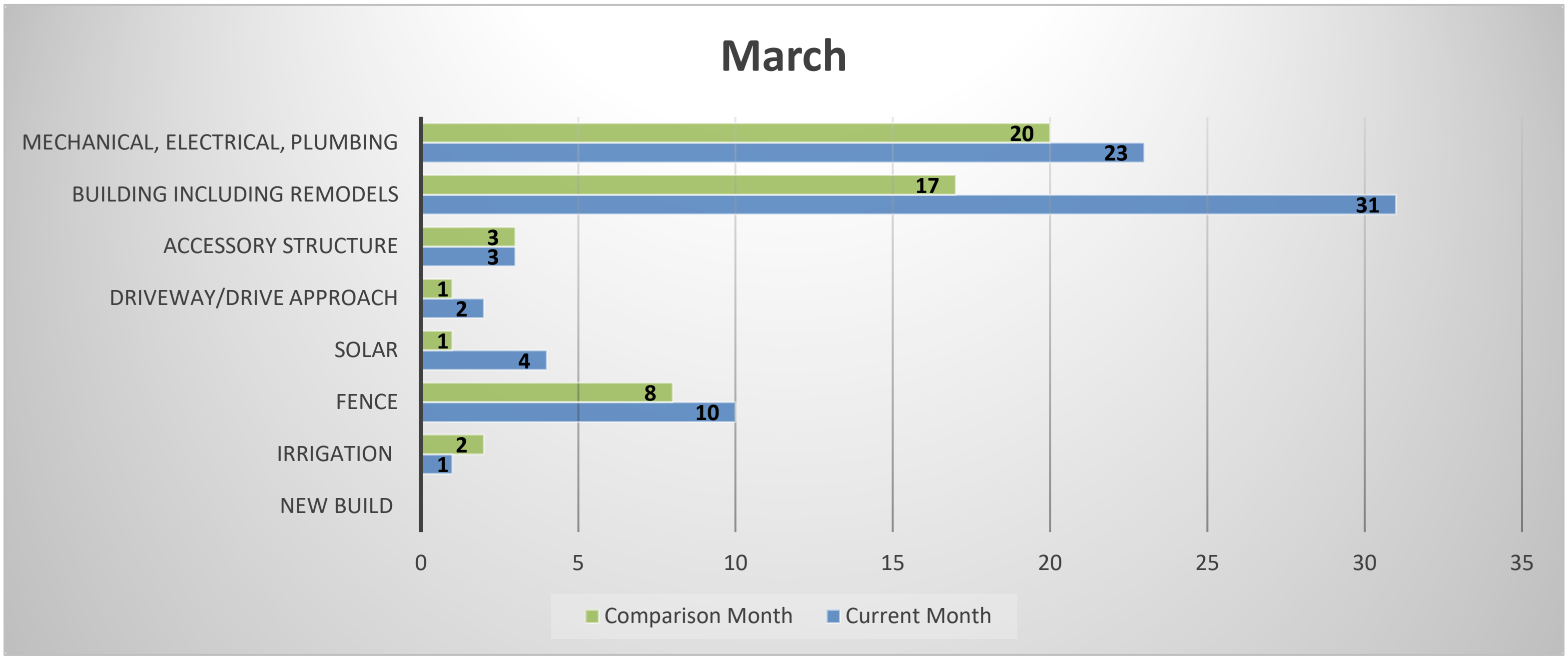
16 Complaints Received

(**13** Resulted in Cases)

	Signs			
	Current Month	Comparison Month Previous Year	Fiscal Year 22/23	Previous Fiscal Year Comparison
Commercial Sign Violations	0	0	0	9
Bandit Sign Removal	9	4	15	127

	Building Summary			
	Current Month	Comparison Month Previous Year	Fiscal Year 22/23	Previous Fiscal Year Comparison
Registered Vacant Building	3	8	5	12
Substandard Buildings – New BBA	0	1	2	2

Community Development



	Mechanical Electrical Plumbing	Building Including Remodels	Accessory Structure	Driveway Drive Approach	Solar	Fence	Irrigation	New Build
Current Month Residential	16	26	3	1	4	10	1	0
Current Month Commercial	7	5	0	1	0	0	0	0
Current Fiscal Year 2022-2023	152	117	10	13	19	26	1	0
Previous Month Residential	17	17	3	1	1	6	1	0
Previous Month Commercial	3	0	0	0	0	2	1	0

	Current Month	Comparison Month Previous Year	Fiscal Year To Date 2022-2023
Sign Permit	3	6	11
ROW Permit	5	2	29
Garage Sale Permit	15	18	70
Zoning, SUP, Code Consults	0	5	13
Pool Permits	1	0	1

Business Summary

	Current Month	Comparison Month Previous Year	Fiscal Year To Date 2022-2023
Registered Rental CO's	11	5	24
Issued Commercial CO's	3	2	18
Mobile Food Vendor	0	0	2

Received Certificate of Occupancy

- Smiley Presto Shine, 7457 Baker Blvd Suite A – Carwash, Full Service
- Austin Bridge and Road, 7477 Airport Fwy – Office, Medical, Professional, or Administrative
- City Market Place LLC, 7206 Latham Dr – Farmers Market

Number of Potential Business Certificate of Occupancy Meetings/Calls: 7

Number of Developmental Review Committee / Plan Review: 1

Finance

GENERAL FUND, UTILITY FUND AND LINK FUND

Fiscal Year 2022-2023, Period Ending 03/31/2023

Monthly Financial Report

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
General Fund (001)					
Revenue					
Property Taxes	$ 3,123,995	$ 60,719	$ 3,148,493	$ (24,498)	101%
Sales Tax	$ 4,712,216	$ 443,200	$ 1,474,734	$ 3,237,482	31%
Other Tax	$ 2,500	$ 183	$ 1,235	$ 1,265	49%
Franchise Fees	$ 562,000	$ 427,035	$ 480,699	$ 81,301	86%
Fines & Forfeitures	$ 262,050	$ 38,355	$ 145,927	$ 116,123	56%
Licenses & Permits	$ 209,500	$ 15,103	$ 81,276	$ 128,224	39%
Service Charges	$ 305,850	$ 31,365	$ 173,396	$ 132,454	57%
Miscellaneous	$ 140,152	$ 112,730	$ 172,044	$ (31,892)	123%
Total Revenues	**$ 9,318,263**	**$ 1,128,690**	**$ 5,677,804**	**$ 3,640,459**	**61%**
Expenditures					
Municipal Court	$ 300,039	$ 21,187	$ 138,115	$ 161,924	46%
Administration	$ 690,171	$ 48,406	$ 347,509	$ 342,662	50%
Police	$ 2,091,296	$ 204,622	$ 1,073,514	$ 1,017,782	51%
Fire	$ 2,567,824	$ 173,725	$ 1,128,809	$ 1,439,015	44%
Street	$ 325,079	$ 15,168	$ 68,645	$ 256,434	21%
Library	$ 403,133	$ 28,036	$ 184,707	$ 218,426	46%
Recreation	$ 299,807	$ 18,732	$ 146,546	$ 153,261	49%
Parks/Grounds	$ 281,787	$ 9,178	$ 69,715	$ 212,072	25%
Community Development	$ 535,439	$ 69,600	$ 239,696	$ 295,743	45%
Animal Control	$ 202,422	$ 14,819	$ 102,015	$ 100,407	50%
Legislative (City Secretary)	$ 129,940	$ 21,129	$ 70,856	$ 59,084	55%
Shared Services	$ 839,990	$ 42,553	$ 369,150	$ 470,840	44%
Transfers/Non Departmental	$ 510,491	$ 13,549	$ 152,804	$ 357,687	30%
Total Expenditures	**$ 9,177,418**	**$ 680,703**	**$ 4,092,080**	**$ 5,085,338**	**45%**
Rev/Exp	*$ 140,845*	*$ 447,987*	*$ 1,585,724*		
Utility Fund (002)					
Revenue					
Water	$ 2,537,000	$ 174,688	$ 1,039,275	$ 1,497,725	41%
Sewer	$ 1,800,000	$ 157,403	$ 826,984	$ 973,016	46%
Transfers In	$ 2,406,753	$ 22,460	$ 72,995	$ 2,333,758	3%
Misc. (incl. Garbage Billing)	$ 536,600	$ 72,782	$ 346,598	$ 190,002	65%
Total Revenues	**$ 7,280,353**	**$ 427,332**	**$ 2,285,853**	**$ 4,994,500**	**31%**
Expenses					
Shared Services	$ 311,427	$ 15,630	$ 148,327	$ 163,100	48%
Administration	$ 641,582	$ 44,234	$ 318,810	$ 322,772	50%
Water Services & Distr.	$ 3,633,344	$ 68,015	$ 367,037	$ 3,266,307	10%
Wastewater Service	$ 1,369,360	$ 125,155	$ 413,471	$ 955,889	30%
Trsfrs/Debt Service/Non-Dept.	$ 1,004,832	$ 65,841	$ 317,368	$ 687,464	32%
Total Expenses	**$ 6,960,545**	**$ 318,875**	**$ 1,565,013**	**$ 5,395,531**	**22%**
Rev/Exp	*$ 319,808*	*$ 108,458*	*$ 720,839*		
Link Operating Fund (098)					
Revenue					
Recreation	$ 542,190	$ 43,791	$ 248,034	$ 294,156	46%
Transfers in	$ 199,680	$ -	$ -	$ 199,680	0%
Total Revenue	**$ 741,870**	**$ 43,791**	**$ 248,034**	**$ 493,836**	**33%**
Expenditures					
Operating/Personnel	**$ 741,870**	**$ 71,926**	**$ 300,381**	**$ 441,489**	**40%**
Rev/Exp	*$ -*	*$ (28,135)*	*$ (52,347)*		

***Unaudited**

Finance
SPECIAL REVENUE FUNDS

Fiscal Year 2022-2023, Period Ending 03/31/2023

Monthly Financial Report

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Court Security Fund (24)					
Revenue	$ 5,500	$ -	$ 2,235	$ 3,265	41%
Expenditures	$ -	$ -	$ -	$ -	0%
Rev/Exp		$ -	$ 2,235		
Court Technology Fund (39)					
Revenue	$ 4,800	$ -	$ 1,894	$ 2,906	39%
Expenditures	$ -	$ -	$ -	$ -	0%
Rev/Exp	$ 4,800	$ -	$ 1,894		
Crime Control District (65)					
Revenue					
Sales Tax	$ 1,779,795	$ 166,142	$ 552,313	$ 1,227,482	31%
Investment Income	$ -	$ 2,384	$ 2,384		
Grants/Transfers	$ 21,760	$ -	$ 1,028	$ 20,732	5%
Total Revenue	$ 1,801,555	$ 168,526	$ 555,725	$ 1,248,214	31%
Expenditures					
Public Safety	$ 1,440,266	$ 82,801	$ 614,155	$ 826,111	43%
Capital Expense	$ 78,871	$ 6,616	$ 20,143	$ 58,728	26%
Transfers Out	$ 50,000	$ -	$ -	$ 50,000	0%
Total Expenditures	$ 1,569,137	$ 89,417	$ 634,298	$ 934,839	40%
Rev/Exp	$ 232,418	$ 79,110	$ (78,573)		
Hotel Occupancy Tax (77)					
Revenue					
HOT (Taxes)	$ 180,000	$ 19,321	$ 104,682	$ 75,318	58%
Expenditures					
Operating Expense	$ 93,656	$ 3,006	$ 18,014	$ 75,642	19%
Debt Service	$ 105,013	$ -	$ 20,006	$ 85,007	19%
Total Expenditures	$ 198,669	$ 3,006	$ 38,020	$ 160,649	19%
Rev/Exp*	$ (18,669)	$ 16,315	$ 66,662		
TIF Fund (89)					
Revenue					
Property Tax Allocation	$ 201,709	$ -	$ -	$ 201,709	0%
Investment Income	$ -	$ 3,306	$ 5,954		
Sales Tax Transfer in	$ 75,000	$ -	$ -	75,000	0%
Total Revenue	$ 276,709	$ 3,306	$ 5,954	$ 270,755	2%
Expenditures					
Operating	$ 90,000	$ -	$ -	$ 90,000	0%
Improvement Incentive	$ 30,000	$ -	$ -	$ 30,000	0%
Capital Projects	$ 460,000	$ 3,680	$ 189,717	$ 270,283	41%
Total Expenditures	$ 580,000	$ 3,680	$ 189,717	$ 390,283	33%
Rev/Exp	$ (303,291)	$ (373)	$ (183,763)		
Strategic Initiative Fund (107)					
Revenue	$ 2,400,000	$ -	$ 2,400,000	$ -	100%
Expenditures	$ 691,000	$ 33,597	$ 40,832	$ 650,168	0%
Rev/Exp	$ 1,709,000	$ (33,597)	$ 2,359,168		

Finance — CAPITAL FUNDS

Fiscal Year 2022-2023, Period Ending 03/31/2023

Monthly Financial Report

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Oil & Gas Lease Fund (12)					
Revenue	$ 77,000	$ 30,544	$ 269,875	$ (192,875)	350%
Expenditures	$ 95,000	$ -	$ 1,100	$ 93,900	1%
Rev/Exp*	$ (18,000)	$ 30,544	$ 268,775		
Capital Projects Fund (20)					
Revenue-Transfers In	$ 1,288,311	$ 38,679	$ 38,679	$ 1,249,632	3%
Expenditures					
Capital Projects	$ 1,367,335	$ 106,594	$ 299,708	$ 1,067,627	22%
Capital-Lease Pymts	$ 158,311	$ -	$ 138,711	$ 19,600	88%
Total Expenditures	$ 1,525,646	$ 106,594	$ 438,419	$ 1,087,227	29%
Rev/Exp	$ (237,335)	$ (67,915)	$ (399,740)		
Road and Street Fund (25)					
Revenue					
Sales Tax	$ 1,767,081	$ 166,200	$ 553,025	$ 1,214,056	31%
Total Revenue	$ 1,767,081	$ 166,200	$ 553,025	$ 1,214,056	31%
Expenditures					
Street R&M	$ 2,929,388	$ 205,357	$ 738,724	$ 2,190,664	25%
Total Expenditures	$ 2,929,388	$ 205,357	$ 738,724	$ 2,190,664	25%
Rev/Exp*	$ (1,162,307)	$ (39,157)	$ (185,699)		
Vehicle Replace. Fund (30)					
Revenue					
Misc. Income	$ 279,950	$ -	$ 202,588	$ 77,362	72%
Expenditures					
Capital-Lease Expense	$ 244,240	$ 42,324	$ 119,627	$ 124,613	49%
Capital- Purchases	$ 25,000	$ (2,906)	$ (1,762)	$ 26,762	-7%
Lease - Upfront costs	$ -	$ 6,470	$ 92,592	$ (92,592)	100%
Operational	$ 20,000	$ 2,887	$ 15,740	$ 4,260	79%
Total Expenditures	$ 289,240	$ 48,776	$ 226,196	$ 63,044	78%
Rev/Exp*	$ (9,290)	$ (48,776)	$ (23,609)		
ARPA Fund (101)					
Revenue-Transfers In/Interest	$ 1,768,541	$ 6,940	$ 63,502	$ 1,705,039	4%
Expenditures					
Project Appropriations	$ 1,671,768	$ 9,162	$ 51,118	$ 1,620,650	3%
Transfers out-Prem. Pay	$ 96,773	$ -	$ -	$ 96,773	0%
Total Expenditures	$ 1,768,541	$ 9,162	$ 51,118	$ 1,717,423	3%
Rev/Exp	$ -	$ (2,222)	$ 12,384		

**Any overages in these funds are covered by fund balance.*

Finance

DEBT SERVICE FUND

Fiscal Year 2022-2023, Period Ending 03/31/2023

Monthly Financial Report

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Debt Service Fund (10)					
Revenue					
Property Taxes	$ 1,001,117	$ 23,330	$ 965,257	$ 35,860	96%
Expenditures					
Debt Service	$ 948,844	$ -	$ 230,982	$ 717,862	24%
Rev/Exp	$ 52,273	$ 23,330	$ 734,274		

COMPONENT UNIT

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Richland Hills EDC (26)					
Revenue					
Sales Tax	$ 1,178,054	$ 110,800	$ 368,683	$ 809,371	31%
Total Revenues	$ 1,178,054	$ 110,800	$ 368,683	$ 809,371	31%
Expenses					
Operating	$ 1,347,868	$ 11,632	$ 58,460	$ 1,289,408	4%
Transfers Out	$ -	$ -	$ -	$ -	0%
Debt Service	$ 228,663	$ -	$ 44,331	$ 184,332	19%
Total Expenditures	$ 1,576,531	$ 11,632	$ 102,791	$ 1,473,740	7%
Rev/Exp*	$ (398,477)	$ 99,168	$ 265,892		

**Any overages in these funds are covered by fund balance.*

DRAINAGE

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Drainage Fund (022)					
Revenue					
Billing/Interest	$ 909,458	$ 75,812	$ 454,707	$ 454,751	50%
				$ -	
Expenses				$ -	
Operating	$ 446,274	$ 33,331	$ 128,188	$ 318,086	29%
Debt Service	$ 483,439	$ -	$ 48,919	$ 434,519	10%
Total Fund	$ 929,713	$ 33,331	$ 177,108	$ 752,605	19%
Rev/Exp*	$ (20,255)	$ 42,481	$ 277,600		

**Any overages in these funds are covered by fund balance.*

Fire

Fire Operations:

- Personnel completed ***20*** business inspections throughout the month.
- Members completed a combined ***323*** hours of training this month.
- Staff participated in **3** development related meetings during the month of March.
- The mutual aid agreement with Medstar Ambulance resulted in **16** calls during March.
- Response times for March averaged **5 minutes 21 seconds** from receipt of call in dispatch to the first fire unit arriving on scene to assist.
- More than **32.69%** of emergency calls in March were received while our crews were already addressing another emergency in the city.
- FF/PM Lainea Nolen completed her Associate degree in EMS Administration at Weatherford College.
- Engineer Michael Stephens obtained his Fire Inspector certification from the Texas Commission on Fire Protection.
- FF/EMT Tony Dryer is finishing his last semester of paramedic school and he should graduate in May 2023.
- FM Brock has begun his PD field training process and will be out of the FD April 17th.
- Smoke alarms continue to be available to those who need them. There is no cost and FD personnel will install them. No smoke detectors were installed in March.
- Vial of Life emergency medical information pouches are available at the fire station and Library.
- Medication disposal pouches are also available at the fire station. The box is mounted on the wall in the lobby of the new fire station. Please help yourself.
- Flushing and flow testing of all fire hydrants will begin in April.
- Calls in March 2023 were **10.1%** less than calls in March 2022.
- Mutual aid received from other agencies was 10% more compared to March 2022. Mutual aid given was down **20.5%** compared to March 2022.

Emergency Management:

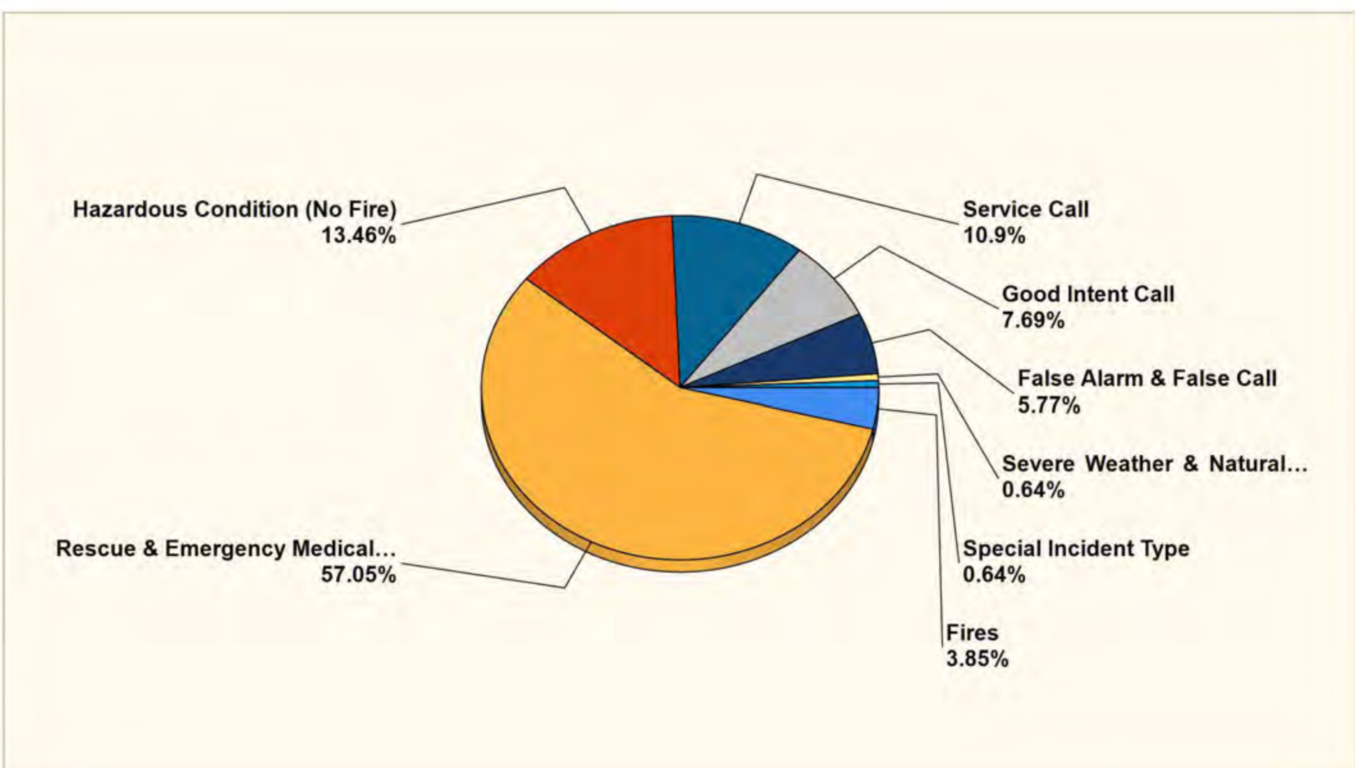
- Plans are underway for a more extensive exercise that will be conducted in October 2023.

- Additional needed supplies and equipment will be purchased in the new budget year.

Major Incident Type Data

	Service Calls – Through March 31, 2023		
	Current Month	**March 2022**	**FY2023 Total**
Fire Calls	6	9	**37**
EMS/Major Accidents/ Rescues	89	113	**595**
Hazardous Conditions – No Fire	21	5	**51**
Public Assistance	17	17	**90**
Good Intent (No Service Rendered)	12	22	**89**
False Alarm	9	7	**53**
Severe Weather & Natural Disaster	2	0	**4**
Total Calls	**156**	**173**	**919**
	Automatic / Mutual Aid		
	Current Month	**March 2022**	**YTD Total**
Aid Received	21	19	**107**
Aid Given	35	44	**184**

Major Incident Type Chart



Fire Marshal:

CO Inspections: 3

Fire Alarm Inspection: 0

Fire Sprinkler Inspection: 0

School Inspections: 0

Church Fire Inspections: 0

Nursing Home Inspections: 0

Shift Inspections: 20

Plan Reviews: 1

Code Consults: 0

Business Info Updates: updating business and contact info and forwarding to NRHW Alarm; updating Knox Box keys and locks as needed.

DRC Meetings: 1

P&Z Meeting: N/A

Tarrant Co. Emergency Mgmt. Meeting: N/A

NEFDA Haz-Mat Meeting: All personnel attended a Haz-Mat Drill in Grapevine, individual departments updating operations checklists

TCFAI Meeting: opportunity for classes through TCSO and Arson Task Force, TCFP to hold Fire Marshal certification 2023

Building Walkthroughs: N/A

Emergency Mgmt.: Looking at TDEM for available classes and grant resources/procedures

Training: working through new officer orientation program at RHPD

Investigations: 1

Other: Working with several businesses regarding indoor storage of motor vehicles in un-sprinklered buildings.

RICHLAND HILLS PUBLIC LIBRARY

MARCH • 2023

IMPACT

We had another big month for programs in March including tours of the library by 4 groups of students from Academy at Carrie F. Thomas Elementary School. We also hosted a Spring Break Scavenger Hunt, Arts & Crafts Night, and Storytime.

For adults, we had Tax Help, Literary Club and Mayor Pro Tem Curtis Burgthold visited during our Senior Social Time.

KEY FACTS (LAST YEAR)

- 1137 Visitors (1280)
- 533 Program Attendance (453)
- 22 Programs & Events (17)
- 2283 Total Items Checked Out (3531)
- Questions Answered (1229)
- 14 Posters printed for other City Departments (6)
- Computer usage not currently available due to software updates

City Marshal Activity Report
Month of MARCH 2023

Department Narrative of Significant Actions, Results, and Pending items:

	Current Month # Cleared	Current Month $ Amt Cleared	YTD Number	YTD Dollar Amount
Warrant Service by Marshal in office				
Turned self in	18	$ 7,074.40	32	$ 13,304.40
Attorney bonds	10	$ 4,892.60	23	$ 10,594.50
Returned for Officer correction	0	$ -	7	$ 3,328.80
Unable to locate - bad info	1	$ 275.00	22	$ 7,488.50
Paid/payment plan	20	$ 8,603.80	79	$ 35,503.30
Deceased	9	$ 4,040.70	9	$ 4,040.70
Cleared-Found Incarcerated	9	$ 3,371.00	26	$ 10,267.00
Warrant Service by Marshal in field				
Arrests - transfer to jail	6	$ 2,527.00	20	$ 7,693.10
Payment plan rather than jailed	9	$ 3,155.00	10	$ 3,786.00
Attorney bonds rather than jailed	0	$ -	0	$ -
Paid rather than jailed	7	$ 2,233.67	27	$ 11,572.12
Warrant Service - Other				
Time Served	86	$ 32,950.60	325	$ 119,349.40
Arrested by other agencies	53	$ 21,864.70	300	$ 116,089.90
Paid by defendant	6	$ 3,170.36	14	$ 5,536.19
Released due to medical reasons	3	$ 1,118.20	5	$ 2,195.00
Attorney bonds	0	$ -	3	$ 1,525.03
Prisoner Transfers				
Number of defendants transferred	2	$ 2,044.00	13	10827
Total hours spent on transfers	3.5	$ -	18	
Total miles driven on transfers	135	$ -	406	
Teletype - time serve/plea/court date	13	$ 5,199.40	109	$ 42,385.10
Other Duties				
Bank detail	15		69	
Traffic stops	0	0	0	0
Insurance verifications	7		53	
Vehicles inspected	1		1	
Bailiff hours	8		31.5	
Training	0		0	
Serve summons - School	1		8	
Serve summons - Animal Control	0		4	
Serve summons - Code Enforcement	0		2	
Serve summons - Police	0		4	
Officer corrections on citations	8		49	
Returned FTA notices	39		140	

Municipal Court

Department Narrative of Significant Actions, Results, and Pending Items:

None at this time.

Citation Summary		
	Current Month	**YTD Total**
Violations Filed	343	1387
Completed Cases– Paid Fine & Before Judge	218	758
Other Completed - Dismissed deferred, DSC, proof, compliance, by Judge or Prosecutor, plea & bar, void	43	424
Number of Warrants Issued	149	888
Number of Warrants Cleared	147	999
Number of Outstanding Warrants	123	810
Value of Outstanding Warrants	$45,439.00	$384,324.43
Total Fees Collected	$53,081.74	$206,636.40

Parks and Recreation Director's Report

March 2023

Budget Analysis

The Fiscal Year revenue for The Link is currently more than $32,000 better than the projected running total for October through March. Memberships are starting to grow as anticipated. With rentals and childcare continuing to be healthy revenue streams. Additionally, expenditures have been controlled by staff.

Even though The Link will be paying for some repairs (Room A interior door, A/V system) and replacing some ancillary fitness equipment soon, the budget is in good shape as summer approaches.

Project/Program Updates

- **Memberships: $6,490.54** Membership revenues are the highest they have been since prior to COVID (March 2019). Some of that is due to the small increases in monthly rates, but staff also attributes the increase to new programs and marketing. With 72 sales and 22 terminations, the new count is 309 memberships at The Link. Scans increased this month to 1,909 with 336 different users.
    - Medicare programs brought in **$2,569.50** in additional monthly fees from 137 active members.

- **Camp Connect and Link Learner's Academy (LLA): $13,585.00** The afterschool program has 75 paid kids across the two campuses (The Link and Binion Elementary). At this point, staff is not pursuing an on-site campus at Cheney Hills. Instead, staff is preparing to work with Mullendore administration to market The Link to those families that will ultimately be at the Richland Elementary campus next school year.

  In addition to the afterschool program, The Link hosted Spring Break Camp with 27 and March 20 with school being out. We had a total of 1 2students on that day.

- **Programs:** Staff is continuing to work on bringing in more instructors with more classes. The goal is to have a wide variety of art, educational, and physical or athletic classes hosted at The Link.
    - **Classes:** Current classes
        - Karate – 4
        - Belly Dancing – 4

    - **Athletics:** The athletics at The Link includes free-play pickleball, volleyball, and basketball opportunities in the gymnasium. These options are open to members for free and the general public for a fee.
        - Pickleball Lessons – 4
        - Pickleball players –70
        - Volleyball players – 30

- **Special Events:** No events were hosted in January. However, staff is discussing the city-wide Easter Celebration and newly designed Clean, Green, and Lean events that will be held in April.

- **Community Programs:** The Link, while designed to generate revenue, tries to find a balance with community programs that anyone can join.
  - Lunch Bunch – Chicken Express and sides were served and 89 attended. 66 seniors stayed and played bingo for prizes.
  - Tarrant Area Food Bank – in association with Center Point Church – 85 families were served.
  - Second Saturday Seminars – March's program was led by the Fire Department. Two of our firefighters lead the discussion on what programs and assistance the department offers free to the community. 3 people came to the presentation.
  - Story Time – Offered in partnership with the Library, attendance has been very small. We are considering trying a morning time, instead of the afternoon. We are anticipating there being a sharp rise once the indoor playground is opened.

- **Senior Programs:** 14 seniors joined staff for a trip to the Texas Motor Speedway on March 1. The second trip of the month was to the Dallas Arboretum on March 22 with 13 attendees.

- **Parks:** Creek Trail Park updates are still being worked on. Kate Baker designs are moving forward. Staff is working with Romtec on the city's options and potential fees.

- **Landscaping:** Yellowstone has agreed to complete this year's season and has signed an extension of the contract. Staff will be offering a RFP open to all companies for the upcoming fiscal year.

- **ROWs and Medians**: TxDOT is still finalizing the vendor for the 2023 Green Ribbon project. The AFA will be presented to council in May for approval.

- **Rentals: $14,676.42** The Link hosted 55 rentals this month, including 2 city events.

Valuable Information:

- The indoor playground – Construction has been pushed back to later in the spring.
- Esports – Staff is working on scheduling a kick-off function in April at the Clean, Green and Lean.

Link Revenue	March 2021	March 2022	March 2023	Fiscal Year 22-23 YTD
Classes	$381.50	$358.75	$336.50	$3,566.37
Link Membership	$4,762.58	$5,677.25	$6,490.54	$35,744.57
One Day Passes	$247.00	$262.00	$284.00	$1,767.00
Fitness Classes	$349.55	$275.19	$264.55	$1,293.32
Personal Training	$0	$2,145.29	$229.38	$3,346.65
Athletics	$1,635.75	$2,948.00	$1,548.50	$13,890.24
Camps	$2,166.50	$3,548.25	$4,205.50	$11,519.00
After School	$7,377.32	$9,757.44	$11,980.20	$68,250.00
Rentals	$6,999.00	$16,046.04	$14,676.42	$83,718.42
Medicare Membership	$1,108.00	$1,614.00	$2,569.50	$11,547.00
	$25,027.20	**$42,632.21**	**$42,585.09**	**$234,642.57**

Police

- Captain Scott Russell is currently at the Institute for Law Enforcement Administration (ILEA) attending the 60th School of Executive Leadership designed to prepare senior-level law enforcement managers to prepare for leadership in the complex world of public executives. He will graduate on April 28th.
- Officer Agan, Officer Brock (Fire Marshall), Officer Thomson and Officer Tunson were sworn in on March 8, 2023.
- Lieutenant Christian Gaytan, supervisor of the Criminal Investigation Unit, attended the Regional Organized Crime Information Center Conference (ROCIC) in Nashville Tennessee the conference focus was on terror and war on drugs, digital forensic, gun crimes and more. This organization provides many resources to our agency relating to investigations.

Service Calls

	Current Month	YTD Total
Total Calls for Service (CFS)	1867	5007
Calls for Service	395	1138
Field Generated CFS	1472	3869
Proactive Policing (Included in Field Generated		
Traffic Stops-Spillman	385	900
Violations issued	259	630
Warnings issued	363	809
Traffic stops resulting in an arrest	33	77
Crime Prevention CFS	257	795
Business Checks CFS	463	1303
Arrests	64	169
Family Violence-included above	4	12
DWI Arrests–included above	9	19
Priority-1 Total Response Time	4:08	
Priority-1 Officer Response Time	2:46	

NOTES:

On 3/27/2023, Officers responded to the 2800 block of Dogwood Park regarding a disturbance. Upon arrival and after a lengthy investigation it was determined individuals were possibly involved in human trafficking. RHPD has partnered with the Tarrant County Sheriff's Office Human Trafficking Unit and the Department of Homeland Security to assist with this investigation. Welfare and relocation services were offered and coordinate with a local non-profit organization designed to assist victims of human trafficking.

Part 1 Offenses

	Current Month	YTD Total
Total Violent Crime Offenses	14	46
Murder	0	1
Rape	1	6
Robbery	0	0

Aggravated Assault	4	13
Simple Assault	9	26
Total Property Crime Offenses	21	47
Burglary	5	14
Business	1	10
Residential	4	4
Larceny	9	22
Burglary of Motor Vehicle	5	9
Auto Theft	3	4
Part -1 Offenses Cleared		
Clearance Rate %	22.86%	33.33%
Stolen Property Reported	$69,205	$165,897
Stolen Property Recovered	$39,000	$39,200

NOTES:

- No specific trends have been identified related to the increase of auto thefts. Our increase is comparable and less than most surrounding municipalities. The vehicle doors were left unlocked on all 3 incidents and on one incident the vehicle keys were inside the stolen vehicle.
- Increase of daytime residential burglaries occurred this month. There is currently no patterns or trends associated with the offenses. CIU is mapping residential burglaries to identify similarities and/or trends. Patrol has increased patrols in residential areas resulting in more officer generated investigations.

Traffic Accidents

	Current Month	YTD Total
Crash Reports	15	36
Accidents-Major	6	11
Accidents-Minor	15	41
Alcohol/Drug Impairment	1	2

NOTES:

Minor accidents increased this month primarily in CSA 1

Records

	Current Month	YTD Total
Sex Offender Registrations	3	4
Open Records Requests	60	182

Property & Evidence

	Current Month	YTD Total
Pieces of Property Received	129	386
Items Taken to Lab for Narcotics Testing	6	28
Items Taken to Lab for Blood Alcohol Content	12	14
Crime Scene Call Outs - Richland Hills Police	1	6
Crime Scene Call Outs - Haltom City Police	0	0

Criminal Investigations

	Current Month	YTD Total
New Assigned Cases	125	351

Current Open Cases	91	
Total Warrants Issued	7	23
Misdemeanor Arrest Warrant	3	8
Felony Arrest Warrant	2	8
Search Warrant	2	7
Charges Filed with TCDA	28	104
New Emergency Protective Orders	2	7

NOTES:

Animal Services

- Vax Shack Surgeries provided over 40 spay and neuters on March 23,2023.
- Shot Clinic provided approximately 80 Immunizations to area pets.
- Free adoptions remain ongoing to assist in the over-crowding of pets at the shelter

Service Calls		
	Current Month	**YTD Total**
Total Dispatched Calls	57	106
Impounds		
	Current Month	**YTD Total**
DOGS	16	38
CATS	16	28
OTHER THAN DOGS/CATS	0	0
TOTAL	32	76
Incidents by Type		
	Current Month	**YTD Total**
ANIMALS AT LARGE	21	45
AGGRESSIVE ANIMAL	1	1
ANIMAL COMPLAINTS	19	42
INJURED ANIMALS	9	11
TOTAL	50	99

NOTES:

Bite Reports		
	Current Month	**YTD Total**
ANIMAL BITES	1	1
SHELTER QUARANTINE	0	0
HOME QUARANTINE	1	1
SUBMISSION TO AUSTIN	0	0
UNABLE TO LOCATE	0	0

NOTES:

Veterinarian was poked by dog’s canine tooth while cleaning its teeth. Was not an actual bite.

Disposition of Animals out of the Shelter		
	Current Month	**YTD Total**
DOGS ADOPTED	15	30
CATS ADOPTED	11	30
RETURNED TO OWNER/YARD	6	12
TRANSFERRED/RESCUED	0	0
EUTHANIZED	3	4

City License Issued		
	Current Month	**YTD Total**
ISSUED	15	45

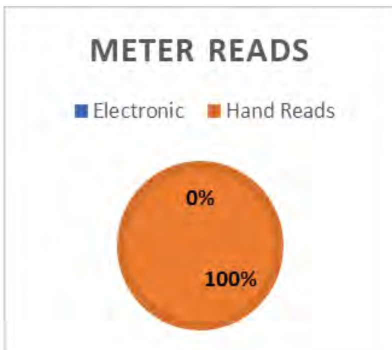
Citations/Violations Issued		
	Current Month	**YTD Total**
CITATIONS ISSUED	0	0
WARNIGNS ISSUED	1	4

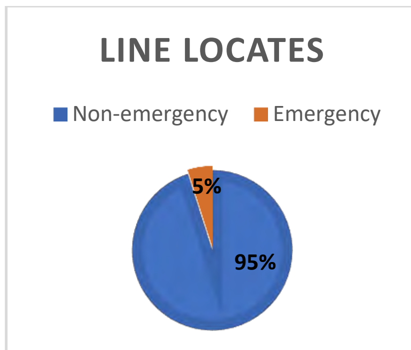
Public Works

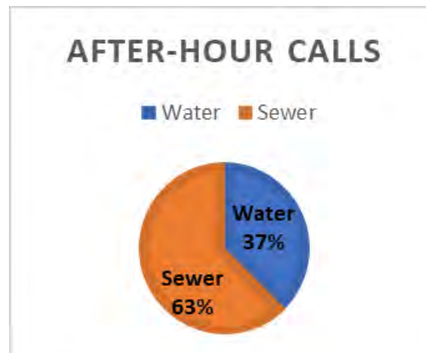
Public Works – Work Orders

TOTAL WORKORDERS: 330

	STREETS		WATER		SEWER
Potholes	**102**	**Water Line Break**	0	**Sewer Line Break**	**0**
Street Patch	0	Water Line Repair	3	Sewer Line Repair	0
Debris Removal/Mowing	5	Meter Leak/Repair	23	Household Back-up	4
Sign Repair/Install	21	After Hour Calls	3	Drainage	2
Manhole Repairs	1	Other (Water pressure, odor, etc.)	10	After Hour Calls	5
After Hour Calls	3			Other (Odor, etc.)	3
Other (Mosquito Testing, Inspections)	3				







Utilities – Work Orders

TOTAL WORKORDERS: 384

	SERVICES		GENERAL
Meter Turn On	1	Possible Leak	58
Service Shut Off	0	Meter Repairs/Replacement	11
Final Reads	46	Re-Read Meter	87
Service Starts	41	No Reads	122
Other (Low Consumption, Meter Tests, etc.)	18		

Operational Updates

- 5750’ of sewer line cleaned.
- 62 man-hours spent reading wells and water sampling.
- 24 man-hours spent conducting NAP Testing.
- Approximately 660 man-hours spent reading water meters.
- Approximately 200 electronic meters have been changed out.
- The process to replace multiple street signs began.
- Street sweeping scheduled to begin in April. Budget allowed for 80 hours of sweeping time.
- Staff began work to update the Richland Hills Water Conservation Plan.
- Repaint of pedestrian cross-walks began.

- Staff assisted the City of Fort Worth in repair of sewer main on Sue and Faye.
- Fort Worth conducted Sampling of the East Lift Station for TBODs and TSS.
- Seasonal mowing has begun.
-

Staff Update

- Justin Meine successfully obtained his TCEQ Customer Service Inspector License.
- Kelly Morris successfully obtained his TCEQ Customer Service Inspector License.
- Pedro Rodriguez attended Water Utility Safety training.
- The 2nd round of new applicants was interviewed for the Public Works Director position.
- Internal training continues with new hires.