

CITY COUNCIL MEETING WILL BEGIN AT 6:30 PM

**NOTICE OF REGULAR MEETING
TOWN OF RANSOM CANYON
CITY COUNCIL AGENDA
TUESDAY, OCTOBER 12, 2021**

Jana Trew, Mayor

Val Meixner, Alderwoman
Ron McWilliams, Alderman
Terry Waldren, Alderman

Brandt Underwood, Mayor Pro Tem
Ingram Rich, Alderman
Elena Quintanilla, City Administrator

Notice is hereby given that the regular meeting for the governing body of the Town of Ransom Canyon is called for 6:30 p.m. on Tuesday, October 12, 2021 and will be held at City Hall located at 24 Lee Kitchens Drive in Ransom Canyon, Texas and also via telephone/video conference call with each staff member or City Council member present at City Hall or their remote locations. The City Council agenda and packet are posted online at <https://www.ci.ransom-canyon.tx.us>. The following are instructions on how to access the meeting via telephonic or video conference call:

Please join my meeting from your computer, tablet or smartphone.

https://urldefense.proofpoint.com/v2/url?u=https-3A_global.gotomeeting.com_join_858916917&d=DwlFAg&c=euGZstcaTDllvimEN8b7jXrwqOf-v5A_CdpGnVfiiMM&r=GbPjNov1NlwCICoT6upRpBhv0gBXu8YoIA-1eU1Kzm0mpsJ-ZsANBO2nasZ3BHEi&m=jJwdFoOLS4djYrxZ7tJg7xqmWyxVtkH5-q8lzEN0H50&s=DAXbo-zJV4q4-wmyehEA6tpJU-L_uBAfXk9920Caz98&e=

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1. CALL TO ORDER/PRAYER/PLEDGES AT 6:30 P.M.
2. CITIZEN COMMENTS AND PROPERTY OWNER'S ASSOCIATION REPORT - **In accordance with law, no Council *discussion or action* is to be taken until such matter is placed on the Agenda.** Citizens shall be allowed to speak on any matter other than personnel matters, matters under litigation or matters concerning the purchase, exchange, lease or value of real property
3. ACTION ITEM: APPROVE MINUTES OF:
 - a. Regular Meeting on September 14, 2021
4. ACTION ITEM: APPROVE FINANCIALS
 - a. Financial Reports
 - b. September 2021 Claims & Demands
 - c. Financial Investment Report
5. ACTION ITEM: CONSIDER AND ACT UPON Resolution 10-12-21 to add two new signatories, Val Meixner and Ingram Rich, to the Happy State Bank accounts and remove Mike Greer as a signer to the account.
6. ACTION ITEM: CONSIDER AND ACT UPON an agreement with Pavement Restoration in the amount of \$20,087.05 for asphalt rejuvenation and surface maintenance of 17,467 square yards of streets for the Town of Ransom Canyon.
7. ACTION ITEM: CONSIDER AND ACT UPON an Interlocal Agreement Between Lubbock, County, Texas and the Town of Ransom Canyon Volunteer Fire Department in the amount of \$55,754.00 for fire suppression and rescue services.
 - A. BUILDING REVIEW COMMITTEE REPORT: The Building Review Committee did not meet in the month of September.
 - B. DEPARTMENT REPORTS:
 - a. Administration: Elena Quintanilla
 - City Administrator Schedule of Events
 - American Recovery Act Funding Update
 - Update on 5-Acre Land Purchase
 - Process for Closeout of Books/Audit
 - b. Court: Elena Quintanilla
 - Report on Pending Municipal Court Cases
 - Report on New Municipal Court Cases
 - c. Operations: Cory Needham
 - Mosquito Prevention and Ground Spraying Report

- Elevated Water Tower Timeline
- Update on Change Order for Ground Storage Tank
- Sewer Plant Update
- Citizen Collection Station Update
- d. Police: James Hill
 - Report of Citations and Warnings
 - Police Continuing Education
 - Garage Sale Traffic
 - Halloween Day Patrol
- e. Fire: Rand McPherson
 - EMS Calls
 - Fire Calls
- f. Library: Angie Fikes
 - Kurtz Critters
 - Halloween Activities
 - Teen Potions and Spells

8. ADJOURN

Executive Session Disclosure Statement: The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices and 551.087 (Economic Development).

If any accommodations for a disability are required, please notify the City Administrator's office at 806-829-2470 at least two (2) working days prior to the date of the meeting. The building has handicap parking areas and is wheelchair accessible at the front entrance to the building.

All items listed on this agenda are eligible for both discussion and action unless expressly limited.

CERTIFICATION

DATED THIS THE 4th DAY OF October, 2021

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of Ransom Canyon, Texas is a true and correct copy of said notice that has been posted in the display case at the City Hall of Ransom Canyon, Texas, a place convenient and readily accessible to the general public at all times, and said notice was posted on or before October 4, 2021 by 4:00 PM and remained so posted continuously for at least 72 hours preceding the scheduled time of such meeting.

Elena Quintanilla, City Secretary

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the front doors of City Hall on _____ day of _____, 2021.

Elena Quintanilla, City Secretary

AGENDA ITEM #:3

APPROVAL OF

MINUTES

Regular Meeting on

September 14, 2021

Ransom Canyon City Council Meeting Minutes
Regular Meeting – September 14, 2021
Ransom Canyon City Hall, 24 Lee Kitchens Drive

1. Call to Order/Pledges/Prayer

The regular meeting was called to order at 6:30 p.m. by Mayor Jana Trew. The City Council met in person at City Hall, 24 Lee Kitchens Drive, Ransom Canyon, Texas 79366. The following City Council members physically attended the meeting: Mayor Jana Trew, Mayor Pro Tem Brandt Underwood, Councilmen Dr. Terry Waldren, Ron McWilliams, and Councilwoman Val Meixner. Staff members attending the meeting included City Administrator, Elena Quintanilla; Chief of Police, James Hill; Operations Assistant Manager, Cory Needham; Fire Chief, Rand McPherson; City Attorney, Garrett Ferguson, and City Engineer, Leonard Nail. See the attached sign-in sheet for guests in attendance. The prayer was said by Mayor Pro Tem Brandt Underwood, followed by the pledges to the United States and State of Texas.

2. Property Owner's Association (POA) Report and Citizen Comments

The Property Owner's Association Taste of Canyon is postponed for a later date.

3. Appointment to City Council for An Alderman At-Large to Fill Unexpired Term

City Council made a motion to appoint Ingram Rich as an Alderman At-Large to fill the unexpired term of Councilman Mike Greer on a motion made by Mayor Pro Tem Brandt Underwood, seconded by Councilwoman Val Meixner; motion carried three to one, with Councilman Ron McWilliams voting nay.

4. Approval of Minutes

The minutes of the special meeting on August 10, 2021 were approved on a motion made by Councilman Ron McWilliams, seconded by Councilwoman Val Meixner; motion carried unanimously.

5. Financials

The financial reports and the August 2021 claims and demands were approved on a motion made by Councilman Dr. Terry Waldren, seconded by Mayor Pro Tem Brandt Underwood; motion carried unanimously.

6. Variance for the Placement of a Set Back of a Storage Shed

The City Council approved a variance for the placement and set back of a 10X12 storage shed at 1 East Lakeshore on a motion made by Councilman Ron

McWilliams, seconded by Mayor Pro Tem Brandt Underwood; motion carried unanimously.

7. Variance of a 35-Foot Setback to Tract K on Johnson Road

Councilman Ron McWilliams made a motion to postpone the variance of a 35-foot setback for a future date; Councilman Dr. Terry Waldren seconded the motion. Motion carried unanimously.

8. Excavation of City Park to Address Drainage

Twin Flames Investments, LLC. addressed the City Council and requested to excavate the city park across from City Hall as part of their drainage plan for the new subdivision. The City Council denied the excavation of the City Park on a motion made by Mayor Pro Tem Brandt Underwood, seconded by Councilman Dr. Terry Waldren; motion carried unanimously.

9. Public Hearing on the 2021-2022 Budget

There were no comments from residents regarding the proposed 2021-2022 fiscal year budget except for a question from Dr. Denton Collins regarding the house bill proposed by Representative Dustin Burrows which would affect Lease Purchase Agreements as a financial tool to purchase a fire truck. Elena Quintanilla provided an overview of the proposed 2021-2022 Budget.

10. Ordinance No. 21-00200 Adopting the 2021-2022 Fiscal Year Budget

The City Council voted on Ordinance No. 21-00200 to adopt the 2021-2022 Fiscal Year Budget on a motion made by Councilman Ron McWilliams, seconded by Councilwoman Val Meixiner; motion carried unanimously.

11. Ordinance No. 21-00210 To Adopt the Property Tax Rate for 2021

The City Council voted to adopt a tax rate of \$.610091 per \$100.00 of taxable value with a Maintenance and Operations Rate of \$.54993 per \$100.00 taxable value and Debt Rate of \$.060161 per \$100.00 taxable value on a motion made by Mayor Pro Tem Brandt Underwood, seconded by Councilman Dr. Terry Waldren; motion carried unanimously.

12. Ordinance No. 081021 Entitled Vehicle Removal

The City Council approved Ordinance No. 081021 entitled "Vehicle Removal Ordinance to provide for administration and enforcement on the city recreational vehicle lot. Motion carried three to two, with Mayor Pro Tem Brandt Underwood and Councilman Dr. Terry Waldren voting nay.

13. Resolution No. R21-00914 Designation of Official Newspaper
The City Council approved Resolution No. R21-00914 designating "The Slatonite" as the official newspaper for the 2021-2022 fiscal year on a motion made by Councilman Dr. Terry Waldren, seconded by Mayor Pro Tem Brandt Underwood; motion carried unanimously.
14. Independent Contractor Agreement for Librarian Services for FY 2021-22
The City Council authorized the Mayor to execute a contract with Angie Fikes to provide librarian services for fiscal year 2021-2022 on a motion made by Mayor Pro Tem Brandt Underwood, seconded by Councilman Dr. Terry Waldren; motion carried unanimously.
15. Engagement Letter with Terry and King, CPA Auditors
The City Council approved an engagement letter with Terry and King, CPA Auditors, to conduct audit services for fiscal year 2021-2022 and authorized the City Administrator to execute said letter on a motion made by Councilman Dr. Terry Waldren, seconded by Mayor Pro Tem Brandt Underwood; motion carried unanimously.
16. Agreement with Terry Crofoot to Purchase Land
The City Council approved an agreement with Terry Crofoot to purchase land in the amount of \$25,000 for expansion of the sewer plant on a motion made by Councilman Dr. Terry Waldren, seconded by Mayor Pro Tem Brandt Underwood; motion carried unanimously.
17. Resolution No. 091421 to Approved Negotiated Settlement by Atmos West Texas
The City Council approved Resolution No. 0914221 to approve a negotiated settlement between the Executive Committee of Cities served by Atmos West Texas and Atmos Energy Corp., regarding the Company's 2021 Rate Review Mechanism on a motion made by Councilman Dr. Terry Waldren, seconded by Mayor Pro Tem Brandt Underwood; motion carried unanimously.

B. BUILDING REVIEW COMMITTEE REPORT: The Building Review Committee met on Monday, August 9, 2021 and approved new construction at 29 Sunrise Lane and construction of a 40 X 50 metal building at 12 Cottonwood. The Committee met again on August 16, 2021 upon receiving new information regarding deed restrictions for the new construction at 29 Sunrise Lane. The committee also reviewed plans for new construction at 3 Foothill and approved both plans.

C. Department Reports

Administration: Elena Quintanilla reported the following:

- She discussed her schedule of events for the week.
- She mentioned that the cities of Tahoka and Big Spring are joining the Aerial Mosquito Spraying Coalition and that South Plains Association of Governments (SPAG) is applying for a grant to support the costs of the Coalition through the Economic Development Administration.
- She mentioned that the City will be receiving approximately \$278,000 of American Recovery Act funds.
- The land purchase with Terry Crofoot should be scheduled for a closing in October.
- She explained the process for closeout and auditing the books which will take place within the next three months.
- The Texas Water Development Board will be issuing their first payment this month.

Municipal Court: Elena Quintanilla reported the following:

- There are approximately four pending cases from the old docket prior to Judge Jan Mathews assuming the docket.
- There are four new cases added to the docket this month.

Operations: Cory Needham reported the following:

- The Citizen Collection Station will need another minor repair which should be addressed this week and the cards to access the citizen collection station were mailed to residents.
- Staff has continued with mosquito prevention through larvicide applications in the Town and Cory will provide additional information to City Council regarding the effectiveness of aerial mosquito spraying.

Police: James Hill reported the following:

- Police issued five (5) citations and they issued nineteen (19) verbal traffic warnings.
- The Police Department is fully staffed with four full-time officers.
- One Officer will be getting his Intermediate License and taking another class at the end of the month and Lt. Charles Jensen is pursuing his Bachelor's degree from Sam Houston.
- There were no major problems on Labor Day.

Fire: Rand McPherson reported the following:

- There were five (5) EMS calls and zero (0) fire calls this month.
- The EMT Basic Training is still in progress.

Library: Elena Quintanilla reported the following:

- The Library held their Back to School Bash.
- The Puzzles were a success.

18. Executive Session

The City Council entered into a closed session at 7:39 p.m. in accordance with Section 551.071 (Consultation with Attorney).

19. Return to Open Session

The City Council returned back into open session at 8:21 p.m.

20. Adjournment

The City Council adjourned the meeting at 8:21 p.m. on a motion made by Mayor Pro Tem Brandt Underwood, seconded by Councilman Dr. Terry Waldren; motion carried unanimously.

APPROVED:

Jana Trew, Mayor

ATTEST:

Elena Quintanilla, City Secretary

MEETING SIGN-IN SHEET

Project:	REGULAR MEETING CITY COUNCIL	Meeting Date:	9/14/2021
Facilitator:	Town of Ransom Canyon	Place/Room:	Ransom Canyon City Hall

[illegible]

AGENDA ITEM #4:

APPROVAL OF

FINANCIAL REPORTS

Claims and Demands

for

September, 2021

and Financial

Investment Report

ABOUT THIS QUARTERLY FINANCIAL REPORT

This report has been prepared by the Town of Ransom Canyon's City Administrator. The Quarterly Financial Report is intended to provide our users (internal and external) with information regarding the town's financial position and economic activity. This report includes information for the Quarter ending September 30, 2021.

The Report is presented in the following three sections:

1. The Financial Summary section reports the performance of the major operating funds of the Town. This section also highlights accounts payable transactions.
2. The Quarterly Investment section provides information regarding the current balances in the Town's bank accounts, along with any current debts to be paid.
3. The Southwest Economy Report for the Quarter provides information on the Texas Economy to review the Market Outlook in the State of Texas.

This Quarterly Financial Report is intended to provide our users with timely and relevant financial information regarding the Town of Ransom Canyon.



Elena Quintanilla

City Administrator

24 Lee Kitchens Drive

Ransom Canyon, TX

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND
FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>					
UTILITY REVENUE	903,700.00	386.64	980,083.71 (	76,383.71)	108.45
BUILDING PERMIT REVENUE	5,750.00	2,944.80	21,438.40 (	15,688.40)	372.84
FRANCHISE REVENUE	30,100.00	0.00	42,096.41 (	11,996.41)	139.86
AD VALOREM TAX REVENUE	954,300.00	0.00	951,867.06	2,432.94	99.75
INTEREST REVENUE	18,000.00	0.00	4,235.14	13,764.86	23.53
LIBRARY REVENUE	6,500.00	0.00	8,102.00 (	1,602.00)	124.65
COURT REVENUE	500.00	798.50	4,892.25 (	4,392.25)	978.45
OTHER REVENUE	1,664,500.00	32,758.03	195,703.87	1,468,796.13	11.76
BUDGETED SURPLUS	272,101.00	583.14	112,105.99	159,995.01	41.20
TOTAL REVENUES	3,855,451.00	37,471.11	2,320,524.83	1,534,926.17	60.19
	=====	=====	=====	=====	=====
<u>EXPENDITURE SUMMARY</u>					
CITY COURT	6,878.00	43.95	1,934.22	4,943.78	28.12
ADMINISTRATION	445,735.00	38,612.47	420,648.69	25,086.31	94.37
OPERATIONS	416,352.00	31,462.77	356,121.63	60,230.37	85.53
FIRE DEPARTMENT	58,850.00	15,654.56	93,100.29 (	34,250.29)	158.20
LIBRARY	34,869.00	3,576.66	33,915.08	953.92	97.26
POLICE DEPARTMENT	326,835.00	27,371.39	308,065.07	18,769.93	94.26
SEWER DEPARTMENT	160,128.00	15,250.25	140,853.19	19,274.81	87.96
ROADS AND GROUNDS DEPT	113,161.00	11,369.37	94,740.49	18,420.51	83.72
WATER DEPARTMENT	457,353.00	38,896.77	309,698.72	147,654.28	67.72
PAYROLL DEPARTMENT	0.00	0.00	0.00	0.00	0.00
EMERGENCY OPS CENTER	7,875.00	211.21	2,012.47	5,862.53	25.56
CAPITAL EXPENDITURES	1,710,000.00	341,029.00	546,156.93	1,163,843.07	31.94
BONDS	117,415.00	0.00	171,409.57 (	53,994.57)	145.99
TOTAL EXPENDITURES	3,855,451.00	523,478.40	2,478,656.35	1,376,794.65	64.29
	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0.00 (	486,007.29)	(158,131.52)	158,131.52	0.00

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

01 -GENERAL FUND
REVENUES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>UTILITY REVENUE</u>					
01 WATER REVENUE	600,000.00	234.32	616,953.25	16,953.25	102.83
02 SEWER REVENUE	145,000.00	0.00	211,864.60	66,864.60	146.11
03 GARBAGE REVENUE	145,000.00	0.00	139,944.99	5,055.01	96.51
04 PENALTY REVENUE	4,000.00	620.96	5,485.87	1,485.87	137.15
05 MOSQUITO SPRAY GROUND	0.00	0.00	0.00	0.00	0.00
06 MOSQUITO SPRAY AIR	3,000.00	0.00	3,375.00	375.00	112.50
07 GAS LIGHTS REVENUE	0.00	0.00	0.00	0.00	0.00
08 TURN ON REVENUE	1,200.00	0.00	950.00	250.00	79.17
09 RV REVENUE MONTHLY PAYEES	5,500.00	0.00	1,510.00	3,990.00	27.45
TOTAL UTILITY REVENUE	903,700.00	386.64	980,083.71	76,383.71	108.45
<u>BUILDING PERMIT REVENUE</u>					
10 BUILDING PERMIT REVENUE	5,000.00	1,344.80	15,038.40	10,038.40	300.77
11 TAP CONNECTION REVENUE	750.00	1,600.00	6,400.00	5,650.00	853.33
TOTAL BUILDING PERMIT REVENUE	5,750.00	2,944.80	21,438.40	15,688.40	372.84
<u>FRANCHISE REVENUE</u>					
20 ATMOS FRANCHISE REVENUE	8,000.00	0.00	10,693.05	2,693.05	133.66
21 SPEC FRANCHISE REVENUE	15,000.00	0.00	20,564.01	5,564.01	137.09
22 SOUTH PLAINS TEL FRANCHISE REV	2,000.00	0.00	1,168.75	831.25	58.44
23 SBC FRANCHISE REVENUE	100.00	0.00	42.00	58.00	42.00
24 MISC FRANCHISE REVENUE	100.00	0.00	4,681.54	4,581.54	4,681.54
25 INTERNET REVENUE	4,900.00	0.00	4,947.06	47.06	100.96
TOTAL FRANCHISE REVENUE	30,100.00	0.00	42,096.41	11,996.41	139.86
<u>AD VALOREM TAX REVENUE</u>					
143 DELINQUENT TAX REVENUE	1,200.00	0.00	3,833.95	2,633.95	319.50
144 CURRENT TAX REVENUE	950,000.00	0.00	943,831.21	6,168.79	99.35
145 TAX P&I REVENUE	3,000.00	0.00	3,944.00	944.00	131.47
146 TAX CERTIFICATE REVENUE	100.00	0.00	257.90	157.90	257.90
147 MISC TAX REVENUE	0.00	0.00	0.00	0.00	0.00
148 TAX COLLECTION REVENUE	0.00	0.00	0.00	0.00	0.00
TOTAL AD VALOREM TAX REVENUE	954,300.00	0.00	951,867.06	2,432.94	99.75
<u>INTEREST REVENUE</u>					
155 INTEREST INCOME	18,000.00	0.00	4,235.14	13,764.86	23.53
156 I&S INTEREST EARNED	0.00	0.00	0.00	0.00	0.00
157 CONSTRUCTION INTEREST	0.00	0.00	0.00	0.00	0.00
TOTAL INTEREST REVENUE	18,000.00	0.00	4,235.14	13,764.86	23.53
<u>LIBRARY REVENUE</u>					
165 LIBRARY REVENUE	6,500.00	0.00	8,102.00	1,602.00	124.65
166 CH FOUNDATION GRANT	0.00	0.00	0.00	0.00	0.00
TOTAL LIBRARY REVENUE	6,500.00	0.00	8,102.00	1,602.00	124.65

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

0. GENERAL FUND
REVENUES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>COURT REVENUE</u>					
476 SEIZURE INCOME	0.00	0.00	0.00	0.00	0.00
477 COURT FEES	250.00	518.00	2,043.30 (	1,793.30)	817.32
478 COURT FINES	250.00	280.50	2,848.95 (	2,598.95)	1,139.58
479 COURT TRUST	0.00	0.00	0.00	0.00	0.00
TOTAL COURT REVENUE	500.00	798.50	4,892.25 (	4,392.25)	978.45
<u>OTHER REVENUE</u>					
480 BUFFALO LAKE REVENUE	100,000.00	14,742.17	122,454.59 (	22,454.59)	122.45
481 POA REVENUE	0.00	0.00	0.00	0.00	0.00
482 TEXAS WATER DEVELOPMENT BOARD	1,535,000.00	0.00	0.00	1,535,000.00	0.00
483 CITY SALES TAX REVENUE	13,000.00	0.00	19,476.00 (	6,476.00)	149.82
484 COPS FAST GRANT	0.00	0.00	0.00	0.00	0.00
485 SCHOLARSHIP DONATION REVENUE	0.00	0.00	0.00	0.00	0.00
486 LEOSE TRAINING REVENUE	0.00	0.00	0.00	0.00	0.00
487 BOAT PERMIT REVENUE	1,500.00	0.00	760.00	740.00	50.67
488 RV STORAGE REVENUE ANNUAL PAY	10,000.00	0.00	18,795.35 (	8,795.35)	187.95
489 MISC REVENUE	5,000.00	18,015.86	34,217.93 (	29,217.93)	684.36
TOTAL OTHER REVENUE	1,664,500.00	32,758.03	195,703.87	1,468,796.13	11.76
<u>BUDGETED SURPLUS</u>					
190 OPERATING GEN FUND TRANSF	210,801.00	0.00	0.00	210,801.00	0.00
191 NOTE PROCEEDS - CITIZENS BANK	0.00	0.00	0.00	0.00	0.00
192 INSURANCE RECOVERIES	0.00	0.00	0.00	0.00	0.00
193 LUBBOCK COUNTY FIRE GRANT	10,300.00	0.00	50,324.50 (	40,024.50)	488.59
194 COVID GRANT FUNDS	50,000.00	0.00	56,381.19 (	6,381.19)	112.76
195 CC PROCESSING FEES	1,000.00	583.14	5,400.30 (	4,400.30)	540.03
196 JAG GRANT	0.00	0.00	0.00	0.00	0.00
197 BULLET PROOF VESTS GRANT	0.00	0.00	0.00	0.00	0.00
198 SECO GRANT	0.00	0.00	0.00	0.00	0.00
TOTAL BUDGETED SURPLUS	272,101.00	583.14	112,105.99	159,995.01	41.20
TOTAL REVENUES	3,855,451.00	37,471.11	2,320,524.83	1,534,926.17	60.19

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND
CITY COURT
EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
04-4020	JUDGE CONTRACT	2,678.00	0.00	0.00	2,678.00	0.00
04-4030	COURT OPERATING EXPENSE	1,200.00	43.95	1,934.22 (	734.22)	161.19
04-4040	COURT EDUCATION EXPENSE	3,000.00	0.00	0.00	3,000.00	0.00
TOTAL CITY COURT		6,878.00	43.95	1,934.22	4,943.78	28.12

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND

ADMINISTRATION

EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
05-5000 PAYROLL	264,916.00	23,422.60	269,444.29 (	4,528.29)	101.71
05-5005 PAYROLL SERVICE	0.00	0.00	0.00	0.00	0.00
05-5006 FUEL ALLOWANCE	0.00	0.00	0.00	0.00	0.00
05-5010 AUDIT EXPENSE	15,000.00	0.00	12,250.00	2,750.00	81.67
05-5020 COMPUTER EXP	25,000.00	7,858.93	39,378.76 (	14,378.76)	157.52
05-5030 ELECTION EXP	4,000.00	0.00	2,422.25	1,577.75	60.56
05-5040 XEROX EXPENSE	5,800.00	0.00	4,745.68	1,054.32	81.82
05-5050 PITNEY BOWES EXPENSE	1,394.00	0.00	1,288.70	105.30	92.45
05-5070 GENERAL LIABILITY INSURANCE	943.00	0.00	886.42	56.58	94.00
05-5071 WORKERS COMP INSURANCE	854.00	0.00	531.38	322.62	62.22
05-5075 E&O/REAL & PERSONAL, CRIME IN	4,969.00	0.00	5,135.69 (	166.69)	103.35
05-5080 LEGAL EXPENSE	20,000.00	2,270.06	17,608.42	2,391.58	88.04
05-5081 LEGAL EXPENSE CODIFY CITY ORD	5,000.00	530.00	1,575.00	3,425.00	31.50
05-5090 LCAD EXPENSE	15,459.00	0.00	14,401.00	1,058.00	93.16
05-5100 MEETINGS-EDUCATION EXPENSE	10,000.00	0.00	3,524.98	6,475.02	35.25
05-5101 TML CONFERENCE CITY COUNCIL	8,000.00	0.00	1,225.00	6,775.00	15.31
05-5105 ASSOCIATION DUES EXPENSE	1,700.00	68.00	1,585.00	115.00	93.24
05-5110 ADMIN OFFICE SUPPLIES	8,500.00	380.82	6,922.95	1,577.05	81.45
05-5120 POSTAGE EXPENSE	5,200.00	1,422.97	5,740.91 (	540.91)	110.40
05-5130 PUBLIC RELATIONS EXPENSE	7,000.00	246.80	1,964.54	5,035.46	28.06
05-5140 OFFICE UTILITY EXPENSE	10,500.00	1,640.55	10,133.24	366.76	96.51
05-5150 OFFICE TELEPHONE EXPENSE	12,000.00	741.74	7,083.79	4,916.21	59.03
05-5155 SECURITY SYSTEM	13,000.00	30.00	5,626.93	7,373.07	43.28
05-5160 SCHOLARSHIP GRANT	0.00	0.00	0.00	0.00	0.00
05-5170 MILEAGE REIMBURSEMENT	500.00	0.00	341.96	158.04	68.39
05-5175 CREDIT CARD FEE EXPENSE	6,000.00	0.00	6,831.80 (	831.80)	113.86
05-5180 OTHER USES OF FUNDS	0.00	0.00	0.00	0.00	0.00
05-5300 CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
 TOTAL ADMINISTRATION	 445,735.00	 38,612.47	 420,648.69	 25,086.31	 94.37

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND

PERATIONS

XPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
06-6000 PAYROLL	153,556.00	6,074.72	110,008.36	43,547.64	71.64
06-6010 DUES AND FEES EXPENSE	1,400.00	111.00	1,300.69	99.31	92.91
06-6015 OPERATIONS SCHOOL EXPENSE	12,500.00	397.20	2,059.70	10,440.30	16.48
06-6016 OPERATIONS CELL PHONE	6,000.00	443.80	3,324.15	2,675.85	55.40
06-6020 ENGINEERING EXPENSE	17,000.00	4,871.00	30,159.50	13,159.50	177.41
06-6030 BUILDING INSPECTION EXPENSE	6,000.00	300.00	3,125.00	2,875.00	52.08
06-6040 GARBAGE CONTRACT EXPENSE	120,000.00	7,845.00	128,827.98	8,827.98	107.36
06-6050 GAS AND OIL EXPENSE	13,000.00	2,221.94	16,799.67	3,799.67	129.23
06-6055 MILEAGE REIMBURSEMENT	2,800.00	266.23	2,690.46	109.54	96.09
06-6060 SHOP MATERIALS EXPENSE	2,000.00	132.90	1,832.90	167.10	91.65
06-6080 BUILDING REPAIR EXPENSE	15,000.00	2,737.80	12,743.62	2,256.38	84.96
06-6100 EQUIPMENT REPAIR EXPENSE	8,000.00	2,279.35	6,408.25	1,591.75	80.10
06-6110 SMALL TOOLS EXPENSE	500.00	38.80	136.76	363.24	27.35
06-6120 UNIFORMS EXPENSE	6,500.00	525.98	4,740.79	1,759.21	72.94
06-6150 JOHN DEERE EXPENSE	0.00	0.00	0.00	0.00	0.00
06-6160 EQUIPMENT PURCHASE EXPENSE	8,000.00	2,542.73	4,706.10	3,293.90	58.83
06-6170 MOSQUITO SPRAY GROUND	7,000.00	0.00	4,058.45	2,941.55	57.98
06-6171 MOSQUITO SPRAY AIR	13,000.00	674.32	1,235.82	11,764.18	9.51
06-6175 DUMP TRUCK REPAIR	0.00	0.00	0.00	0.00	0.00
06-6200 WORKERS COMP INSURANCE	12,376.00	0.00	10,465.38	1,910.62	84.56
06-6210 AUTO & APD INSURANCE	4,202.00	0.00	4,183.57	18.43	99.56
06-6220 GENERAL /E&O LIABILITY INS	2,018.00	0.00	1,814.48	203.52	89.91
06-6230 REAL/PERSONAL/MOBILE PROP INS	5,500.00	0.00	5,500.00	0.00	100.00
06-6300 CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
 TOTAL OPERATIONS	 416,352.00	 31,462.77	 356,121.63	 60,230.37	 85.53

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

PAGE: 7

1 - GENERAL FUND

FIRE DEPARTMENT

EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
07-7020 COMPUTER EXPENSE	300.00	0.00	9.99	290.01	3.33
07-7030 DUES EXPENSE	75.00	0.00	50.00	25.00	66.67
07-7040 EDUCATION EXPENSE	2,000.00	0.00	4,801.68 (	2,801.68)	240.08
07-7045 LUBBOCK COUNTY GRANT	10,300.00	0.00	46,654.50 (	36,354.50)	452.96
07-7050 EQUIPMENT EXPENSE	3,000.00	41.89	1,875.87	1,124.13	62.53
07-7055 SUPPLIES	0.00	199.99	273.35 (	273.35)	0.00
07-7060 AUTO & APD INSURANCE EXPENSE	2,861.00	0.00	2,806.85	54.15	98.11
07-7061 REAL & PERSONAL PROP INSURANC	2,183.00	0.00	2,582.43 (	399.43)	118.30
07-7065 TANKER TRUCK PAYMENT	0.00	0.00	0.00	0.00	0.00
07-7070 WORKERS COMP INSURANCE	631.00	0.00	333.38	297.62	52.83
07-7080 MEDICAL EQUIPMENT EXPENSE	3,000.00	0.00	1,590.63	1,409.37	53.02
07-7090 PERSONAL EQUIPMENT EXPENSE	2,500.00	1,395.58	2,313.31	186.69	92.53
07-7100 RADIO REPAIR EXPENSE	3,000.00	148.50	344.50	2,655.50	11.48
07-7140 BUILDING UTILITIES EXPENSE	7,000.00	1,196.26	7,121.11 (	121.11)	101.73
07-7145 FIRE STATION BUILDING REPAIR	3,000.00	0.00	1,511.25	1,488.75	50.38
07-7150 TELEPHONE EXPENSE	2,000.00	102.15	1,123.08	876.92	56.15
07-7160 VEHICLE REPAIR EXPENSE	17,000.00	12,570.19	19,708.36 (	2,708.36)	115.93
07-7170 BUNKER GEAR CAPITAL EXP	0.00	0.00	0.00	0.00	0.00
07-7190 INTEREST EXPENSE ASB	0.00	0.00	0.00	0.00	0.00
 TOTAL FIRE DEPARTMENT	 58,850.00	 15,654.56	 93,100.29 (	34,250.29)	 158.20

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND
LIBRARY
EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
08-8020	PAYROLL	21,631.00	1,802.58	21,630.96	0.04	100.00
08-8030	LIBRARY PROGRAMS EXPENSE	9,500.00	1,228.36	8,043.22	1,456.78	84.67
08-8035	CH FOUNDATION GRANT	0.00	0.00	0.00	0.00	0.00
08-8140	UTILITIES EXPENSE	2,400.00	440.98	2,558.33 {	158.33}	106.60
08-8145	Building Repair	0.00	0.00	438.00 {	438.00}	0.00
08-8150	TELEPHONE EXPENSE	1,245.00	104.74	1,151.57	93.43	92.50
08-8160	WORKERS COMP INSURANCE	93.00	0.00	93.00	0.00	100.00
TOTAL LIBRARY		34,869.00	3,576.66	33,915.08	953.92	97.26

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND
POLICE DEPARTMENT
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
09-9000 PAYROLL	260,331.00	25,042.04	249,404.47	10,926.53	95.80
09-9010 AMMO EXPENSE	3,000.00	160.86	2,966.34	33.66	98.88
09-9015 ANIMAL CONTROL	150.00	0.00	49.99	100.01	33.33
09-9020 DUES EXPENSE	300.00	58.00	283.60	16.40	94.53
09-9030 EDUCATION EXPENSE	3,500.00	0.00	3,583.06	83.06	102.37
09-9040 EMT EDUCATION EXPENSE	0.00	0.00	0.00	0.00	0.00
09-9041 EMERGENCY MGT TRAINING	1,500.00	0.00	0.00	1,500.00	0.00
09-9050 GAS -OIL EXPENSE	8,000.00	318.00	2,872.26	5,127.74	35.90
09-9055 MILEAGE REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00
09-9060 AUTO & APD INSURANCE EXPENSE	1,878.00	0.00	1,858.98	19.02	98.99
09-9065 LAW ENFORCEMENT LIABILITY INS	2,520.00	0.00	2,449.02	70.98	97.18
09-9066 E&O/REAL & PERSONAL PROP INS	4,660.00	0.00	4,660.00	0.00	100.00
09-9067 WORKERS COMP INSURANCE	8,996.00	0.00	8,401.76	594.24	93.39
09-9070 CELL PHONE EXPENSE	4,750.00	505.20	3,129.46	1,620.54	65.88
09-9090 OFFICE SUPPLY EXPENSE	500.00	8.00	608.62	108.62	121.72
09-9110 SMALL EQUIPMENT EXPENSE	3,000.00	261.41	3,185.56	185.56	106.19
09-9130 RADIO REPAIR EXPENSE	2,500.00	280.43	3,113.31	613.31	124.53
09-9150 TELEPHONE EXPENSE	2,500.00	107.24	1,225.85	1,274.15	49.03
09-9160 VEHICLE REPAIR EXPENSE	5,500.00	30.90	11,343.23	5,843.23	206.24
09-9170 CAMERA EXPENSE	0.00	0.00	0.00	0.00	0.00
09-9175 SURVEILLANCE VIDEO CAMERAS	2,000.00	0.00	0.00	2,000.00	0.00
09-9180 COMPUTER EXPENSE	5,500.00	106.31	3,730.62	1,769.38	67.83
09-9200 UNIFORM EXPENSE	1,750.00	383.56	2,624.66	874.66	149.98
09-9210 BOAT MAINTENANCE EXPENSE	500.00	0.00	98.00	402.00	19.60
09-9215 05 POLICE VEH PAYMENT	0.00	0.00	0.00	0.00	0.00
09-9220 LAKE REPAIR & MAINT EXPENSE	1,000.00	0.00	0.00	1,000.00	0.00
09-9221 COMMUNITY EVENTS EXPENSE	2,500.00	109.44	2,476.28	23.72	99.05
09-9230 INTEREST EXPENSE - FMCC	0.00	0.00	0.00	0.00	0.00
09-9240 BULLET PROOF VEST MATCH	0.00	0.00	0.00	0.00	0.00
09-9300 CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
 TOTAL POLICE DEPARTMENT	 326,835.00	 27,371.39	 308,065.07	 18,769.93	 94.26

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND
SEWER DEPARTMENT
EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
10-1000	CHEMICAL EXPENSE	4,600.00	403.70	2,398.14	2,201.86	52.13
10-1001	PAYROLL	84,455.00	7,571.42	85,129.96 (	674.96)	100.80
10-1005	PERMIT INSPECTION EXPENSE	1,500.00	0.00	2,551.38 (	1,051.38)	170.09
10-1010	LAB EXPENSE	5,000.00	759.60	6,360.89 (	1,360.89)	127.22
10-1014	UTILITY EXPENSE	42,000.00	5,984.16	35,302.56	6,697.44	84.05
10-1016	SEWER SLUDGE HAULING	2,000.00	91.96	1,237.50	762.50	61.88
10-1020	REPAIR EXPENSE	18,000.00	439.41	5,597.38	12,402.62	31.10
10-1025	SEWER PLANT WATER EXPENSE	0.00	0.00	0.00	0.00	0.00
10-1100	WORKERS COMP INSURANCE	2,573.00	0.00	2,275.38	297.62	88.43
TOTAL SEWER DEPARTMENT		160,128.00	15,250.25	140,853.19	19,274.81	87.96

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND

ROADS AND GROUNDS DEPT

EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
11-1000	PAYROLL	80,361.00	6,873.03	76,762.67	3,598.33	95.52
11-1100	STREET SWEEPING EXPENSE	7,000.00	1,100.00	6,600.00	400.00	94.29
11-1101	CONTRACT ROAD REPAIR EXPENSE	2,000.00	252.07	665.51	1,334.49	33.28
11-1110	EQUIPMENT REPAIR	2,000.00	196.95	1,837.04	162.96	91.85
11-1115	GROUNDS MAINTENANCE EXPENSE	7,500.00	420.00	867.55	6,632.45	11.57
11-1120	MATERIALS & SUPPLIES EXPENSE	3,000.00	159.34	2,233.06	766.94	74.44
11-1124	STREET SIGNS EXPENSE	1,300.00	263.80	263.80	1,036.20	20.29
11-1130	TREE TRIMMING EXPENSE	2,000.00	2,000.00	2,000.00	0.00	100.00
11-1140	PARK EXPENSES	8,000.00	104.18	3,510.86	4,489.14	43.89
11-1300	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
TOTAL ROADS AND GROUNDS DEPT		113,161.00	11,369.37	94,740.49	18,420.51	83.72

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND
WATER DEPARTMENT
EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
12-1000	PAYROLL	66,953.00	6,196.28	68,490.88	1,537.88	102.30
12-1200	WATER SYSTEM PERMIT FEES	1,600.00	0.00	1,337.70	262.30	83.61
12-1205	LAB EXPENSE	2,000.00	66.00	1,071.10	928.90	53.56
12-1210	LP&L PURCHASE	370,000.00	27,292.19	227,987.24	142,012.76	61.62
12-1214	UTILITIES EXPENSE	4,000.00	411.00	2,429.00	1,571.00	60.73
12-1215	WATER METER EXPENSE	3,000.00	968.12	1,856.37	1,143.63	61.88
12-1220	REPAIR EXPENSE	9,000.00	3,963.18	6,526.43	2,473.57	72.52
12-6155	PICKUP LEASE EXPENSE	0.00	0.00	0.00	0.00	0.00
12-6160	TAIL GATE LIFT	0.00	0.00	0.00	0.00	0.00
12-6165	TANK INSPECTION	800.00	0.00	0.00	800.00	0.00
TOTAL WATER DEPARTMENT		457,353.00	38,896.77	309,698.72	147,654.28	67.72

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND
PAYROLL DEPARTMENT
EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
13-1301	ADMINISTRATION EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1302	OPERATIONS EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1303	POLICE EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1304	MEDICAL INSURANCE EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1306	LONGEVITY EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1310	PAYROLL SERVICE EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1311	PAYROLL TAX EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1325	TMRS EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1350	WORKERS COMP EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1355	POLICE WORKERS COMP EXPENSE	0.00	0.00	0.00	0.00	0.00
13-1360	CITY SEC FUEL REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00
TOTAL PAYROLL DEPARTMENT		0.00	0.00	0.00	0.00	0.00

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND

EMERGENCY OPS CENTER

EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
14-1405 EMERGENCY OPERATIONS CENTER	3,000.00	211.21	2,012.47	987.53	67.08
14-1410 EOC SIREN	4,875.00	0.00	0.00	4,875.00	0.00
TOTAL EMERGENCY OPS CENTER	7,875.00	211.21	2,012.47	5,862.53	25.56

1 -GENERAL FUND

CAPITAL EXPENDITURES

EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
20-4900 BUDGETED SURPLUS TRANSFER	0.00	0.00	0.00	0.00	0.00
20-4910 CONSTRUCTION SAVINGS	0.00	0.00	0.00	0.00	0.00
20-4920 OPERATING RESERVE	0.00	0.00	0.00	0.00	0.00
20-5000 POLICE DEPT VEHICLE	0.00	0.00	0.00	0.00	0.00
20-5005 DAM REPAIR	0.00	0.00	0.00	0.00	0.00
20-5007 E LAKE SHORE DR SAVINGS PLAN	0.00	0.00	0.00	0.00	0.00
20-5008 DEBT PMT SEWER LINE REPAIR	0.00	0.00	0.00	0.00	0.00
20-5009 POLICE VEHICLE	0.00	0.00	0.00	0.00	0.00
20-5010 SEAL COAT/STREET REPAIRS	0.00	0.00	0.00	0.00	0.00
20-5011 SEWER JETTER	0.00	0.00	0.00	0.00	0.00
20-5012 OPERATIONS VEHICLE	0.00	0.00	0.00	0.00	0.00
20-5015 CITY HALL DEBT PAYMENT	0.00	0.00	0.00	0.00	0.00
20-5016 CITY HALL	0.00	0.00	0.00	0.00	0.00
20-5017 CITY HALL REPAIRS/FURNITURE	0.00	0.00	0.00	0.00	0.00
20-5027 SHREDDER	0.00	0.00	0.00	0.00	0.00
20-5028 SECO GRANT CITY HALL WINDOWS	0.00	0.00	0.00	0.00	0.00
20-5029 WATER & SEWER LINE REPAIR	0.00	0.00	0.00	0.00	0.00
20-5030 WATER TANK REPAIR CIP	710,000.00	321,904.00	484,781.93	225,218.07	68.28
20-5071 SEWER PLANT MUFFLER REPAIR	0.00	0.00	0.00	0.00	0.00
20-5072 SEWER REPAIR ENGINEERING	0.00	0.00	0.00	0.00	0.00
20-5073 SEWER PLANT REHABILITATION	1,000,000.00	19,125.00	61,375.00	938,625.00	6.14
20-5080 ROOSEVELT WATER LINE	0.00	0.00	0.00	0.00	0.00
20-5081 FERRARA FIRE TRUCKS (2)	0.00	0.00	0.00	0.00	0.00
20-5085 WATER SYSTEM VAULT & VALVE FR	0.00	0.00	0.00	0.00	0.00
20-5090 MASTER CONTROL VALVE	0.00	0.00	0.00	0.00	0.00
20-5095 ISOLATION VALVE FRONT ROAD VA	0.00	0.00	0.00	0.00	0.00
20-5101 LEGAL/ENGINEERING,CCN/WATERLI	0.00	0.00	0.00	0.00	0.00
20-5102 ENGINEERING, ZONING CODE	0.00	0.00	0.00	0.00	0.00
20-5120 CROFOOT VAULT & METER	0.00	0.00	0.00	0.00	0.00
20-5150 PRUSSURE SUSTAINING VALVES-FR	0.00	0.00	0.00	0.00	0.00
20-5160 CAMERA SYSTEMS	0.00	0.00	0.00	0.00	0.00
20-5200 GARAGE ADDITION	0.00	0.00	0.00	0.00	0.00
20-5300 WATER METER REPLACEMENT PROG	0.00	0.00	0.00	0.00	0.00
20-5400 DUMP TRAILER	0.00	0.00	0.00	0.00	0.00
20-5500 POLICE VEHICLE JAG GRANT	0.00	0.00	0.00	0.00	0.00
20-5600 METAL DETECTOR	0.00	0.00	0.00	0.00	0.00
20-5700 SKID LOADER	0.00	0.00	0.00	0.00	0.00
20-5701 VACTRON	0.00	0.00	0.00	0.00	0.00
20-5800 BUFFALO FLOW METER	0.00	0.00	0.00	0.00	0.00
20-5810 EMERGENCY ROAD	0.00	0.00	0.00	0.00	0.00
20-5811 LAWN MOWER	0.00	0.00	0.00	0.00	0.00
20-5812 LAND ACQUISITION	0.00	0.00	0.00	0.00	0.00
20-5813 FIRE TRUCK	0.00	0.00	0.00	0.00	0.00
TOTAL CAPITAL EXPENDITURES	1,710,000.00	341,029.00	546,156.93	1,163,843.07	31.94

CITY OF RANSOM CANYON
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: SEPTEMBER 30TH, 2021

1 -GENERAL FUND
BONDS
EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
45-4500	BOND PRINCIPAL EXPENSE	100,000.00	0.00	100,000.00	0.00	100.00
45-5000	BOND INTEREST EXPENSE	16,515.00	0.00	70,603.32 (	54,088.32)	427.51
45-5001	NOTE INTEREST	0.00	0.00	0.00	0.00	0.00
45-5010	BOND SERVICING FEE	900.00	0.00	806.25	93.75	89.58
45-5015	Amortization	0.00	0.00	0.00	0.00	0.00
45-6000	Depreciation	0.00	0.00	0.00	0.00	0.00
TOTAL BONDS		117,415.00	0.00	171,409.57 (	53,994.57)	145.99
TOTAL EXPENDITURES		3,855,451.00	523,478.40	2,478,656.35	1,376,794.65	64.29
=====						
REVENUES OVER/(UNDER) EXPENDITURES		0.00 (	486,007.29) (	158,131.52)	158,131.52	0.00
=====						

** END OF REPORT ***

VENDOR SET: 01 City of Ransom Canyon
BANK: * ALL BANKS
DATE RANGE: 9/01/2021 THRU 9/30/2021

ENDOR T.D.	NAME	STATUS	CHECK	INVOICE	DISCOUNT	CHECK	CHECK	CHECK
			DATE	AMOUNT		NO	STATUS	AMOUNT
C-CHECK	VOID CHECK	V	9/07/2021			018572		
C-CHECK	VOID CHECK	V	9/07/2021			018573		
C-CHECK	VOID CHECK	V	9/30/2021			018613		

* * T O T A L S * *		NO	INVOICE AMOUNT		DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:		0	0.00		0.00	0.00
HAND CHECKS:		0	0.00		0.00	0.00
DRAFTS:		0	0.00		0.00	0.00
EFT:		0	0.00		0.00	0.00
NON CHECKS:		0	0.00		0.00	0.00
VOID CHECKS:	3 VOID DEBITS		0.00			
	VOID CREDITS		0.00	0.00	0.00	

TOTAL ERRORS: 0

		NO	INVOICE AMOUNT		DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01	BANK: * TOTALS:	3	0.00		0.00	0.00
BANK: *	TOTALS:	3	0.00		0.00	0.00

ENDOR SET: 01 City of Ransom Canyon

ANK: APCO AP CITIZENS OPERATING

ATE RANGE: 9/01/2021 THRU 9/30/2021

ENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
770	ANGELIA FIKES							
I-09152021L	ANGELIA FIKES	E	9/15/2021	901.29		000114		901.29
770	ANGELIA FIKES							
I-L09302021	ANGELIA FIKES	E	9/30/2021	901.29		000115		901.29
023	COMPUTER TRANSITION SERVICES,							
I-202109036228	COMPUTER TRANSITION SERVICES,	R	9/07/2021	1,729.34		018549		1,729.34
058	ANGELIA FIKES							
I-202109036225	ANGELIA FIKES	R	9/07/2021	17.45		018550		17.45
067	DEPARTMENT OF THE TREASURY-IR							
I-202109036220	DEPARTMENT OF THE TREASURY-IR	R	9/07/2021	356.66		018551		356.66
068	ONEAL'S SHREDDING AND LAWN CAR							
I-RANSOM 01-21	ONEAL'S SHREDDING AND LAWN CAR	R	9/07/2021	260.00		018552		260.00
080	AFLAC							
I-057304	AFLAC	R	9/07/2021	338.46		018553		338.46
160	ATMOS							
I-202109036218	ATMOS	R	9/07/2021	774.93		018554		774.93
1600	DPC INDUSTRIES, INC							
I-757001741-21	DPC INDUSTRIES, INC	R	9/07/2021	201.85		018555		201.85
1980	PREMIER WATERWORKS, INC							
I-202109036213	PREMIER WATERWORKS, INC	R	9/07/2021	1,695.64		018556		1,695.64
2070	LUBBOCK GRADER BLADE							
I-73794	LUBBOCK GRADER BLADE	R	9/07/2021	203.80		018557		203.80
300	O D KENNEY							
I-202109036227	O D KENNEY	R	9/07/2021	815.71		018558		815.71
330	OVERHEAD DOOR CO							
I-118588	OVERHEAD DOOR CO	R	9/07/2021	955.00		018559		955.00
4470	PITNEY BOWES PURCHASE PWR							
I-202109036222	PITNEY BOWES PURCHASE PWR	R	9/07/2021	838.97		018560		838.97
1600	SMITH FORD							
I-202109036231	SMITH FORD	R	9/07/2021	555.92		018561		555.92

ENDOR SET: 01 City of Ransom Canyon

ANK: APCO AP CITIZENS OPERATING

ATE RANGE: 9/01/2021 THRU 9/30/2021

ENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
640	SOUTH PLAINS ELECTRIC							
I-1155463	SOUTH PLAINS ELECTRIC	R	9/07/2021	4,178.86		018562		4,178.86
650	SOUTH PLAINS TELEPHONE							
I-202109036223	SOUTH PLAINS TELEPHONE	R	9/07/2021	691.27		018563		691.27
130	BENITO GARCIA							
I-202109036217	BENITO GARCIA	R	9/07/2021	12.65		018564		12.65
520	DISH NETWORK							
I-202109036212	DISH NETWORK	R	9/07/2021	75.64		018565		75.64
440	AREA WIDE INSPECTION SERVICE							
I-2143	AREA WIDE INSPECTION SERVICE	R	9/07/2021	150.00		018566		150.00
700	EUROFINS XENCO LLC							
I-202109036224	EUROFINS XENCO LLC	R	9/07/2021	185.75		018567		185.75
710	AT&T MOBILITY							
I-28725664635X082320	AT&T MOBILITY	R	9/07/2021	613.64		018568		613.64
370	CORY NEEDHAM							
I-202109036214	CORY NEEDHAM	R	9/07/2021	65.55		018569		65.55
460	ROBERT MCCARVER							
I-202109036215	ROBERT MCCARVER	R	9/07/2021	87.40		018570		87.40
560	SAM'S CLUB MASTERCARD							
I-202109036230	SAM'S CLUB MASTERCARD	R	9/07/2021	5,193.25		018571		5,193.25
620	SLATON GAS & EQUIPMENT CO.							
I-67575	SLATON GAS & EQUIPMENT CO.	R	9/07/2021	2,221.94		018574		2,221.94
660	TYLER TECHNOLOGIES							
I-202109036226	TYLER TECHNOLOGIES	R	9/07/2021	5,926.67		018575		5,926.67
760	HILDEBRANDT TREE TECH							
I-16296	HILDEBRANDT TREE TECH	R	9/07/2021	2,000.00		018576		2,000.00
7720	DOMINGO MORALES							
I-202109036221	DOMINGO MORALES	R	9/07/2021	600.00		018577		600.00
8280	AQUAONE							
I-357030	AQUAONE	R	9/07/2021	62.00		018578		62.00

ENDOR SET: 01 City of Ransom Canyon

ANK: APCO AP CITIZENS OPERATING

ATE RANGE: 9/01/2021 THRU 9/30/2021

ENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
460	MARY ANN CROW							
I-202109036219	MARY ANN CROW	R	9/07/2021	500.00		018579		500.00
480	LONE STAR DIRT AND PAVING							
I-14075	LONE STAR DIRT AND PAVING	R	9/07/2021	128.04		018580		128.04
410	DALEY'S SUPERIOR ASPHALT							
I-15084	DALEY'S SUPERIOR ASPHALT	R	9/07/2021	124.03		018581		124.03
630	LEE JONES							
I-202109036216	LEE JONES	R	9/07/2021	100.63		018582		100.63
680	FERGUSON WATERWORKS							
I-1226143	FERGUSON WATERWORKS	R	9/07/2021	2,633.72		018583		2,633.72
730	O'REILLY FIRST CALL							
I-5642-226390	O'REILLY FIRST CALL	R	9/07/2021	30.90		018584		30.90
940	VECTOR DISEASE CONTROL							
I-PI-A00009757	VECTOR DISEASE CONTROL	R	9/07/2021	674.32		018585		674.32
980	ARAMARK							
I-202109036229	ARAMARK	R	9/07/2021	572.67		018586		572.67
1046	REDDIN BLACK EQUIPMENT SERVICE							
I-1769	REDDIN BLACK EQUIPMENT SERVICE	R	9/17/2021	12,048.42		018589		12,048.42
1056	TAS UNITED							
I-9138067195-900121	TAS UNITED	R	9/17/2021	86.32		018590		86.32
1069	LubePro							
I-0001316	LubePro	R	9/17/2021	100.00		018591		100.00
1071	TEXAS LABOR LAW POSTER SERVICE							
I-202109176237	TEXAS LABOR LAW POSTER SERVICE	R	9/17/2021	99.50		018592		99.50
1072	TxDMV							
I-202109176239	TxDMV	R	9/17/2021	15.00		018593		15.00
1360	CAPROCK WASTE - MUNICIPAL SERV							
I-1936557	CAPROCK WASTE - MUNICIPAL SERV	R	9/17/2021	7,845.00		018594		7,845.00
1540	DACO							
I-263566	DACO	R	9/17/2021	1,370.00		018595		1,370.00

ENDOR SET: 01 City of Ransom Canyon

ANK: APCO AP CITIZENS OPERATING

ATE RANGE: 9/01/2021 THRU 9/30/2021

ENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
600	DPC INDUSTRIES, INC							
I-DE75001979-21	DPC INDUSTRIES, INC	R	9/17/2021	50.00		018596		50.00
830	HOME DEPOT CREDIT SERVICES							
I-202109176234	HOME DEPOT CREDIT SERVICES	P	9/17/2021	84.94		018597		84.94
980	PREMIER WATERWORKS, INC							
I-2005029	PREMIER WATERWORKS, INC	R	9/17/2021	372.00		018598		372.00
170	MIDTOWN PRINTING							
I-131967	MIDTOWN PRINTING	R	9/17/2021	70.80		018599		70.80
590	SLATONITE							
I-202109176236	SLATONITE	R	9/17/2021	872.52		018600		872.52
610	SOUTH PLAINS ASSOC OF GOV							
I-2022-RANS	SOUTH PLAINS ASSOC OF GOV	R	9/17/2021	68.00		018601		68.00
810	TML EMPLOYEE BENEFITS POOL							
I-23401NK2109	TML EMPLOYEE BENEFITS POOL	R	9/17/2021	26,174.54		018602		26,174.54
1210	HURST FARM SUPPLY							
I-618303	HURST FARM SUPPLY	R	9/17/2021	2,139.70		018603		2,139.70
1440	AREA WIDE INSPECTION SERVICE							
I-202109176233	AREA WIDE INSPECTION SERVICE	R	9/17/2021	150.00		018604		150.00
1700	EUROFINS XENCO LLC							
I-202109176238	EUROFINS XENCO LLC	R	9/17/2021	163.00		018605		163.00
1200	CITY OF LUBBOCK UTILITIES WATE							
I-202109176235	CITY OF LUBBOCK UTILITIES WATE	R	9/17/2021	27,384.15		018606		27,384.15
1060	BOJORQUEZ LAW FIRM, PC							
I-10003	BOJORQUEZ LAW FIRM, PC	R	9/17/2021	793.38		018607		793.38
1700	CSI: LUBBOCK							
I-1124	CSI: LUBBOCK	R	9/17/2021	30.00		018608		30.00
7220	OMNIBASE SERVICES OF TEXAS, LP							
I-221-106152	OMNIBASE SERVICES OF TEXAS, LP	R	9/22/2021	24.00		018609		24.00
1100	ALLEN DOGGETT CONSTR.							
I-202109286241	ALLEN DOGGETT CONSTR.	R	9/28/2021	318,272.00		018615		318,272.00

ENDOR SET: 01 City of Ransom Canyon

ANK: APCO AP CITIZENS OPERATING

ATE RANGE: 9/01/2021 THRU 9/30/2021

ENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
032	GERMBLAST							
I-42893	GERMBLAST	R	9/29/2021	935.75		018617		935.75
069	LubePro							
I-202109286243	LubePro	R	9/29/2021	218.00		018618		218.00
073	DEFENDER SUPPLY							
I-31500	DEFENDER SUPPLY	R	9/29/2021	87.00		018619		87.00
160	ATMOS							
I-202109286242	ATMOS	R	9/29/2021	776.41		018620		776.41
600	DPC INDUSTRIES, INC							
I-757002043-21	DPC INDUSTRIES, INC	R	9/29/2021	403.70		018621		403.70
970	JORDAN'S POWER SWEEP							
I-5697	JORDAN'S POWER SWEEP	R	9/29/2021	1,100.00		018622		1,100.00
980	PREMIER WATERWORKS, INC							
I-202109286247	PREMIER WATERWORKS, INC	R	9/29/2021	1,733.00		018623		1,733.00
070	LUBBOCK GRADER BLADE							
I-74057	LUBBOCK GRADER BLADE	R	9/29/2021	60.00		018624		60.00
400	PETTY CASH							
I-202109296249	PETTY CASH	R	9/29/2021	65.15		018625		65.15
470	PITNEY BOWES PURCHASE PWR							
I-202109286246	PITNEY BOWES PURCHASE PWR	R	9/29/2021	584.00		018626		584.00
590	SLATONITE							
I-123909	SLATONITE	R	9/29/2021	504.66		018627		504.66
640	SOUTH PLAINS ELECTRIC							
I-1158105	SOUTH PLAINS ELECTRIC	R	9/29/2021	4,114.83		018628		4,114.83
1700	EUROFINS XENCO LLC							
I-202109286248	EUROFINS XENCO LLC	R	9/29/2021	225.00		018629		225.00
1710	AT&T MOBILITY							
I-28725664635X092320	AT&T MOBILITY	R	9/29/2021	613.64		018630		613.64
1400	FRANKLIN LEGAL PUBLISHING							
I-2007926	FRANKLIN LEGAL PUBLISHING	R	9/29/2021	530.00		018631		530.00

ENDOR SET: 01 City of Ransom Canyon

ANK: APCO AP CITIZENS OPERATING

ATE RANGE: 9/01/2021 THRU 9/30/2021

ENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
700	WATERMASTER IRRIGATION SUPPLY,							
I-265839	WATERMASTER IRRIGATION SUPPLY,	R	9/29/2021	4.18		018632		4.18
720	PARKHILL SMITH & COOPER							
I-202109286245	PARKHILL SMITH & COOPER	R	9/29/2021	27,628.00		018633		27,628.00
720	DOMINGO MORALES							
I-202109286244	DOMINGO MORALES	R	9/29/2021	100.00		018634		100.00
280	AQUAONE							
I-358113	AQUAONE	R	9/29/2021	68.50		018635		68.50
700	ODESSA PUMPS							
I-670606	ODESSA PUMPS	R	9/29/2021	267.64		018636		267.64

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	78	473,805.39	0.00	473,805.39
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	2	1,802.58	0.00	1,802.58
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0 VOID DEBITS	0.00		
	VOID CREDITS	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01 BANK: APCO TOTALS:	80	475,607.97	0.00	475,607.97
BANK: APCO TOTALS:	80	475,607.97	0.00	475,607.97

ENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
100	INTERNAL REVENUE SERVICE - IRS							
I-T1 202109136232	FEDERAL WITHHOLDING	D	9/15/2021	1,497.10		000112		
I-T3 202109136232	SOCIAL SECURITY PAYABLE	D	9/15/2021	2,622.72		000112		
I-T4 202109136232	MEDICARE PAYABLE	D	9/15/2021	613.38		000112		4,733.20
100	INTERNAL REVENUE SERVICE - IRS							
I-T1 202109286240	FEDERAL WITHHOLDING	D	9/30/2021	1,497.10		000113		
I-T3 202109286240	SOCIAL SECURITY PAYABLE	D	9/30/2021	2,622.72		000113		
I-T4 202109286240	MEDICARE PAYABLE	D	9/30/2021	613.38		000113		4,733.20
340	OFFICE OF THE TEXAS ATTORNEY G							
I-C02202109136232	RI# 0013095172B398711407	R	9/15/2021	392.45		018588		392.45
340	OFFICE OF THE TEXAS ATTORNEY G							
I-C02202109286240	RI# 0013095172B398711407	R	9/30/2021	392.45		018611		392.45
940	TEXAS MUNICIPAL RETIREMEN							
I-RET202109136232	TMRS PAYABLE	R	9/30/2021	4,675.10		018612		
I-RET202109286240	TMRS PAYABLE	R	9/30/2021	4,675.10		018612		9,350.20
026	AXA-Equitable							
I-AXA202109136232	457 Deferred Compensation	R	9/30/2021	100.00		018614		
I-AXA202109286240	457 Deferred Compensation	R	9/30/2021	100.00		018614		200.00

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	4	10,335.10	0.00	10,335.10
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	2	9,466.40	0.00	9,466.40
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0 VOID DEBITS	0.00		
	VOID CREDITS	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01 BANK: PY TOTALS:	6	19,801.50	0.00	19,801.50
BANK: PY TOTALS:	6	19,801.50	0.00	19,801.50
REPORT TOTALS:	86	495,409.47	0.00	495,409.47

SELECTION CRITERIA

ENDOR SET: 01-CITY OF RANSOM CANYON
ENDOR: ALL
ANK CODES: All
UNDS: All

HECK SELECTION

HECK RANGE: 000000 THRU 999999
ATE RANGE: 9/01/2021 THRU 9/30/2021
HECK AMOUNT RANGE: 0.00 THRU 999,999,999.99
NCLUDE ALL VOIDS: YES

RINT OPTIONS

EQUENCE: CHECK NUMBER

RINT TRANSACTIONS: YES
RINT G/L: NO
NPOSTED ONLY: NO
XCLUDE UNPOSTED: NO
ANUAL ONLY: NO
TUB COMMENTS: NO
EPORT FOOTER: NO
HECK STATUS: NO
RINT STATUS: * - All



PAGE 1 of 5

Visit us at SamsClubCredit.com/businesscard or Call 1-866-220-2760

Payment Information

New Balance: \$6,726.33
Total Minimum Payment Due: \$281.00
Payment Due Date: 10/13/2021

Payments must be received by 5pm ET on 10/13/2021 if mailed, or by 11:59pm ET on 10/13/2021 for online and phone payments.

MEMBER SERVICE: For Account Information log on to SamsClubCredit.com/businesscard. This account is registered. See your online Administrator to get a User ID & Password. Or call toll-free 1-866-220-2760.

To make a payment, please visit us online or mail your payment using the coupon below. Payments are also accepted at your local CheckFreePay* or MoneyGram locations*. * Fees may apply.

Account Summary

Previous Balance as of 08/24/2021	\$5,193.25	Credit Limit	\$25,000
Payments	- 5,193.25	Available Credit	\$18,077
Purchases/Debits	+ 6,726.33	Cash Advance/Quick Cash Limit	\$5,000
New Balance as of 09/23/2021	\$6,726.33	Available Cash	\$5,000

31 Day Billing Cycle from 08/24/2021 to 09/23/2021

6709 0013 HJJ

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23

210923

PAGE 1 of 5

1469 1000 8673 01FQ6709

1644

Use blue or black ink.
 detach & mail with your
 check.

Account Number [REDACTED]
New Balance \$6,726.33
Total Minimum Payment Due \$281.00
Payment Due Date 10/13/2021

Amount
Enclosed \$

VIEW AND PAY YOUR BILL ONLINE!
SamsClubCredit.com/businesscard

No other correspondence please.
 Print new address or email changes on back.

MARIA QUINTANILLA
 TOWN OF RANSOM CANYON
 24 LEE KITCHENS DR
 RANSOM CANYON TX 79366 2200

164439
 Q209



Make SAM'S CLUB MC/SYNCR
 Payment P.O. BOX 960016
 to: ORLANDO, FL 32896-0016



00281000519325 002810000672633 000556053 1040175 85822



SEP 28 2021

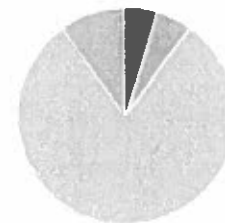
PAGE 2 of 5

Visit us at SamsClubCredit.com/businesscard or Call 1-866-220-2760

Cash Back Summary

Prior Cash Back Balance	\$274.57
5% earned on Gas	\$1.00
3% earned on Dining	\$0.00
1% earned on other purchases	\$66.90
3% earned on Sam's Club Purchases	\$0.48
Current Cash Back Earned	\$342.95
Previous Program Balance	\$47.91
Total Combined Earned	\$390.86

Total Cash Back Earned in 2021*



- \$16.72 on Gas
- \$17.80 on Dining
- \$274.99 on other purchases
- \$33.44 on Sam's Club Purchases

Your new cash back rewards earned since March 1, 2021

*Rewards earned in 2021 can be redeemed February 2022

Transaction Detail

Date	Reference #	Description	Amount
Payments			-\$5,193.25
09/12	85560538101GQQD3N	PAYMENT - THANK YOU	\$5,193.25
		TOTAL 5560531040175858	\$5,193.25
Purchases and Other Debits			\$6,726.33
09/06	55432867T5SPB5W62	AWEBER SYSTEMS INC 877-293-2371 PA	\$10.00
09/14	5543286815S158F4J	ADOBE *800-833-6687 ADOBE.LY/ENUS CA	\$385.97
09/16	55432868455549K85	SOUTHWES 5261432093305 800-435-9792 TX	\$506.96
		TREW/JANA SMITH	
		LUBBOCK DALLAS	
		DALLAS HOUSTON	
		HOUSTON DALLAS	
		DALLAS LUBBOCK	
09/20	551315888BMBVZ017	DNH*GODADDY.COM 4805058855 AZ	\$75.33
09/22	554295089LXWJ7Z11	EB TML REGION 3 ANNUA 8014137200 CA	\$90.00
		MARIA QUINTANILLA	
		TOTAL [REDACTED]	\$1,068.26
09/01	55429507LRTXAWOGR	BRANDON AND CLARK 8067715600 TX	\$10.91
09/08	75454917VS66M682Y	PRO CHEM SALES LBB LUBBOCK TX	\$601.12
09/21	5548872892MD1M1K2	TCEQ EPAYMENT 5122396261 TX	\$113.75
09/21	753063788622TR20D	LUBBOCK CO SVC FEE FORT WORTH TX	\$0.16
09/21	753063788622TR22R	LUBBOCK CO. TX TAC MV LUBBOCK TX	\$7.50
09/21	527082488RQEB2RTT	SMITH SOUTH PLAINS SLATON TX	\$7.00
09/22	55488728ABM6WJNPB	TCEQ IND RENEWAL LIC 5122396261 TX	\$111.00
		HAROLD NEEDHAM	
		TOTAL [REDACTED]	\$851.44
08/23	55506297BM4BVKP27	PROJECT RACER LUBBOCK LUBBOCK TX	\$10.00
08/24	02305377DEHX37RRP	OFFICEMAX/DEPOT 6196 LUBBOCK TX	\$2,199.96
08/25	55429507DRTJXRELD	PAYPAL *ID CREATOR 4029357733 CA	\$19.98
08/27	55506297FM4WQWTGP	PROJECT RACER LUBBOCK LUBBOCK TX	\$10.00
08/28	52704877GLQQT4R23	ADOBE ACROPRO SUBS 4085366000 CA	\$16.08
08/30	55421357KVAKHKE5T	MCW298 INDIANA AVE LUBBOCK TX	\$8.00
09/02	02305377M8PML96LW	MIDAS AUTO SERVICE EXP LUBBOCK TX	\$545.95
09/03	55546507NRDQ4RBQV	SCOTTS COMPLETE CAR CA LUBBOCK TX	\$586.88
09/03	25247807N008GTDRB	DESIGNS IN THREAD LUBBOCK TX	\$55.28
09/05	82305097T00008PMH	GETSLING.COM BROOKLYN NY	\$8.00
09/07	55310207S2E0GM92J	AMAZON.COM*2G82844C1 A AMZN.COM/BILL WA	\$160.86
09/07	55506297SM4MT5A1R	PROJECT RACER LUBBOCK LUBBOCK TX	\$10.00
09/08	85544027VWGNHV1SP	A 1 FLAGS OVER LUBBOCK LUBBOCK TX	\$99.50
09/10	25483677X00XXH13J	PHILLIPS 66 - STRIPES LUBBOCK TX	\$20.00
09/12	75418237Z3138APPN	SPK*SPOKEO SEARCH 800-6994264 CA	\$19.95
09/16	555062983M4FGXN52	PROJECT RACER LUBBOCK LUBBOCK TX	\$10.00
09/17	555062984M4T23KJP	PROJECT RACER LUBBOCK LUBBOCK TX	\$10.00
		JAMES HILL	
		TOTAL 5560531040175858	\$3,790.44

(Continued on next page)

Transaction Detail (Continued)

Date	Reference #	Description	Amount
08/25	0543684/E00AKTD1S	DOLLAR TREE LUBBOCK TX	\$85.00
08/25	8512071/F566G/W2K	DEMCO INC 800 9624463 WI	\$53.61
08/27	5543286/F551YXSQD	APPLE.COM/BILL 866 712 7753 CA	\$9.64
08/29	8556053/J0163FGEF	SAM'S CLUB 008270 LUBBOCK TX	\$15.98
		SAM'S/WAL. MART PURCHASE(S)	
09/07	5542950/SLR5ER8NW	THRIFT BOOKS GLOBAL L 2532/52241 WA	\$85.30
09/11	5543286/Y5V0FR7S2	AMZN MKTP US*2G6JT60S1 AMZN.COM/BILL WA	\$117.49
		ANGELIA FIKES	
		TOTAL [REDACTED] \$367.02	
08/25	0230537/FEHYB/3MT	OFFICE DEPOT #1079 800 463 3768 TX	\$97.96
08/25	0230537/G2X/S3LM4	OFFICE DEPOT #1079 800 463 3768 TX	\$99.99
09/01	0230537/NEHYQMEK1	OFFICE DEPOT #1079 800 463 3768 TX	\$5.69
09/09	0230537/Y2X/N19FI	OFFICE DEPOT #1079 800 463 3768 TX	\$8.99
09/09	0230537/Y2X/N19MI	OFFICE DEPOT #1079 800 463 3768 TX	\$9.44
09/09	0230537/Y2X/N19PN	OFFICE DEPOT #1079 800 463 3768 TX	\$47.20
09/16	0230537/84EHY6SJRT	OFFICE DEPOT #196 800 463 3768 TX	\$17.38
09/16	0230537/855SAW6TBI	OFFICE DEPOT #1079 800 463 3768 TX	\$362.52
		LESLIE RANDOLPH	
		TOTAL [REDACTED] \$649.17	
Total Fees Charged This Period			\$0.00
Total Interest Charged This Period			\$0.00

Interest Charge Calculation

Your Annual Percentage Rate (APR) is the annual interest rate on your account.

(v) = Variable Rate

Type of Balance	Expiration Date	Annual Percentage Rate	Balance Subject to Interest Rate	Interest Charge
Regular Purchases and Cash Over	N/A	22.90% (v)	\$0.00	\$0.00
Cash Advances	N/A	25.90% (v)	\$0.00	\$0.00

THE PERIODIC RATE SHOWN ON THIS STATEMENT MAY VARY.

Cardholder News and Information

Did you know your Mastercard offers Mastercard ID Theft Protection. For more information about this benefit or to view the current benefits offered by Mastercard, please visit: <https://www.mastercard.us/SmallBusinessBenefits>

NOTICE: We may convert your payment into an electronic debit. See back of page one for details. Billing Rights and other important information.

Member News and Information

For more information about the Sam's Club * Mastercard * Reward Program terms, log on to SamsClubCredit.com/credit or call the 24 Hour Credit Card Service phone number on the back of your card.

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Go green and support the environment with paperless statements! All you have to do is visit SamsClubCredit.com/businesscard to sign up. Register today to start receiving your statements online.

MARIA QUINTANILLA

ACCOUNT # [REDACTED]

DATE OF SALE #: 210829

P.O. #:

INVOICE#: 000000

AUTHORIZATION #: 000694

CLUB #: 8270

REFERENCE #: 85560537J0163FGEE

TRANSACTION #: 0

REGISTER #: 91

S K U	DESCRIPTION	QUANTITY	UNIT	PRICE	EXT PRICE
SALES TAX		1 000		\$0 0000	\$0 00
054675762	MEMBERS MARK AA-48	1 000	EA	\$15 9800	\$15 98
SUB \$15 98		TAX \$0 00		TOTAL INVOICE	\$15 98
				CREDITS TOTAL	\$0 00
				BALANCE DUE	\$15 98



Federal Reserve
Bank of Dallas

SECOND QUARTER 2021

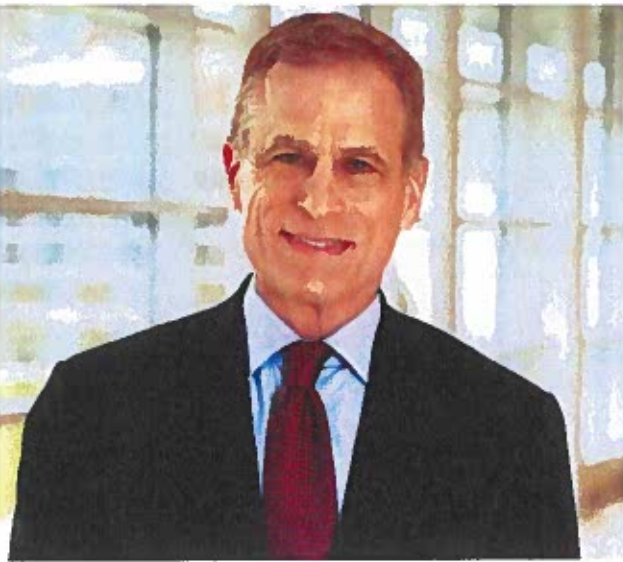
Southwest Economy



Federal COVID-19 Relief Aided Consumer Debt, Though Immigrant Texans Derived Less Benefit

PLUS

- ▶ **Texas Winter Deep Freeze Broke Refining, Petrochemical Supply Chains**
- ▶ **On the Record: Texas Restaurants Find Change on Postpandemic Menu**
- ▶ **Banks Face New Challenges as Texas Rebounds from COVID-19 Shock**
- ▶ **Spotlight: Oil Patch Productivity Rises; Jobs Vanish**
- ▶ **Go Figure: Women Took Brunt of Pandemic Job Loss as Priorities Shifted to Home**



President's Perspective

Rob Kaplan, president and CEO of the Dallas Fed, regularly speaks and writes on the factors that affect economic growth in the nation and Eleventh District. Here are some of his recent thoughts on key issues:

On Asset Purchases

"We should gently ease off the accelerator so we don't have to press on the brakes down the road."

Interview with CNBC—May 27, 2021

On the Labor Market

"We wish to suggest that policymakers should be cognizant of a range of supply factors that may currently be weighing on employment. These factors may not be particularly susceptible to monetary policy."

"We would expect that many of these factors will fade as the year progresses—increasing the number of job seekers and potentially reducing labor market tightness. However, it is also possible that labor supply will increase less than expected. It is our view that this possibility should be kept in mind as policymakers assess the appropriate stance of monetary policy."

Excerpt from "The Labor Market May Be Tighter than the Level of Employment Suggests," Dallas Fed Economics—published May 27, 2021

On Inflation Expectations

"What you don't know, depending on how long [heightened inflation] goes on, is whether that starts to get embedded in inflation expectations. And you worry that inflation expectations start to get to be more elevated. And then you are getting them elevated to a level that is not consistent with anchoring them at 2 percent. That's the part I'm concerned about; this is a risk for me."

Virtual event with the University of Texas McCombs School of Business—May 14, 2021



Federal COVID-19 Relief Aided Consumer Debt, Though Immigrant Texans Derived Less Benefit

By Wenhua Di and Chloe Smith

ABSTRACT: U.S. and Texas residents shored up their household finances during the COVID-19 recession. The prevalence of various federal-level assistance programs helped boost savings and broadly reduce debt. Among mostly immigrant groups, this tendency was less pronounced, likely due to legal and socioeconomic barriers.

For many families and businesses, loans and government relief programs were a buffer against the financial shock COVID-19 delivered.

As a result, lending and consumer loan performance were little affected despite the pandemic's arrival in March 2020.

However, communities with a larger share of immigrants didn't realize the full benefit of these programs. In terms of credit activity, areas in Texas with a larger share of immigrants underperformed those with a lesser concentration. The difference possibly reflects lack of access to relief programs and reduced participation in the credit market.

Stability in Recession

Overall, consumer credit conditions withstood the pandemic-caused recession, remaining mostly stable in 2020, according to an analysis of the New York Fed Consumer Credit Panel (CCP)/Equifax—a representative sample of adults in the U.S. with a credit history or public-record information.¹ The number of Texans in the credit panel grew by 2.2 percent in the 12 months ended in January 2021 (*Table 1*).

The average credit score (Equifax Risk Score) increased nine points in Texas during the period. The share of consumers obtaining auto loans or having bank-issued credit card debt dropped slightly from levels before the pandemic. The number of mortgage borrowers grew 2.6 percent, slightly more than the increase in total consumers.

This recession was different from previous ones in another respect: Reported loan performance did not worsen. On the contrary, delinquency rates decreased for all main consumer loan types, especially mortgages.² The number of delinquent mortgage borrowers dropped 57 percent in the 12 months ended in January 2021. Auto loan delinquencies declined 5.7 percent, and bank card delinquencies fell 2.3 percent.

The average auto loan balance increased 5 percent, while mortgage balances rose 6 percent. The average balance for bank-issued credit cards dropped 11 percent.

The loan performance improvement coincided with large-scale government stimulus packages, which provided cash to consumers, extra unemployment insurance benefits to laid-off and furloughed workers, and automatic loan deferral for federal student loan and some mortgage borrowers. Many consumers used the extra cash to pay down debt and for savings.³

Additionally, the Federal Reserve and some government programs provided financial institutions abundant liquidity and flexibility and encouraged them to work with consumers on loan accommodations. Borrowers receiving forbearance or similar accommodations were not generally considered delinquent for credit reporting purposes.⁴

Widespread Forbearance

A recent study found that forbearance and loan relief weren't concentrated only among lower-income borrow-

ers. The impact was also noted among higher-risk borrowers and those with higher loan balances, as well as consumers living in more COVID-19-impacted areas.⁵ Texas was among the states with highest mortgage forbearance rates in the study. The timely relief helped reduce negative spillover effects typical in economic recessions.

The average mortgage balance grew before COVID-19, a trend that continued as home prices rose during a period of limited house inventories (*Chart 1, panel A*). Auto sales paused during the March COVID-19 lockdown and recovered rapidly in the following months. Credit card deleveraging began before the pandemic and continued as borrowers could pay down more debt on average.

As loan accommodations peaked in June 2020, mortgage delinquencies fell by one-half and have remained low since mid-2020 (*Chart 1, panel B*). Auto loan delinquencies initially declined, then headed back up near year-end 2020. Credit card delinquency rose in early 2020, dropped through June and then flattened out.

These trends, however, may be concealing a more difficult experience among immigrant groups.

TABLE 1

Credit Conditions Stable During Peak of Pandemic in Texas

	Jan. 2020	Jan. 2021	Change (%)
No. of consumers (millions)	22.26	22.74	2.2
Average Equifax Risk Score	681	690	1.3
Share borrowing (%)		Change in number of borrowers (%)	
Any loan	75.8	75.1	1.2
Auto loan	38	37.2	0
Bank-issued credit card	55.9	55.3	1.1
Mortgage	22.2	22.3	2.6
Loan delinquency (%)		Change in number of delinquent borrowers (%)	
Any loan type	19.3	17.9	-5.3
Auto loan	15.7	14.8	-5.7
Mortgage	4.2	1.8	-57
Bank-issued credit card	15.3	14.8	-2.3
Average balance for borrowers (\$)		Change in amounts (\$)	
Auto loan	28,435	29,852	1,417
Bank-issued credit card	6,247	5,542	-705
Mortgage	122,536	130,195	7,659

SOURCES: New York Fed Consumer Credit Panel (CCP)/Equifax; authors' calculations.

Immigrant Community Clusters

Texas had a population of 4.9 million foreign-born individuals, and the state ranked No. 2 in the number of such residents in the U.S. in 2018—not surprising given Texas' size, long southern border and employment opportuni-

ties.⁶ Texas also has the eighth-highest share of foreign-born residents and the second-highest share and population of Mexican immigrants.

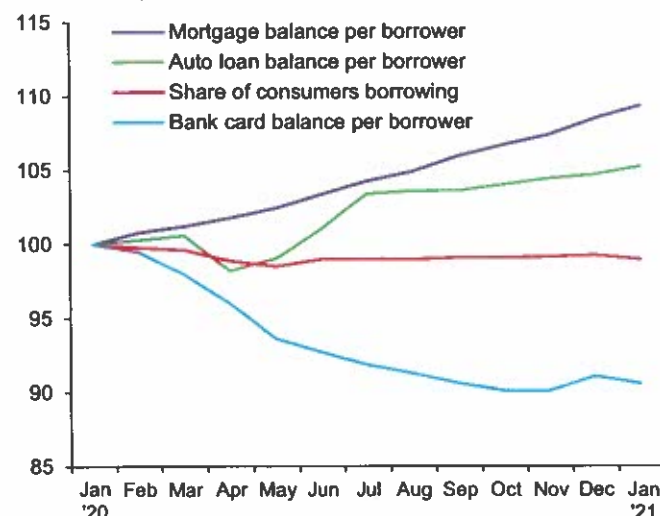
Although immigrants live throughout Texas, they are concentrated in census tracts in cities and near the

CHART 1

Mortgage, Auto Balances Rise; Delinquency Rates Stabilize in Texas

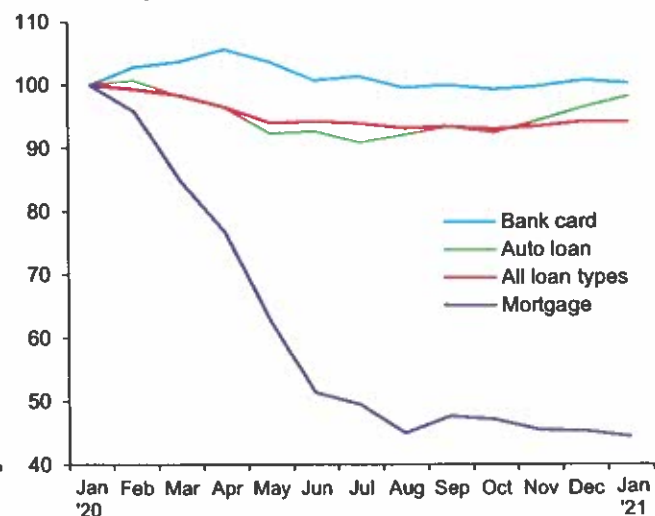
A. Consumer loan borrowing

Index, January 2020 = 100



B. Share, borrower delinquency

Index, January 2020 = 100



SOURCES: The New York Fed Consumer Credit Panel (CCP)/Equifax; authors' calculations.

Mexican border (*Chart 2*).⁷ The state's immigrant workers account for 22 percent of the labor force and 24 percent of essential workers.⁸

Immigrant COVID-19 Activity

Immigrant communities, particularly Hispanic ones, missed out on the government's efforts to sustain families' finances. Pandemic-related lockdowns and consumer reticence were particularly notable among accommodations and food service businesses. Moreover, immigrants living in poorer conditions were more likely to contract COVID-19.⁹

The CCP/Equifax data do not contain demographic identifiers that allow direct identification of immigrants. However, information is available on communities with high shares of foreign-born residents (*Chart 3*). Communities with higher shares of immigrants did well during 2020 but not to the extent of areas with lower shares.

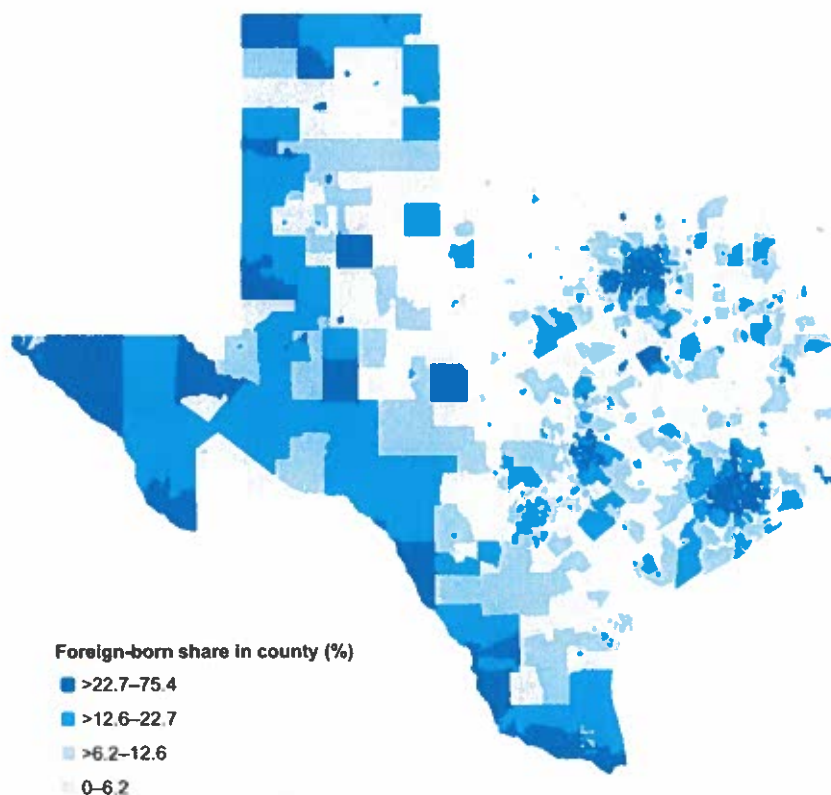
For consumers included in the CCP/Equifax data, those living in tracts with greater shares of immigrants were less likely to take on consumer loans.¹⁰ Soon after COVID-19 struck, however, the share of immigrants borrowing increased and trended with other groups throughout the year. For those tracts with the greatest immigrant share, 68.1 percent of consumers in CCP/Equifax had taken on consumer loans in January 2020; a year later, only 66.7 percent had, a tendency depicted in *Chart 3*, panel A, which is normalized to January 2020.

Delinquencies in high-immigrant areas declined, though not to the same extent as in communities with fewer immigrants, as seen in *Chart 3*, panel B. There were differences based on the type of debt. Higher-immigrant-share communities took on relatively more mortgage loans and less bank-issued-card debt. Mortgage loan performance tended to improve, while auto and credit card borrowings were little changed.

While average credit scores improved as the tract immigrant share generally increased, those with the

CHART 2

Immigrant Populations Concentrated in Cities, Along Border



SOURCE: American Community Survey, 2014–18, IPUMS/National Historical Geographic Information System.

largest immigrant share improved more slowly.

Why the Gap?

There are several reasons why high-immigrant communities didn't perform as well. Immigrant households tend to have lower income and wealth, and in Texas, about 37 percent of immigrants have no health insurance.¹¹ About 1.6 million Texans, or one-third of immigrants, were undocumented in 2017.¹²

During the pandemic, many immigrants were ineligible for stimulus checks and the enhanced unemployment benefits. The Coronavirus Aid, Relief, and Economic Security (CARES) Act—a \$2.2 trillion measure that took effect in March 2020—also excluded households from stimulus if a member used an individual taxpayer identi-

fication number in place of a Social Security number when filing a joint tax return. Because many immigrants live in mixed-status families, an estimated 879,000 citizens and legal immigrants in Texans were excluded under those CARES Act provisions.¹³

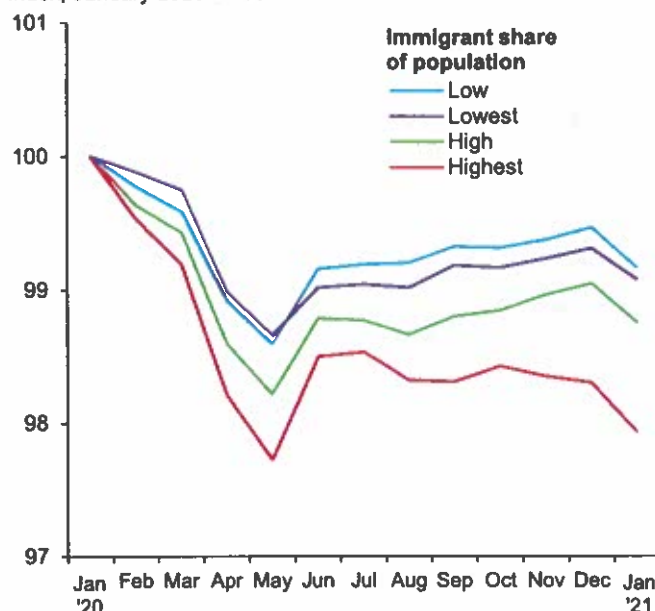
Thus, nearly half of Texas immigrants could not collect the initial stimulus if they otherwise qualified. While the subsequent relief packages retroactively granted those stimulus payments to immigrant families, that delayed aid was not reflected in the data for 2020.¹⁴

The differing credit experiences may also be partially attributed to factors that affected immigrants' participation in the credit market and the chance to receive lender accommodation. Throughout 2020, consumer credit standards tightened, and consumers

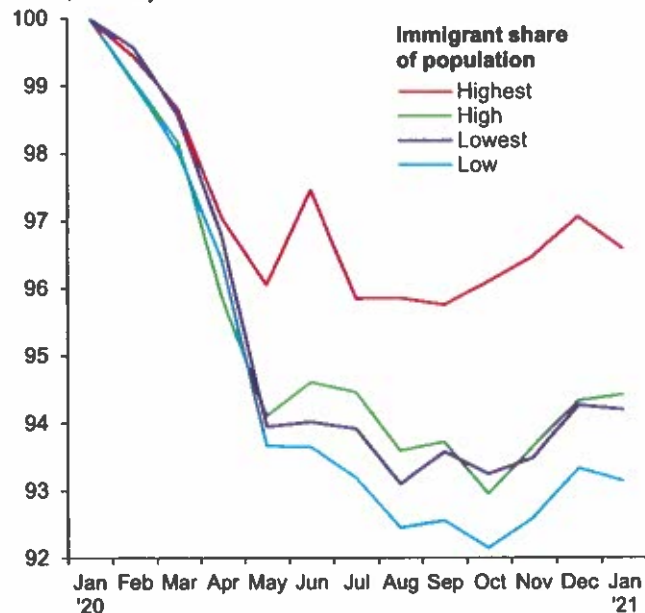
CHART 3

Borrowing Declines Most, Delinquency Improves Least in Immigrant Communities in Texas

A. Percent borrowing
Index, January 2020 = 100



B. Borrower delinquency
Index, January 2020 = 100



Average values

Immigrant share (%)	Share of borrowers (%)		Borrower delinquency (%)	
	Jan. 2020	Jan. 2021	Jan. 2020	Jan. 2021
Lowest (0–13)	76.1	75.4	18.5	17.3
Low (13–23)	75.9	75.2	20.5	19.0
High (23–39)	73.3	72.4	22.0	20.6
Highest (>39)	68.1	66.7	19.5	18.7

NOTES: Borrower delinquency is the percent of borrowers behind in loan payments. Values are weighted by census tract population.

SOURCES: New York Fed Consumer Credit Panel (CCP)/Equifax; authors' calculations.

with nonprime credit scores found it harder to obtain loans; the share of borrowers decreased.¹⁵

Immigrants with a relatively short credit history in the U.S. are more likely to fall into the nonprime category. The limited improvement in loan performance and creditworthiness may also indicate a lower rate of loan accommodation among immigrants. To get such assistance, borrowers must make a request and work with lenders to reach a

loan payment modification agreement. Immigrants may be less familiar and more uncomfortable with this process.

Additionally, if consumers have not participated in the credit market, they don't exist in the credit data and lack a history needed for future borrowing. Thus, some consumers subsequently found themselves involuntarily excluded from the market.

This behavior pattern involving borrowing and loan performance is also

apparent if census tracts are chosen based on limited English proficiency or on estimated undocumented immigrant shares.¹⁶

Although the CCP/Equifax primary sample is assembled based on prevalence of Social Security numbers and does not represent undocumented consumers per se, the immigrant consumer experience can be affected by undocumented family members. For example, language skills and how con-

sumers communicate with financial institutions are important variables.

Communities with a higher share of immigrants tend to have lower income, but lower income alone cannot explain the observed trends. This becomes apparent when comparing census tract groups by median income levels instead of foreign-born share. The lowest-income tracts borrowed more at the beginning of the pandemic and improved credit scores the fastest, unlike communities with high-immigrant populations.

Greater Recovery Challenge

Although loan performance has been stable in Texas since the onset of COVID-19, the pandemic affected some communities more than others. Immigrants have higher shares of workers in critical industries and at-risk occupations and have been more vulnerable to the financial and health effects of the pandemic.

This is largely due to less access to health insurance, government assistance and consumer credit. Texas communities with a high share of immigrants have experienced greater challenges in their attempts to move past the economic hardships of the pandemic.

Di is a senior research economist in the Research Department at the Federal Reserve Bank of Dallas.

Smith is a research analyst in the Research Department at the Federal Reserve Bank of Dallas.

Notes

¹ We use the "primary" consumers of the CCP/Equifax, a 5 percent representative sample of adults in the U.S. with a credit history or public-record information.

² Loan accommodation is more prevalent for mortgages than auto loans and credit cards. Student loans are not included in the comparison because the repayment of all federal student loans, which account for about 90 percent of student loans, has been deferred until Sept. 30, 2021.

³ "Update on How Households Are Using Stimulus Checks," by Olivier Armantier, Leo Goldman, Gizem Koşar and Wilbert van der Klaauw, *Liberty Street Economics*, Federal Reserve Bank of New York, April 7, 2021, <https://libertystreeconomics.newyorkfed.org/2021/04/an-update-on-how-households-are-using-stimulus-checks.html>.

⁴ Interagency Statement on Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus (Revised), Board of Governors of the Federal Reserve System et al., April 7, 2020, www.federalreserve.gov/newsevents/pressreleases/files/bcreg20200407a1.pdf.

⁵ Consumers typically make a forbearance request to lenders, who then decide whether to approve the request based on the type of loan and borrower situation. See "Government and Private Household Debt Relief During COVID-19," by Susan F. Cherry, Erica Xuewei Jiang, Gregor Matvos, Tomasz Piskorski and Amit Seru, National Bureau of Economic Research, NBER Working Paper no. 28357, January 2021, www.nber.org/system/files/working_papers/w28357/w28357.pdf.

⁶ "Facts on U.S. Immigrants, 2018: Statistical Portrait of the Foreign-Born Population in the United States," by Abby Budiman, Christine Tamir, Lauren Mora and Luis Noe-Bustamante, Pew Research Center, Aug. 20, 2020, www.pewresearch.org/hispanic/2020/08/20/facts-on-u-s-immigrants/.

⁷ Census tracts represent small geographic areas with an average of 4,000 residents who are considered relatively homogeneous in terms of demographics and economic conditions. Data are from the American Community Survey (2014–18) retrieved from the Integrated Public Use Microdata Series (IPUMS), National Historical Geographic Information System.

⁸ The Cybersecurity and Infrastructure Security Agency, a part of the Department of Homeland Security, defines essential workers as those employed in sectors that ensure "continuity of functions critical to public health and safety, as well as economic and national security." About two-thirds of all industries are deemed essential. Major categories include health services, infrastructure, food supply chain, energy, communication, finance, utility, transportation and defense.

⁹ "Immigrants, the Economy and the COVID-19 Outbreak," released by the Joint Economic Committee, Vice Chair Rep. Don Beyer, June 30, 2020, www.jec.senate.gov/public/_cache/files/9e9c9042-6ff9-4f6c-8d65-fbe2625d2143/immigrants-the-economy-and-the-covid19-outbreak-final1.pdf.

¹⁰ Communities are ranked by foreign-born share of the population; from 0 to 12.6 percent (bottom half), 2.6 percent to 22.7 percent (50th to 75th percentiles), 22.7 percent to 39.1 percent (75th to 95th percentiles) and 39.1 percent to 75.4 percent (top 5th percentile). Instead of plotting the trends of aggregate shares of borrowers and delinquencies in each group, indexes were first calculated for each tract, with a weighted average index obtained for each group. Thus, unobserved differences inherent to the tracts before January 2020 would not affect the comparison.

¹¹ Data are from the 2019 American Community Survey

¹² "Mexicans Decline to Less than Half the U.S. Unauthorized Immigrant Population for the First Time," by Jeffrey S. Passel and D'Vera Cohn, Pew Research Center, June 12, 2019, www.pewresearch.org/fact-tank/2019/06/12/us-unauthorized-immigrant-population-2017/.

¹³ "Mixed-Status Families Ineligible for CARES Act Federal Pandemic Stimulus Checks," Migration Policy Institute, May 2020, www.migrationpolicy.org/content/mixed-status-families-ineligible-pandemic-stimulus-checks.

¹⁴ The December 2020 Budget Bill extended the second-round stimulus payment to these individuals and led them to retroactively apply for the first-round payment. See H.R. 133, www.congress.gov/116/bills/hr133/BILLS-116hr133enr.pdf. These families are eligible to receive the third round of checks authorized by the March 2021 American Rescue Plan Act.

¹⁵ Net Percentage of Domestic Banks Tightening Standards on Consumer Loans, Credit Cards, Federal Reserve Bank of St. Louis economic data, accessed May 7, 2021, <https://fred.stlouisfed.org/series/DRTSCLCC#0>.

¹⁶ We estimate the share of undocumented immigrants through the following: First, calculate the share of foreign-born residents born in Mexico/Hispanic countries who have a high school education or less and who arrived in the U.S. after 1980 (based on the American Community Survey at the Public Use Microdata Area level); multiply the share by tract-level foreign-born population; and then divide by the tract population. See "Unauthorized Immigrant Totals Rise in 7 States, Fall in 14," by Jeffrey S. Passel, D'Vera Cohn and Molly Rohal, Pew Research Center, Nov. 18, 2014, www.pewresearch.org/hispanic/wp-content/uploads/sites/5/2014/11/2014-11-18_unauthorized-immigration.pdf.

A Conversation with Emily Williams Knight

Texas Restaurants Find Change on Postpandemic Menu

Emily Williams Knight is president and CEO of the Texas Restaurant Association (TRA). It represents the state's \$52.4 billion restaurant industry and its more than 43,000 food and beverage outlets. This summer, she will join the National Restaurant Association as its chief collaboration officer and executive vice president of industry relations. Knight discusses how the dining industry survived COVID-19 and the changes that have occurred.

Q. The pandemic has been traumatic on high-contact sectors such as restaurants. How was the restaurant industry in Texas affected?

It is important to first understand where the industry stood before the pandemic. Going into 2020, growth was phenomenal, and Texas eating and drinking establishments expected their best year in history. That all changed on March 19, 2020. In the six weeks following the broad shutdown, more than 750,000 employees were laid off or furloughed out of the estimated 1.3 million employees in the industry.

Today, as we look back, 2020 saw a \$17 billion revenue loss; 160,000 employees are still not working, and about 9,000 restaurants have closed for good.

When the pandemic shut down everything, we initially thought everyone [in the industry] was going to be hit very hard. What we saw was that the impact across the spectrum of restaurant businesses varied, and we actually began to see bright spots, led by many restaurants' ability to quickly pivot or take advantage of existing operational capabilities.

Quick-service restaurants finished 2020 very strong—many with record years—due to strong demand for to-go, and some casual dining survived with

a shift to increased takeout. However, as you move more toward fine dining, the negative impacts of the pandemic were felt more, as those tend to get less demand from delivery and rely more on convention and business traffic, which came to a halt.

Q. How important was the federal Payroll Protection Program (PPP) to the food-service industry?

The entire PPP package and [subsequent] multiple rounds were crucial to the survival of restaurants. The average restaurant has very little cash on hand—usually enough to support operations for 14 days. Most were not prepared for the sudden halt to operations.

We estimated that when the shutdown began, only 34 percent of restaurants could generate any revenue, and that was through delivery, drive-thru and carryout only.

PPP offered a safety net by providing grants to cover payroll and rent costs and, subsequently, for PPE [personal protective equipment] and to retrofit establishments to meet the changing business model of off-premise and outdoor dining. Additionally, through employee-retention tax credits, restaurants received additional financial relief.

However, the first round was not without its challenges in execution, conditions and high demand. Most of our small restaurants were left out as they didn't have lending relationships, did not have the formalized operations to navigate the initial [PPP] rollout or faced a language barrier.

We stepped in to support many of these restaurants through partnerships with banks and chambers to ensure they were aware of the conditions and had that direct access to banks they may not have had. This included the translation of marketing materials and required documentation to ensure awareness and access for Spanish-speaking restaurant owners in Texas.

These efforts have been especially successful for the second round of PPP and with the recent launch of the Small Business Administration Restaurant Revitalization Fund (RRF). To highlight the continued demand and need for such programs, the recently launched RRF received 186,000 applicants nationally within its first 36 hours.

Q. What long-lasting impacts will this event have on restaurants? How will restaurants do business differently post-COVID than they did pre-COVID?

The investment in technology will be the most significant change. It is estimated that the industry saw five years of technology gains in a 12-month period. To survive, many restaurants needed to quickly adopt technology to support online and contactless payments. These restaurants also saw the need to expand delivery services, with many choosing to sign agreements with third-party delivery services.

In addition, the to-go business is expected to continue. As the economy reopens and restaurants fill up, to-go business has not dropped. This is and will be supported by innovations that came out of the pandemic, like the ability to add grocery [sales] to restaurant offerings. For example, alcohol-to-go was signed into law during this past [Texas] legislative session.

The evolution of delivery and virtual kitchens is also something we are watching. These large commissaries



▶ *[The year] 2020 saw a \$17 billion revenue loss; 160,000 employees are still not working and about 9,000 restaurants have closed for good.*

where restaurants can rent space are leading to change and growth in the industry. The ability to rent kitchen space allows for consolidation of space and smaller footprints, even for dine-ins [that lease out part of their kitchens], and provides a lower barrier of entry into the restaurant industry by dramatically reducing the upfront investment.

As to-go and delivery look to remain a strong revenue generator, those services operate out of any of these kitchen operations without the need for on-site dining space.

Q. We hear about labor market tightness in your industry despite a high overall unemployment rate. What are restaurants telling you about difficulties finding workers?

Access to labor is probably the largest crisis we are facing outside of COVID. TRA members were polled in early May, and 91 percent reported openings they cannot fill. This is extraordinarily high for an industry where previous highs were around 65 to 70 percent.

We are seeing this due to multiple factors. To start, much of the workforce left the industry and found employment in areas that saw significant growth, like logistics or grocery. The current additional federal UI [unemployment insurance] benefit is also driving people to make a rational choice for their family when it comes to returning to work.

The vaccine, the stimulus and the supplemental [federal] unemployment benefit of \$300 are certainly major factors. If one does not have to pay for child care and can be home earning about the same amount, they will tend to make the choice not to return to work.

Given our workforce is 55 percent women, the availability and affordability of child care must be addressed to begin resolving the current labor challenges we face.

Q. A national \$15-an-hour minimum wage has been proposed. How would that affect Texas restaurants?

A national minimum wage of \$15 an hour has varying regional effects due to differences in the cost of living. In Texas, which has a lower-than-average cost of living, \$15 an hour represents a much higher real wage than in California and New York, where the cost of living is much higher.

That specific proposal would have had a unique effect on the restaurant industry, as it also included the elimination of the tip credit. The proposal would have led tipped personnel, who currently have a minimum wage paid by the employer of \$2.13 per hour, to have the same minimum wage as everyone else. [Currently, if a tipped employee does not make at least the \$7.25-per-hour federal minimum wage after tips, the employer must pay the difference.]

If this had passed, many restaurants would likely have eliminated the need for tips, as prices would have needed to increase to account for the wage adjustments. The TRA had many discussions with tipped workers about the proposal, and many were against it since they saw it as likely reducing their overall wages.

We know we have to have a conversation about what wages need to be going forward, especially as the industry evolves following the pandemic. For now, we can see that the market is driving up real wages across the country.

Q. What are some lessons learned during this historic period for the restaurant industry?

Our food-service supply chain is really challenged, and we expect this to be the case into late 2022. The grocery store and the restaurant supply chains are different, and we need to rethink how to create a more fluid supply chain.

When restaurants opened back up, there was no easy way to shift [the supply chain] from the grocery back to us. This is very important to address in order to protect our food system.

Consumer demands are evolving, and the need for more technology and automation is only growing. For example, the ability to order from your table via your phone and have the food delivered to your table is becoming more of a reality and requirement.

Moving forward, restaurants must first embrace technology and then begin looking at how the workforce will coexist with technology to provide a new, but still great, customer experience. The restaurant industry represented 51 percent of the food dollar before the pandemic, and that only dropped to about 48 percent at the height of the pandemic.

The economic impact of that volume of food and beverage is on top of the 1.3 million direct industry jobs in Texas.

I will say this: Texans love restaurants, I know we will recover, and we are coming out of this smarter and more innovative. I am surely betting on restaurants.

Texas Winter Deep Freeze Broke Refining, Petrochemical Supply Chains

By Jesse Thompson

ABSTRACT: It may take the Texas petrochemical industry until year-end 2021 to fully recover from the record cold that triggered power outages and supply disruptions in mid-February. Production of basic petrochemical products used in a range of intermediate and consumer goods was interrupted, breaking supply chains already strained by COVID-19 and leading to price pressures and scores of product shortages.

The record-breaking Arctic cold that flowed deep into Texas in mid-February hit the Texas refining and petrochemical sectors as hard as any hurricane and with less warning. Operations did not fully return until early April and sustained lasting damage.

The weather disruption tightened motor fuel supplies, created shortfalls of petrochemicals and slowed Texas exports. The impacts to supply chains have contributed to rising producer price inflation, and the challenges of restocking those supply chains are expected to persist through much of 2021.

Power Producer Struggles

The deep and persistent cold drove up heating demand across a broad swath of the nation. Texas power producers struggled to meet surging demand. Failure to winterize electricity generation infrastructure contributed to power shutdowns.¹ Fearing a collapse of the power grid infrastructure, the agency overseeing it, the Electric Reliability Council of Texas, initiated rolling blackouts affecting most Texas residents and businesses.

Among those affected by the double-barrel challenge of cold and loss of electric power were many energy producers and pipeline operators that feed natural gas to electricity generators and industry. The unusual cold even led to instances where the water co-produced with oil and gas in wells froze, reducing the flow of gas available to power generators. Texas natural gas production ultimately fell by 45 percent.

The petrochemical and refining sectors of Texas rely on natural gas and co-produced natural gas liquids—mainly ethane and propane—not only for heat needed during manufacturing, but also for raw materials used in many of their

products and processes. The combined effect of electricity blackouts, declines in the supply of raw materials and the intense cold itself forced a rapid shutdown of refinery and chemical plant facilities that required weeks to unwind.

Hurricane-Scale Outages

The Energy Information Administration's report on the Gulf Coast region covers Texas, Louisiana and New Mexico. The region is home to more than half of U.S. operable refining capacity—Texas alone accounts for nearly one-third.

The volume of crude oil processed by these Gulf Coast refiners in February fell to a low of 3.9 million barrels per day (mb/d) on a weekly basis, down from an average of 7.8 mb/d the month before. The roughly 50 percent drop was comparable in magnitude to the weekly impacts of hurricanes Ike (2008) and Harvey (2017). Crude processing recovered to 8.0 mb/d by the end of March 2021 (*Chart 1*).

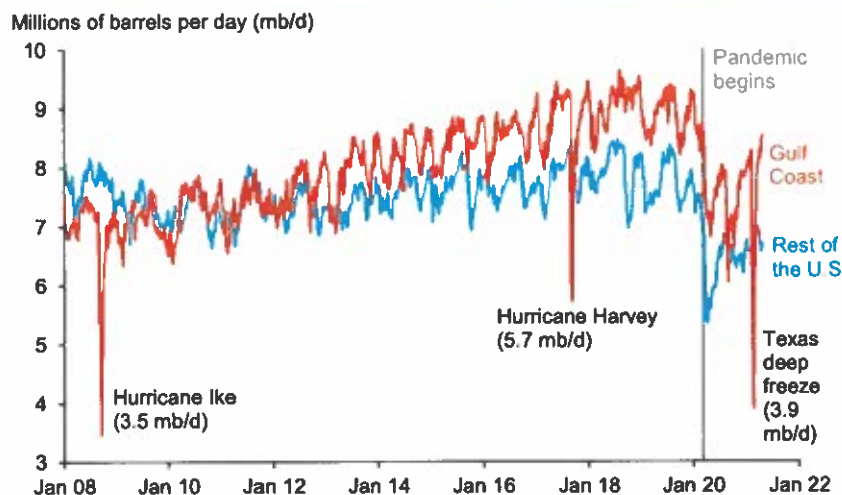
Limited mobility during the freeze and a dip in exports helped reduce the immediate effects of the lost supply on U.S. markets. However, the subsequent drop in refiner output amid increasing U.S. consumption following a pandemic lull reduced domestic gasoline and diesel "days of supply"—inventories divided by consumption—to comparatively low five-year average levels. Gasoline fell to 27 days of supply at the end of March, while diesel was at 36 days.

Chemical Output Hit Harder

Refineries typically need as little as 24 hours' notice to safely shut down—usually in preparation for an oncoming hurricane in the Gulf of Mexico, whose development may have been

CHART 1

Texas Freeze Causes Major Hurricane-Scale Drop in Refiners' Crude Oil Processing



NOTES: Data are weekly. Numbers in parentheses are lows driven by severe weather along the Gulf Coast.
SOURCE: Energy Information Administration.

tracked for over a week. Many chemical facilities need three to five days to stop operations due to the complex interconnections, continuous processes, high temperatures, pressures and the materials involved.

Chemical plants produce a variety of substances from the ingredients for chlorine-based disinfectants and plastic bottles to fertilizers, pesticides and packaging.

Texas is home to roughly three-quarters of basic U.S. chemical production capacity. The largely intermediate goods produced enter supply chains around the country and the world. Most of these goods go through multiple intermediate stages of processing before becoming a final consumer product.

The capital-intensive chemicals manufacturing industry (excluding pharmaceuticals) directly employed 67,100 Texans at the start of 2021, but job multipliers for the industry indicate as many as 4.6 times that number are indirectly supported downstream in supply chains, construction and maintenance, logistics, engineering and other sectors, according to the American Chemistry Council.

The unexpected and long-duration cold, sudden power loss and disruption

of natural gas liquids supplies precluded a normal, orderly shut-down. This caused more damage that took longer to identify and repair. For example, in some cases, firms could only identify damaged seals in one part of a plant after completing and testing repairs to other components.

Even facilities outside of Texas—or ones not directly affected by the freeze and blackouts—had to cut output in February and March, declaring *force majeure* in many cases due to shortages of important intermediate petrochemical inputs.

Some producers of polycarbonate resin could not meet production orders. Polycarbonate resin is used to make products such as car bumpers, headlight lenses and the transparent dividers installed over the past year by many businesses to protect customers and employees from exposure to COVID-19.

The auto industry was particularly affected. Toyota and Honda, already confronting COVID-19-related semiconductor shortages and port congestion, faced significant operational challenges. Firms either halted or slowed production at facilities in Mexico, the U.S. and Canada because of a lack of petrochemical components. Honda suspended North American operations for a week

in March.² Among key shortfalls were polyvinyl chloride (PVC) used for dashboards and other vehicle parts.

As much as 80 percent of U.S. basic organic chemicals capacity was offline after the storm, and up to 60 percent was still offline in mid-March, according to estimates from Wood Mackenzie, an energy industry consultancy. Capacity was largely restored by April.

Industrial production of chemicals had surpassed prepandemic levels by the end of 2020 (Chart 2). The index fell 8 percent in February, the largest one-month decline since January 1972. Chemicals is the single-largest industry group in the U.S. industrial production index, with a weight of 13.7 percent.

The average number of chemical railcar loadings—a timelier barometer of chemical plant operations—fell 28 percent during the week ended Feb. 20. That, too, marked the steepest one-week drop since 1988, when the weekly series from the American Association of Railroads began. By mid-April, U.S. chemical railcar loadings had returned to prefreeze—and prepandemic—levels, reflecting the resumption of near-normal operations.

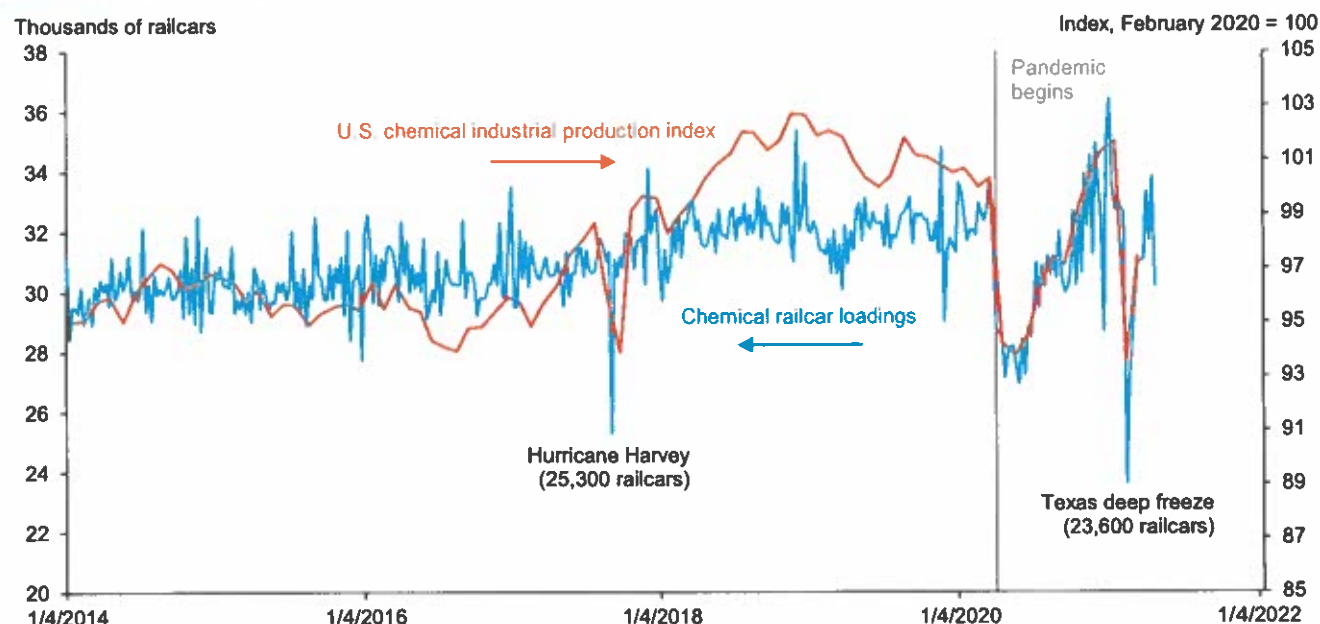
The real (inflation-adjusted) value of Texas chemical, plastic and rubber product exports—which made up nearly 17 percent of Texas exports in the three months before the freeze—fell by more than one-fifth in February 2021, the largest one-month drop since the global commodities bust of 2008. The value of refined product exports (petroleum and coal products) declined over 5 percent.

Petrochemical Price Surge

Gulf Coast chemical prices exceeded prepandemic levels at the end of 2020 due to rebounding product demand and rising crude oil prices (Chart 3). Moreover, producers, wary of a growing second wave of coronavirus globally, had slowly rebuilt inventories of intermediate product that were depleted following hurricanes Laura (August 2020) and Beta (September 2020). This kept industry inventories seasonally tight at the start of 2021.

CHART 2

U.S. Chemical Railcar Loadings Plummet During Freeze



NOTES: Railcar data are weekly loadings. Industrial production data are monthly. Numbers in parentheses are weekly railcar lows caused by severe weather along the Gulf Coast. SOURCES: Association of American Railroads, Federal Reserve Board.

The price of ethane—a key raw material for petrochemicals—has been relatively stable since summer 2020.

Intermediate product prices, however, have skyrocketed. The Gulf Coast price of ethylene surged 78 percent from December 2020 to March 2021. The increase pushed high-density polyethylene prices up to 75 cents per pound in March, a 61 percent jump. Ethylene feeds into myriad consumer products such as Styrofoam cups, plastic bottles, packaging and auto parts.

Rising Producer Prices

The increased chemical prices and related disruptions to supply chains added upward pressure to U.S. producer price indexes (PPIs).

The basic organic chemicals index (which tracks the prices of processed intermediate goods and includes ethylene) rose 10.4 percent from February to March 2021 (Chart 4).

Plastics and resins (which include polyethylene) increased 9.1 percent in March. Both were the fastest monthly rates of increase on record for these series, which began in 2011. The broader chemicals and allied products

PPI logged its highest monthly growth since August 1974.

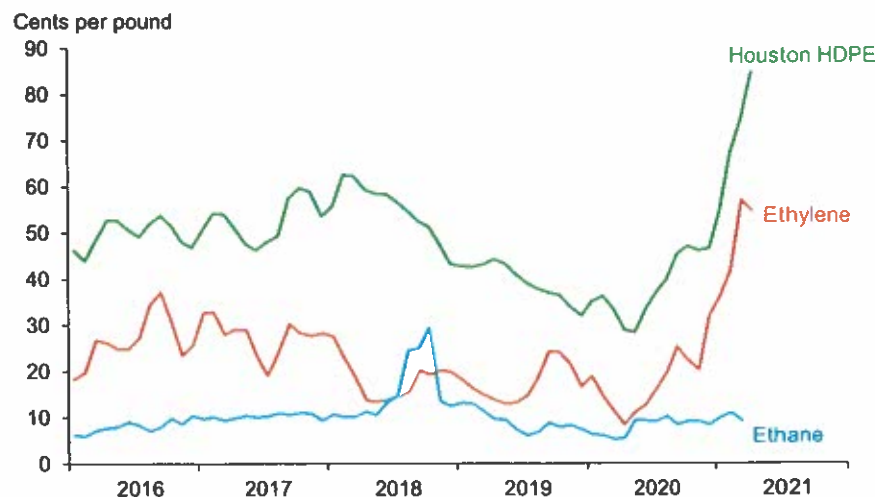
Lingering Effects in 2021

Even with chemical production back to prepandemic levels, supply chains aren't yet fully restored.

Consumer demand during the pandemic proved resilient as households ordered more to-go boxes from restaurants, demanded more personal protective equipment and required more packaging for online shopping orders. This helped offset lower demand for

CHART 3

Gulf Coast Intermediate Chemical Prices Surge with Plants Offline



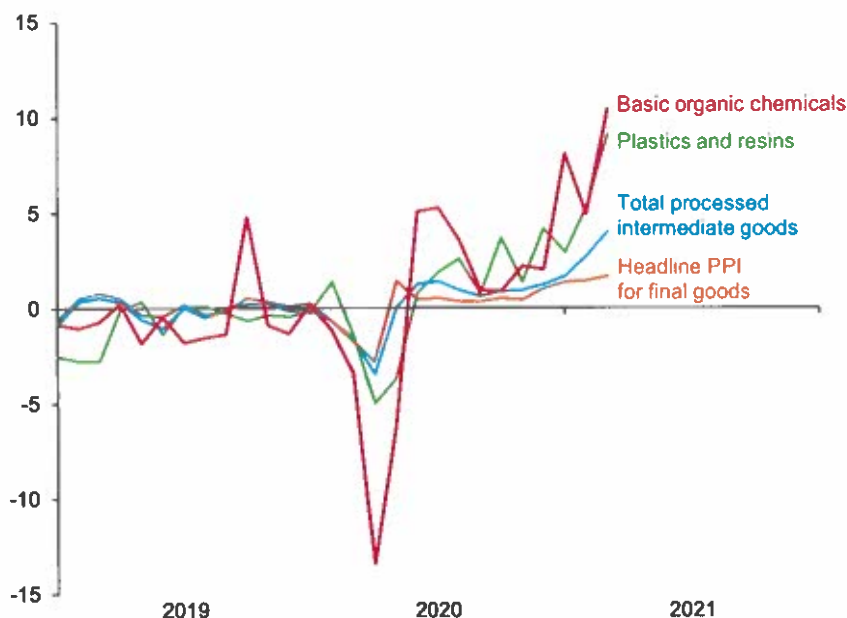
NOTES: The ethane price is the Mont Belvieu ethylene feedstock cost. HDPE is short for high-density polyethylene. Ethylene and HDPE prices are Gulf Coast and Houston assessments, respectively.

SOURCES: Bloomberg; PolymerUpdate.com; Muse; Stancil & Co; author's calculations.

CHART 4

Chemical Indexes Contributing to Rising Producer Price Inflation

Month-over-month percent change



NOTES: Growth rates are not annualized. Total processed intermediate goods, plastics and resins, and basic organic chemicals are "processed intermediate goods" indexes, while PPI is the Producer Price Index, a measure of inflation at the wholesale level.

SOURCE: Bureau of Labor Statistics.

products such as motor oil additives and tire rubber, where consumption fell as people stayed home.

With little spare production capacity across the chemical sector, most new production will go to meeting new orders—likely keeping inventories thin throughout supply chains. The lack of wiggle room should support recent high prices or even lead to still-higher prices should demand increase further.

The pandemic has produced lingering logistical challenges in shipping. International shipping costs have skyrocketed in spot and contract markets, particularly for trans-Pacific crossings. This is in part because the number of vessels in service has not fully recovered from 2020 lows, when lockdowns initially curtailed demand.

Shipping containers were left misallocated as the logistics of pandemic lockdowns limited the backhaul of empty containers used for moving bags of resins and other substances. Recurring coronavirus lockdowns affecting ports and businesses around the world may continue constraining shipping and container capacity, further chal-

lenging the restocking of chemical supply chains and broadly contributing to higher import costs.

Reaching Market Balance

Refiners and petrochemical producers' optimism grew as the economy strengthened in second quarter 2021 and COVID-19 vaccines became more plentiful. Industry officials say they remain wary about additional lockdowns arising from recurring illness in large demand centers such as India.

Forecasts for global crude and natural gas liquids consumption from the International Energy Agency were revised upward, and chemical industry contributions to the U.S. Purchasing Managers Index grew strongly as outlooks improved.³

Restocking inventories and fortifying supply chains will be challenging, although petrochemical industry executives believe that full normalization could occur by year-end 2021.⁴ More production from new capacity coming online—\$5.7 billion worth in Texas, according to the American Chemistry Council—could help some product

markets if it is brought into operation early enough in 2021. However, higher-than-normal production rates through the fall and improved global shipping and logistics environments will likely be needed.

The 2021 hurricane season in the Gulf of Mexico provides another variable. The ability to gain control over COVID-19 is also an unknown. Whatever occurs, the near-term impact of the Texas deep freeze on the chemical industry is expected to reverberate through supply chains across industries for the rest of the year. When these transitory factors fade, upward industry price pressures are expected to dissipate.

Thompson is a senior business economist in the Houston Branch of the Federal Reserve Bank of Dallas.

Notes

¹ "Cost of Texas' 2021 Deep Freeze Justifies Weatherization," by Garret Golding, Anil Kumar and Karel Mertens, Federal Reserve Bank of Dallas *Dallas Fed Economics*, April 15, 2021, www.dallased.org/research/economics/2021/0415.

² "Toyota Partially Halts North American Auto Production on Plastics Shortage," by Adam Yanelli, Independent Commodity Intelligence Services, March 18, 2021, www.icis.com/explore/resources/news/2021/03/18/10619129/toyota-partially-halts-north-american-auto-production-on-plastics-shortage.

³ "March 2021 Manufacturing ISM Report on Business," Institute for Supply Management (ISM), April 2021, www.ismworld.org/supply-management-news-and-reports/reports/ism-report-on-business/pmi/March/; and "ISM-Houston Business Report on Business," by Ross S. Harvison, ISM, March 2021, www.ism-houston.org/ism-houston-business-report-2021-04-12.

⁴ Eleventh District Beige Book, April 14, 2021, www.dallased.org/research/beige/2021/bb210414.aspx; "Texas Petrochemical Production is Still Thawing," by Alexander H. Tullow, *Chemical and Engineering News*, March 21, 2021, <https://cen.acs.org/business/petrochemicals/Texas-petrochemical-production-still-thawing/99/11>; and "U.S. PPG Expects Most Product Inflation to Subside in H2 2021, After Q1 Rise," by Deniz Koray, Independent Commodity Intelligence Services, March 16, 2021, www.icis.com/explore/resources/news/2021/04/16/10629279/us-ppg-expects-most-product-inflation-to-subside-in-h2-2021-after-q1-rise.

Banks Face New Challenges as Texas Rebounds from COVID-19 Shock

By Amy Chapel, Kory Killgo and Kelly Klemme



ABSTRACT: The banking industry faced significant challenges from the COVID-19 pandemic in 2020, with profitability declining to levels not seen since the 2008–09 financial crisis. While strong economic growth during 2021 is expected as the economy reopens, some credit deterioration and losses are still possible as fiscal stimulus and national forbearance programs end.

Like much of the rest of the U.S. economy, the banking industry is finding its way after dealing with COVID-19 challenges in 2020. These included declining profitability—largely a product of lower net interest margins and greater loan loss provision expense.

Since the pandemic became widespread in March 2020, asset quality has deteriorated only slightly, holding up mostly because of loan forbearance. However, this support may simply push some credit-quality issues into the second half of 2021. While banks increased their allowance for loan and lease losses, credit quality remains a risk this year, particularly as exceptional government support ends.

For much of 2020, banks benefited from unprecedented public sector support—including historical levels of fiscal stimulus and the Paycheck Protection Program (PPP), which helped businesses maintain payrolls during the downturn. Regulators also encouraged banks to work with affected customers and offer loan forbearance.

Though many of these measures bolstered the economy, aggregate loan growth stalled in 2020 after excluding lending through PPP, in which most banks participated.

The Federal Reserve also played a significant role with its purchases of government securities to stimulate the economy and ensure smooth functioning of financial markets. These purchases increased bank balances at the Federal Reserve. When the Federal Reserve purchases government securities (Fed asset purchases) to support the economy, it credits the account of a bank or a bank customer with the cash. This activity has implications for banking system liquidity and capital.

In the case of banking system liquidity, Fed asset purchases can create deposits at banks, thus increasing their liquidity. When it comes to bank capital, Fed asset purchases can boost the size of the overall banking system's balance sheet, reducing capital adequacy. Thus, in addition to facing possible strains from loan losses and pressured capital adequacy in 2021, banks will likely continue to confront headwinds to profitability from low interest rates and excess liquidity.

Sharply Lower Profits

The return on average assets for Eleventh District banks fell from 1.32 percent in 2019 to 0.89 percent in 2020—the lowest return since 2009 (*Chart 1*).¹ U.S. banks experienced an even steeper decline, from 1.30 percent to 0.72 percent—the lowest since 2010.

The decline in profitability was primarily driven by higher provision expense—which more than doubled from 2019 to 2020 for both district and U.S. banks—and by lower net interest margins.² Provision expense is the amount banks set aside to cover loan losses; provision expense gets added to a bank's allowance for loan and lease losses, or loan loss reserves.³ While the loan loss reserve is a buffer against expected losses, additions to it reduce profitability.

Net interest margins can fluctuate based on changes in interest rates—both rates paid on deposits and rates charged on loans. It can also vary with changes in the volumes of deposits and earning assets, such as loans and securities.

Interest rate changes were mainly responsible for the decline in net interest margins in 2020. They declined as the economic outlook weakened, as

evidenced by cuts to the federal funds rate in early 2020 and a flattening of the Treasury curve—a reduction in the difference in interest rates investors demand for short- and long-term Treasury obligations.

This affected the rates banks charged borrowers on their loans as well as the deposit rates banks paid to customers. Rates charged on loans fell faster than those paid on deposits. The drop in net interest margins was also due, to a lesser extent, to a surge in the

quantity of deposits, causing banks to pay out more in interest to customers despite falling interest rates.

Deposits at commercial banks nationally totaled \$17.7 trillion at year-end 2020—23 percent higher than at year-end 2019 (*Table 1*). The annual growth in deposits was significantly greater than any year since 1973, when data collection began. The surge in deposits added to banks' liquidity and can be attributed to the pandemic support measures, with significantly higher U.S. household savings and Fed asset purchases both contributing.

Loan Volume Declines

A decline in interest income caused by lower loan volume further pressured net interest margins. Loan growth—outside of PPP loans—stalled nationally and in the district in 2020. Excluding PPP loans, total loans contracted year over year in fourth quarter 2020—the first such decline since 2011—falling 0.54 percent for district banks and 0.59 percent for U.S. banks (*Chart 2*).

Aggregate loan growth, inclusive of PPP loans, was positive in 2020. Now that the PPP has ended, many of those loans will be forgiven under terms of the law creating the federal assistance effort or, in some cases, they will be repaid. Should loan demand remain sluggish as the economy improves, banks could feel pressure to search for other opportunities to deploy their excess liquidity, such as buying securities.

Bigger Balance Sheets

Banks' total assets grew despite soft loan conditions because of public sector intervention. Among Eleventh District banks in 2020, assets increased \$105 billion, or 19 percent, compared with 17 percent for all U.S. banks, as seen in *Table 1*.

Bank balance-sheet growth in 2020 can be attributed to PPP loans, growth in reserve balances at the Federal Reserve due to Fed asset purchases, and increased holdings of investment securities. District banks experienced larger balance-sheet growth than their national counterparts. Increases in the size of bank balance sheets act to

CHART 1

Eleventh District, U.S. Bank Profitability Declines in 2020



SOURCE: Federal Financial Institutions Examination Council, Reports of Condition and Income.

TABLE 1

PPP, Fed Balances and Securities Fuel Banking System Balance-Sheet Growth

	Change, Dec. 31, 2019–Dec. 31, 2020			
	Eleventh District banks		U.S. banks	
	Dollars (billions)	Percent	Dollars (billions)	Percent
Total assets	105	19	3,223	17
PPP	23	—	406	—
Loans (excl PPP)	-\$2	-0.5	-62	-0.6
Investment securities	40	31	1,127	28
Balances due from Federal Reserve Banks	67	152	1,594	103
Other	-23	-63	158	6
Total liabilities	100	21	3,109	19
Deposits	97	21	3,273	23
Wholesale funding	-0.1	-0.6	-343	-32
Other	3	29	179	19
Equity capital	5	8	114	5

NOTE: PPP refers to the Paycheck Protection Program.

SOURCES: Federal Financial Institutions Examination Council, Reports of Condition and Income; Federal Reserve H.4.1 Release.

weaken banks' leverage ratios—a measure of a bank's core capital relative to its total assets.⁴

Bank reserves at the Federal Reserve are likely to continue to increase in 2021 as a result of additional Fed asset purchases—part of the Federal Reserve's ongoing response to the pandemic—and stimulus funds moving from the Treasury to taxpayers, who, in turn, increase deposit balances at banks.

Assessing Asset Quality

Credit quality largely held up in 2020, despite a sharp recession and historical levels of unemployment that would normally be consistent with a sharp deterioration in asset quality. Personal bankruptcies actually fell during the pandemic, while corporate bankruptcies rose but have remained well below 2008–09 levels.

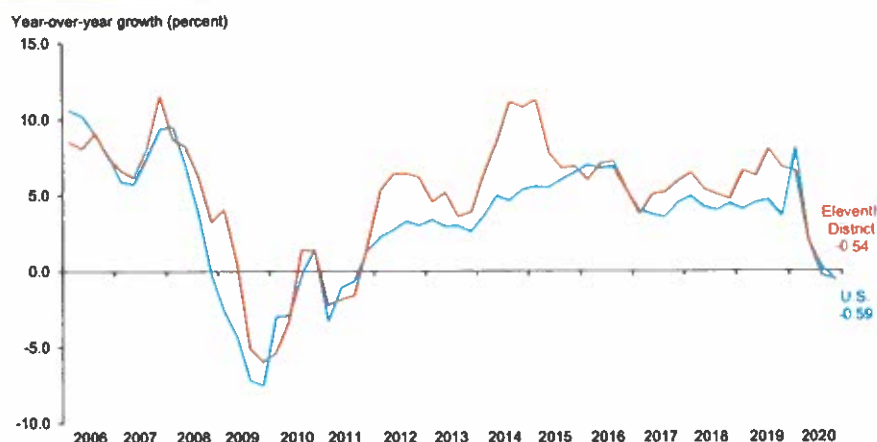
The noncurrent loan rate—the percentage of loans past-due 90 days or more or on nonaccrual status (not generating interest)—ticked up to 1.21 percent nationally and 0.91 percent in the district in 2020, still well below financial-crisis levels. The increase in the noncurrent loan rate was primarily due to increases in noncurrent residential real estate loans, followed by increases in noncurrent commercial real estate (CRE) loans, both nationally and in the district (*Chart 3*).

During prior downturns, high CRE-related losses contributed to bank failures and constrained bank lending. Banks with less than \$100 billion in total assets may be particularly vulnerable to such losses because they are more concentrated in CRE relative to larger banks. Within CRE, the retail and hotel segments have been stressed the most during the pandemic. However, risk of future deterioration in office and even multifamily segments, combined with sizable bank exposures to these sectors, could lead to credit losses.

While bank CRE losses have risen only marginally during the pandemic, they tend to lag the deterioration of commercial mortgage-backed securities (CMBS)—packages of commercial mortgage loans sold to investors and not backed by a U.S. government-spon-

CHART 2

Excluding Paycheck Protection Program, Bank Loan Growth Stalls

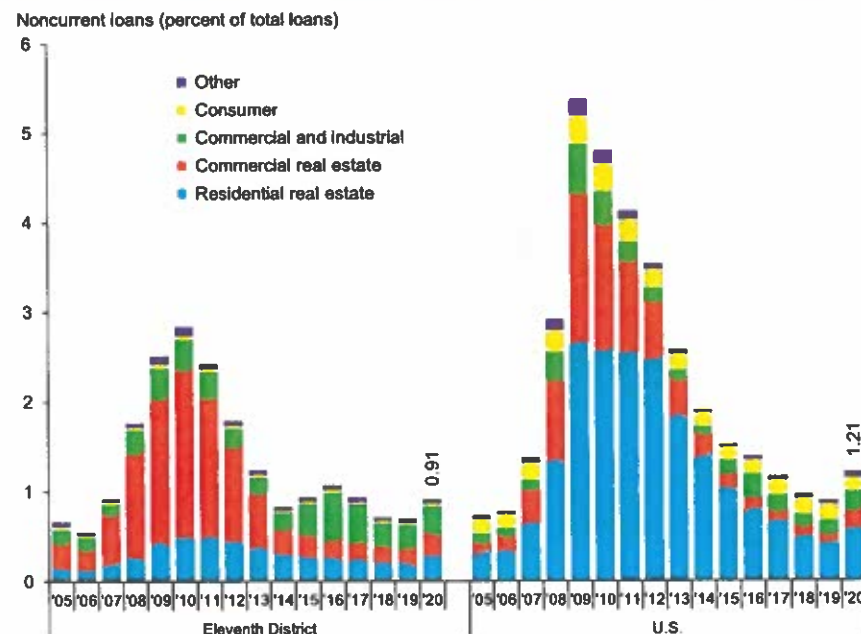


NOTE: Data have been adjusted to exclude Paycheck Protection Program loans.

SOURCE: Federal Financial Institutions Examination Council, Reports of Condition and Income.

CHART 3

Noncurrent Loan Rates Rise Slightly in 2020



NOTES: Data have been adjusted to exclude Paycheck Protection Program loans. Noncurrent loans are ones in which payments are 90 days or more past due or not generating interest. C&I refers to commercial and industrial loans.

SOURCE: Federal Financial Institutions Examination Council, Reports of Condition and Income.

sored enterprise such as Fannie Mae or Freddie Mac.⁵

Credit deterioration within the CMBS market has been more evident during the pandemic. The delinquency rate on loans in CMBS securitizations—30 days or more past due—rose

from just 2 percent prepandemic (March 2020) to a peak of 10.3 percent in June and stood at 6.5 percent in April 2021, according to Trepp, a provider of mortgage data.

Other measures of risk for loans in CMBS securitizations, including watch

lists and special servicing for troubled loans, are also elevated. The share of CMBS loans on watch lists, indicating possible credit concerns, stood at 25.7 percent in April 2021, up significantly from 8.5 percent in March 2020. The share transferred into special servicing, designed to help resolve troubled loans, was 9.0 percent in April 2021, also up notably from 2.7 percent in March 2020. CMBS credit deterioration could signal trouble ahead for banks' CRE credit quality.

The limited deterioration in banks' asset quality is largely a result of extensive government and Federal Reserve support to households and businesses in response to the pandemic. Additionally, the Coronavirus Aid, Relief, and Economic Security (CARES) Act gave banks greater latitude to work with affected customers, offering forbearance—including payment deferrals, fee waivers and extension of payment terms—on outstanding loans.

Banks' loan balances in forbearance under the CARES Act totaled 2.8 percent of all loans (excluding PPP) nationally as of fourth quarter 2020. This share was down from 5.8 percent in second quarter 2020, an improvement that banks largely attributed to customers resuming normal payments once their deferral period ended.

Loan balances remaining in forbearance could negatively affect banks' asset quality if they become noncurrent.

Potential Loan Losses

While the economy is set to grow quickly this year, concern remains that once pandemic relief measures end, delinquent loans and loan losses might increase. This could occur if businesses and consumers in forbearance are unable to resume loan payments or because of structural changes in the economy permanently affecting certain industries, such as retail, hospitality and office construction.⁶

While the banking sector was generally well-capitalized before the pandemic, scenario analysis can provide insight about the potential impact of higher loan losses on bank capital levels.

The Federal Reserve Bank of Dallas has developed an internal capital calculation tool that translates a set of loan loss rates into an estimate of banks' risk-based and leverage capital ratios.⁷ The resulting capital ratios under a given loan loss scenario can help determine if an institution could become undercapitalized—at least one capital ratio falling below regulatory minimums.

Using this tool, one can consider the impact of two potential scenarios of loan loss (loans that default) over

a one-year horizon. One is a baseline scenario that stresses all loan categories using a loss rate—loans that default as a share of total loans—of 1.5 percent. The other is a downside scenario using loss rates derived from regulators' 2020 large-bank stress tests.⁸

Table 2 shows the one-year loss rates—the share of total loans that default in one year—for each scenario. For reference, the peak one-year loss rates from the financial crisis and the average of bank regulators' 2013–19 large-bank stress test loss rates by major loan type are also shown.

Nationally, only 3 percent of banks are estimated to become undercapitalized in the baseline scenario. Banks becoming undercapitalized may face restrictions on their growth, capital distributions and merger transactions. The share of all U.S. banks estimated to become undercapitalized increases to 10 percent in the downside scenario.

Within the Eleventh District, 2 percent of banks could become undercapitalized in the baseline scenario, increasing to 8 percent in the downside scenario. Given continued economic improvement this year, it is unlikely loan loss rates for all loan categories will be as high as those in the downside scenario. However, it is possible that some loan categories could experience stress once public sector support expires.

Looking Ahead

While strong economic growth is anticipated in the second half of 2021 as the economy reopens, some credit deterioration and losses are possible as fiscal support and forbearance programs end.

There is significant uncertainty about potential loan losses at banks, but scenario estimates indicate moderate possible impacts on bank capital in 2021. Banks also face continued pressure on net interest margins absent a rebound in loan demand and a sustained, steeper Treasury curve.

Chapel is a macro-surveillance manager, Killgo is a financial industry analyst and Klemme is a data scientist in the Banking Supervision Department at the Federal Reserve Bank of Dallas.

(Continued on back page)

TABLE 2 Loan Loss Rates May Rise with Added Stress
Scenario Analysis, One-Year Loan Loss Rates (Pct.)

	First-lien residential	Jr. lien/ HELOC	C&I	CRE	Credit card	Other consumer	Other loans
Baseline scenario	← 1.5 →						
Downside scenario	0.95	1.40	3.35	5.60	9.90	2.85	1.80
Financial crisis peak	2.01	4.25	2.94	2.92	12.89	3.73	0.82
Large-bank stress tests average (2013–19)	1.61	3.00	2.79	3.41	6.55	2.52	1.40

NOTES: The large-bank stress tests' average one-year loan loss rates are from bank regulators' 2013–19 Dodd-Frank Act Stress Tests. HELOC refers to home equity line of credit; C&I refers to commercial and industrial loans; CRE refers to commercial real estate loans.

SOURCES: Federal Reserve Bank of Dallas; Dodd-Frank Act Stress Tests; Federal Financial Institutions Examination Council, Reports of Condition and Income.

Oil Patch Productivity Rises; Jobs Vanish

By Garrett Golding and Sean Howard

The oil and gas industry's shale revolution, a product of technical breakthroughs and high oil prices more than a decade ago, transformed global energy markets and sparked an economic boom in parts of Texas and New Mexico.

But after major oil price busts in 2014 and 2020, the same engineering prowess that helped the industry thrive has been driven to find efficiencies to lower operating costs. The result: Fewer workers are needed to produce the same oil and gas output.

The region's oil and gas firms employ fewer people today than at the beginning of the shale oil boom 11 years ago, even as oil production quadrupled (Chart 1).

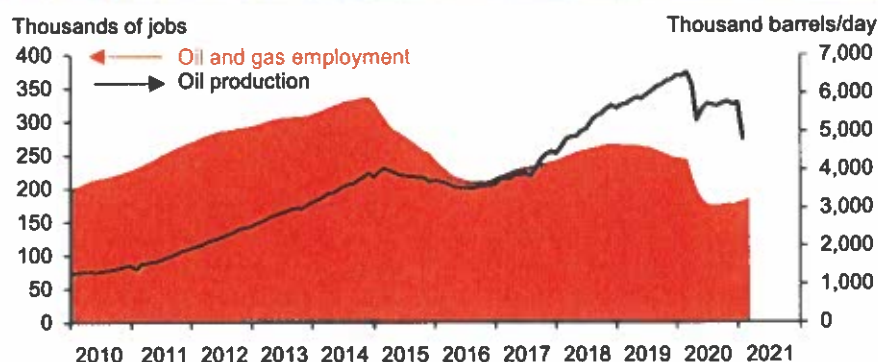
Boom Years Growth

As domestic oil production surged between 2010 and 2014, so did hiring. More than 900 rigs operated across Texas and New Mexico during the first half of 2014 when the benchmark West Texas Intermediate oil price held above \$100 per barrel.

Companies in the two states employed more than 330,000 people at the time. Prices crashed in the second half of that year, and by 2015, drilling activity and capital spending collapsed—289 oil production and service companies went bankrupt, and 120,000 energy jobs were lost. The rig count plummeted below 200 by mid-2016.

Companies unleashed a series of improvements to make wells more productive and cut costs starting in 2015.¹ This lowered the breakeven prices for shale wells and allowed production to recover quickly after the downturn. Texas and New Mexico oil production grew 14 percent between December 2014 and December 2017, while industry employment dropped 29 percent.

CHART 1 Oil and Gas Industry Productivity Improves in Texas, New Mexico as Head Counts Decline



NOTE: Oil and gas employment includes jobs data for (1) oil and gas extraction in Texas; (2) support activities for oil and gas in Texas; and (3) mining and logging in New Mexico, which includes the oil and gas industry.

SOURCES: Bureau of Labor Statistics; Federal Reserve Bank of Dallas.

These developments were apparently insufficient to satisfy investor demands to improve free cash flow and to return capital.² Company payrolls shrank again, the rig count declined throughout 2019 and, counterintuitively, oil production surged.

Further Belt Tightening

Oil prices crashed again last year, as a price war erupted between Saudi Arabia and Russia, and demand slumped because of COVID-19. A wave of industry consolidation swept the sector and led to more cost cutting.

Technology is redefining operational roles. Though automation is in the early stages of deployment on drilling rigs, it is decreasing personnel requirements. Remote monitoring of wells and other facilities, which proliferated with COVID-19 workplace restrictions, further lessened employment needs.

These kinds of adaptations have shifted the workforce and cost structure of oil and gas companies. In an analysis of 14 independent exploration and

production companies, general and administrative costs fell from \$2.96 per barrel of oil equivalent on average in 2018 to \$2.10 in 2020. These expenses on average exceeded \$4 among these companies at the start of the last decade.

Job opportunities in the oil patch face a compounding squeeze. Companies require fewer employees for more output while a slower pace of field activity takes hold.

However, since most companies are as lean as they have ever been, another period of low prices is unlikely to yield further widespread job losses. Conversely, if prices surge higher, few operators are expected to act as aggressively as they would have in the past and drill more wells and hire more workers.

Notes

¹"Spotlight: Permian's Shale-Era Oil Production Rises Even as Rig Count Falls," by Emma Marshall and Jesse Thompson, Federal Reserve Bank of Dallas *Southwest Economy*, First Quarter, 2020.

²"Shale Firms Pump Up Dividends as Industry Focus on Returns Grows," by Ernest Scheyder, Reuters, March 25, 2018.

Women Took Brunt of Pandemic Job Loss as Priorities Shifted to Home

Design: Olu Eseyin; Content: Camila L. Holm, Yichen Su

Working women fared worse than men in the pandemic—a reversal from the Great Recession

Job loss by gender: Great Recession vs. Pandemic

Decline in monthly employment rate,
Jan. 2008–Jan. 2010

Decline in monthly employment rate,
Jan. 2020–May 2020



JANUARY–MAY 2020

Employment declined more for women than for men—including in many essential services.

Icons show percent decline by occupational category.



Employment declined significantly more for women with young children than for men with young children.

Icons show percent decline in employment rate.



Data suggest family demands disproportionately fell on working women during the pandemic, limiting their ability to work.

NOTES: Individuals who have children are defined as those who have at least one child in the household. Single individuals are those not currently married or those without a spouse present. The sample is restricted to men and women who are age 25–64.
SOURCE: Bureau of Labor Statistics, Current Population Survey.

Banks Face New Challenges as Texas Rebounds from COVID-19 Shock

(Continued from page 13)

Notes

¹ Data for Eleventh District institutions have been adjusted for structure changes such as mergers, acquisitions and relocations. The district comprises Texas, northern Louisiana and southern New Mexico.

² Net interest margin is the difference between a bank's interest income (loan and securities yields) and interest expense (deposit and other borrowing costs) weighted by average earning assets.

³ Allowance for loan and lease losses (ALLL) increased, partly due to the adoption of the current expected credit loss (CECL) model by some institutions in early 2020, but not many Eleventh District banks adopted CECL in 2020. Other increases in ALLL were due to normal provisioning for loan losses.

⁴ A bank's core capital includes assets that can be easily

liquidated if the bank needs capital in the event of a large unexpected loss or financial crisis. PPP loans were excluded from bank leverage ratios if they were funded with Payment Protection Program Liquidity Facility borrowings from a Reserve Bank.

⁵ Due to their structure, CMBS loans can be more difficult to modify or defer than bank loans.

⁶ "COVID-19 Slammed into Texas, Leaving Long-Lasting Impacts," by Emily Kerr, Judy Teng and Keith Phillips, Federal Reserve Bank of Dallas *Southwest Economy*, First Quarter 2021.

⁷ Capital estimates are equal to beginning capital plus cumulative pre-provision net revenue (PPNR) minus cumulative loan losses, taxes and dividends. PPNR is based on current-quarter net interest income, the average

of the most recent four quarters for noninterest expense and the average of the four quarters prior to PPP for noninterest income. A tax rate of 21 percent is applied to institutions with PPNR greater than loan losses. Dividends are equal to the sum of the most recent four quarters.

⁸ The downside scenario uses loan loss rates based on the Dodd-Frank Act Stress Test (DFAST) December 2020 Severely Adverse scenario. For purposes of this article, published nine-quarter DFAST loan loss rates are converted to four-quarter loss rates. See www.federalreserve.gov/publications/files/2020-dec-stress-test-results-20201218.pdf.



Federal Reserve
Bank of Dallas

Southwest Economy

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Federal Reserve Bank of Dallas
2200 N. Pearl St., Dallas, TX 75201

OUTSTANDING LIABILITIES

FINANCED THROUGH	BALANCE	INT. RATE	MATURES
COMBINATION TAX AND SURPLUS REVENUE	\$ 6,608,003	2.27%	2/1/2050
CERTIFICATES OF OBLIGATION (TWDB)			
SEWER PLANT AND WATER ELEVATED TANK AND GROUND STORAGE TANK			
TOTAL	\$ 6,608,003		

ACTION ITEM: #5

**Resolution for Bank
Signatories**

RESOLUTION 10-12-21 AUTHORIZING SIGNATORIES

A RESOLUTION BY THE CITY COUNCIL OF THE TOWN OF RANSOM CANYON, TEXAS DESIGNATING AUTHORIZED SIGNATORIES FOR CITY BANK ACCOUNTS AT HAPPY STATE BANK

WHEREAS, it is necessary to appoint persons to execute financial transactions in the event that the City transactions at Happy State Bank for the Town of Ransom Canyon and;

WHEREAS, the Town of Ransom Canyon, Texas acknowledges that in the event that an authorized signatory of the Town changes (elections, illness, resignations, etc.), the Town must provide Happy State Bank with the following:

NOW THEREFORE, BE IT RESOLVED BY THE TOWN OF RANSOM CANYON, TEXAS, AS FOLLOWS:

The following individuals will be authorized to sign checks:

Val Meixner, Alderwoman
Ingram Rich, Alderman

The following should be removed from signing checks:

Mike Greer, Alderman

PASSED AND APPROVED BY (THE CITY COUNCIL OF THE TOWN OF RANSOM CANYON, TEXAS OF LUBBOCK, TEXAS on October 12, 2021.

Name, (MAYOR)

Attest:

Name, (CITY SECRETARY)

ACTION ITEM: #6

**Agreement with
Pavement Restoration**

Checked out 7-21-21

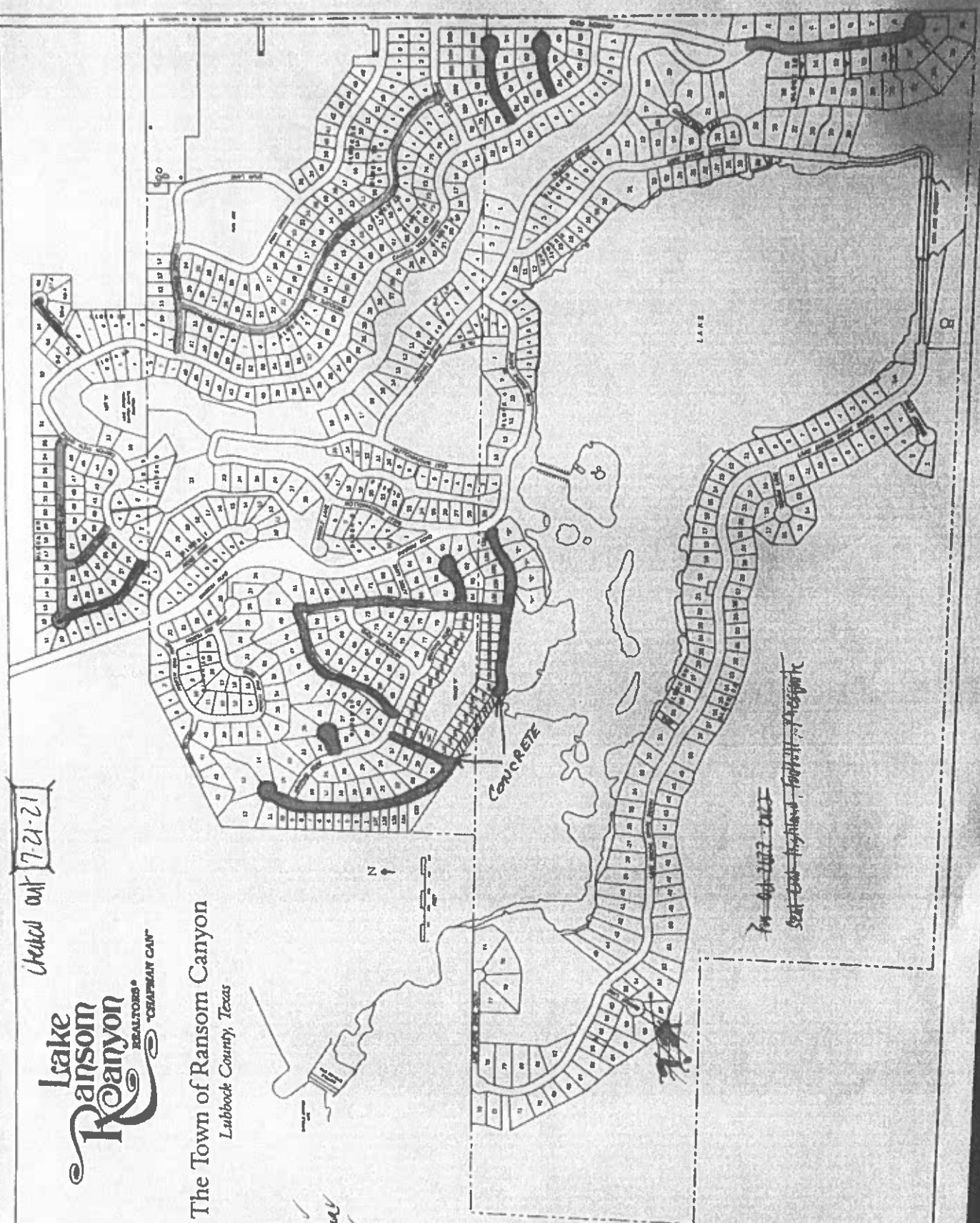
Lake
Ransom
Canyon
REALTORS®
"CHAMPION CAN"

The Town of Ransom Canyon
Lubbock County, Texas

2021-22
RESERVATION
Assigned
W/OT Lettley
Carmichael
W/1104
Sundberg

CONCRETE

For 04-2022-2023
See 000 Highway for all properties





PAVEMENT RESTORATION, Inc

Contract No. RC002, Asphalt Rejuvenation Program

AGREEMENT FOR REJUVENATION SERVICES CONTRACT NO. RC002

STATE OF TEXAS

COUNTY OF

This agreement is made and entered into this day by and between CITY OF RANSOM CANYON Texas, hereinafter referred to as the "Agency" and **Pavement Restoration, Inc.** here in after referred to as the "Contractor" and shall be binding upon their respective executors, administrators, heirs successors or assigns;

WHEREAS, the Agency desires to enter into a contract for the service of **Asphalt Rejuvenation at** CITY OF RANSOM CANYON Texas, in accordance with the provisions of the State Statutes and conforming to the Contractor's Standard Specifications, all of which are incorporated herein or attached ;

WHEREAS, the Contractor has been engaged in and now does comparable work and represents that he/she is fully equipped, competent and capable of performing the above desired and outlined work, and is ready and willing to perform such work in accordance with all provisions of the above mentioned and Standard Specifications and marked **Asphalt Surface Maintenance with Maltene Rejuvenator.**

NOW THEREFORE, in consideration , the Agency, promises to pay the amount below as totaled in the Contract and hereto attached and made part of this Contract, the Contractor agrees to do at his own proper cost and expense all the work necessary for the production of, **Asphalt Rejuvenation** in CITY OF RANSOM CANYON, Texas in accordance with the provisions of the aforementioned Standard Specifications to the satisfaction of the Agency.

This contract document, the Standard Specifications attached hereto represent the entire and integrated contract between the Agency and the Contractor and supersedes all prior negotiations, representations, or agreements, either oral or written. This Contract may be amended only by written instrument signed by both the Agency and the Contractor.

The term of the contract shall be for the duration of this particular Production Job at CITY OF RANSOM CANYON upon award by the Agency.

For and in consideration of the Contractor's performance of the Work, Agency shall pay the Contractor in the manner provided for in the Standard Specifications, on Final Invoice based on the following Unit Price: (i) \$1.15 per Square Yard for 17 467 sq yds
\$ 20 087.05

Unit Prices shall remain firm for the period of the contract and shall not include Federal or State of Texas sales, excise and use taxes. .

End of Page

Contract No. RC002, *Asphalt Rejuvenation Program*

A quotation shall be provided for each job when requested by Agency. The number of working days required to complete the job will be 5 days subject to weather. The Contractor further agrees to be available for work within ONE MONTH, after receipt of "Notice to Proceed".

The Contractor shall also furnish to the Agency the certificate of insurance naming the Owner as an additional insured and showing coverage in accordance with Agency Insurance requirements.

This contract shall be construed according to the laws of the State of Texas. The performance for this Contract shall be in County, and venue for any action will lie in Lubbock County, Texas. The Contractor warrants that the completed project shall be adequate for the purposes intended.

EXECUTED THIS 17 DAY OF August, YEAR 2021.

_____, TEXAS

PAVEMENT RESTORATION, INC.
CONTRACTOR

By: R. Wiggins DATE: 8/17/21

WITNESS

APPROVED:

By: _____ DATE: _____
AGENCY

WITNESS

Post Office Box 1532 . Boerne , Texas 78006 . Tel: 813.323.2710 Fax: 830.336.3484
EMAIL: paverestore@msn.com WEB: www.paverestore.com



PAVEMENT RESTORATION, Inc

CITY OF RANSOM CANYON
ATT: PUBLIC WORKS/STREETS DIV

7/23/21

FORMAL PROPOSAL

REF: - RECLAMITE REJUVENATOR APPLICATION
PROJECTED START DATE: 2021-post Oct 1

Completed Turn – key APPLICATION @ \$ 1.15 per sq yard

WILLOW	1050 SQ YD
COTTONWOOD	1390 SQ YD
COYOTE	738 SQ YD
SIOUX	5624 SQ YD
ARAPAHO	580 SQ YD
CARDINAL	1045 SQ YD
W LAKESHORE	5680 SQ YD
ARROWHEAD DR	1360 SQ YD

17 467 SQ YDS

\$ 20 087.05 IDENTIFIED FROM MAP STREETS AS PER PUBLIC WORKS SCHEDULE

Inclusive : Mobilization

- Street assessment
- Resident Notification
- Traffic control
- Reclamite
- Product application
- Sanding (WASHED CONCRETE SAND)
- Sweeping up of residue sand next day
- Before / After street core samples to Independent Lab Analysis

RBW/gms

SIGNED: Rob Wiggins
President

Pavement Restoration Inc

Post Office Box 1532, Boerne, Texas 78006. Tel: 813.323.2710 Fax: 830.336.3484
EMAIL: rob.w@paverestore.com WEB: www.paverestore.com



PAVEMENT RESTORATION, Inc

Contract No. RC002, Asphalt Rejuvenation Program

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STATE OF TEXAS

COUNTY OF

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PAVEMENT RESTORATION, INC.
CONTRACTOR

By: R. Wiggins DATE: 8/17/21

WITNESS

APPROVED:

By: _____ DATE: _____
AGENCY

WITNESS

Post Office Box 1532, Boerne, Texas 78006. Tel: 813.323.2710 Fax: 830.336.3484
EMAIL: paverestore@msn.com WEB: www.paverestore.com

STANDARD SPECIFICATIONS
FOR
ASPHALT SURFACE MAINTENANCE
WITH AN
ASPHALT MALTENE REJUVENATING AGENT

ASPHALT MALTENE REJUVENATING AGENT

I. Scope:

This work shall consist of furnishing all labor, material, and equipment necessary to perform all operations for the application of an asphalt rejuvenating agent to asphaltic concrete surface courses. The rejuvenation of surface courses shall be by spray application of a cationic rejuvenating agent composed of petroleum oils and resins emulsified with water. All work shall be in accordance with the specifications, the applicable drawings, and subject to the terms and conditions of this contract.

II. Material Specifications:

The asphalt maltene rejuvenating agent shall be an emulsion composed of a petroleum resin maltene oil base uniformly emulsified with water. Each bidder must submit with his bid a certified statement from the asphalt rejuvenator manufacturer showing that the asphalt rejuvenating emulsion conforms to the required physical and chemical requirements.

SPECIFICATIONS

Tests	Test Method		Requirements	
	ASTM	AASHTO Min.	Max.	
Tests on Emulsion:				
Viscosity @ 25°C, SFS	D-244	T-59	15	40
Residue, % W ¹	D-244 (Mod.)	T-59 (Mod)	60	65
Miscibility Test ²	D-244 (Mod.)	T-59 (Mod)	No Coagulation	
Sieve Test, %W ³	D-244 (Mod.)	T-59 (Mod)	-	0.1
Particle Charge Test	D-244	T-59	Positive	
Percent Light Transmittance ⁴	GB	GB	-	30
Tests on Residue from Distillation:				
Flash Point, COC, °C	D-92	T-48	196	-
Viscosity @ 60°C, cSt	D-445	-	100	200
Asphaltenes, %w	D-2006-70	-	-	1.00
Maltene Dist. Ratio	D-2006-70	-	0.3	0.6
$\frac{PC + A_1^5}{S + A_2}$				
PC/S Ratio ⁵	D-2006-70	-	0.5	-
Saturated Hydrocarbons, S ⁵	D-2006-70	-	21	28

¹ ASTM D-244 Modified Evaporation Test for percent of residue is made by heating 50 gram sample to 149 C (300 F) until foaming ceases, then cool immediately and calculate results.

² Test procedure identical with ASTM D-244-60 except that .02 Normal Calcium Chloride solution shall be used in place of distilled water.

³ Test procedure identical with ASTM D-244 except that distilled water shall be used in place of two percent sodium oleate solution.

⁴ Test procedure is attached.

⁵ Chemical composition by ASTM Method D-2006-70:

PC = Polar Compounds, A₁ = First Acidaffins
A₂ = Second Acidaffins, S = Saturated Hydrocarbons

III. Material Performance:

The mastic rejuvenating agent shall have a record of at least five years of satisfactory service as an asphalt mastic rejuvenating agent and in-depth sealer. Satisfactory service shall be based on the capability of the material to decrease the viscosity and increase the penetration value of the asphalt binder as follows. The viscosity shall be reduced by a minimum of 45 percent and the penetration value shall be increased by a minimum of 25 percent. Testing shall be performed on extracted asphalt cement from a pavement to a depth of three eighths inch (3/8"). In addition, the pavement shall be in-depth sealed to the intrusion of air and water.

The bidder must submit with his bid the manufacturer's certification that the material proposed for use is in compliance with the specification requirements. The bidder must submit with his bid previous use documentation and test data conclusively demonstrating that: the rejuvenating agent has been used successfully for a period of five years by government agencies such as Cities, Counties, etc; and that the asphalt rejuvenating agent has been proven to perform, as heretofore required, through field testing by government agencies as to the required change in asphalt binder viscosity and penetration number. Testing data shall be submitted indicating such product performance on a sufficient number of projects, each being tested for a minimum period of three years to insure reasonable longevity of the treatment, as well as product consistency.

RECLAMITE®, manufactured by Tricor Refining, LLC, is a product of known quality and accepted performance.

IV. Applicator Experience:

The asphalt-rejuvenating agent shall be applied by an experienced applicator of such material. The bidder shall have a minimum of three years experience in applying the product proposed for use. He must submit with his bid a list of five projects on that which he applied said rejuvenator. He shall indicate the project dates, number of square yards treated in each and the name and phone number of the government official in charge of each project.

A project superintendent knowledgeable and experienced in application of the asphalt-rejuvenating agent must be in control of each day's work. The bidder shall submit a written experience outline of the project superintendent.

V. PRODUCT STANDARDS AND ALTERNATES:

The product "Reclamite"®, as manufactured by Tricor Refining, LLC, for the asphalt rejuvenating agent is the standard for these specifications and the prices quoted on the Bid Sheet Base Bid shall be for this standard. Should a bidder wish to submit a bid for alternates to the Standard, said prices shall be entered on the BID SHEET as the "Alternate Bid" for each item. In the event that the bidder submits no bid for the Standard, only the "Alternate Bids" should be completed.

Bidders may offer an ALTERNATE for the Standard specified in the Specifications provided the bidder adheres to the following and submits same with his bid.

(a) List the proposed alternate on the BID SHEET form giving the product name and price.

(b) Furnish complete specifications and Descriptive literature for the alternate as well as a one-gallon sample of the material proposed for use. Such descriptive and detailed information shall be complete and at least equal in detail to the city's requirements for the standard item for which the alternate is offered.

(c) Submit a current Material Safety Data Sheet for the alternate materials.

The City will give the alternate consideration. The Contractor may furnish only those alternate items included in his proposal and approved by the City prior to award of a contract.

If no ALTERNATE is indicated on the BID SHEET, the Contractor shall furnish the STANDARD (brand) specified in the attached specifications. Should the ALTERNATE offered be found unacceptable by the City based on the data submitted with the bid and no bid is entered on the BID SHEET for the Standard, then said bid will be considered non-responsive.

VI. APPLICATION TEMPERATURE/WEATHER LIMITATIONS:

The temperature of the asphalt rejuvenating emulsion, at the time of application shall be as recommended by the manufacturer. The asphalt-rejuvenating agent shall be applied only when the existing surface to be treated is thoroughly dry and when it is not threatening to rain. The asphalt-rejuvenating agent shall not be applied when the ambient temperature is below 40° F.

VII. HANDLING OF ASPHALT REJUVENATING AGENT:

Contents in tank cars or storage tanks shall be circulated at least forty-five minutes before withdrawing any material for application. When loading the distributor, the asphalt rejuvenating agent concentrate shall be loaded first and then the required amount of water shall be added. The water shall be added into the distributor with enough force to cause agitation and thorough mixing of the two materials. To prevent foaming, the discharge end of the water hose or pipe shall be kept below the surface of the material in the distributor that shall be used as a spreader. The distributor truck will be cleaned of all of its asphalt materials, and washed out to the extent that no discoloration of the emulsion may be perceptible. Cleanliness of the spreading equipment shall be subject to the approval and satisfaction of the Engineer.

VIII. RESIDENT NOTIFICATION:

The contractor shall distribute by hand, a typed notice to all residences and businesses on the street to be treated. The notice will be delivered no more than 24 hours prior to the treatment of the road. The notice will have a local phone number that residents may call to ask questions. The notice shall be of the door hanger type that secures to the door handle of each dwelling. Unsecured notices will not be allowed. The contractor shall also place the notice on the windshield of any parked cars on the street. Hand distribution of this notice will be considered incidental to the contract.

IX. APPLYING EQUIPMENT:

The distributor for spreading the emulsion shall be self-propelled, and shall have pneumatic tires. The distributor shall be designed and equipped to distribute the asphalt rejuvenating agent uniformly on variable widths of surface at readily determined and controlled rates from 0.05 to 0.5 gallons per square yard of surface, and with an allowable variation from any specified rate not to exceed 5 percent of the specified rate.

Distributor equipment shall include full circulation spray bars, pump tachometer, volume measuring device and a hand hose attachment suitable for application of the emulsion manually to cover areas inaccessible to the distributor. The distributor shall be equipped to circulate and agitate the emulsion within the tank.

A check of distributor equipment as well as application rate accuracy and uniformity of distribution shall be made when directed by the Engineer.

The truck used for sanding shall be equipped with a spreader that allows the sand to be uniformly distributed onto the pavement. The spreader shall be able to apply 1/2 pound to 3 pounds of sand per square yard in a single pass. The spreader shall be adjustable so as not to broadcast sand onto driveways or sidewalks.

The sand to be used shall be free flowing, without any leaves, dirt, stones, etc. Any wet sand shall be rejected from the job site.

Any equipment that is not maintained in full working order, or is proven inadequate to obtain the results prescribed, shall be repaired or replaced at the direction of the Engineer.

X. APPLICATION OF REJUVENATING AGENT:

The asphalt-rejuvenating agent shall be applied by a distributor truck at the temperature recommended by the manufacturer and at the pressure required for the proper distribution. The emulsion shall be so applied that uniform distribution is obtained at all points of the areas to be treated. Distribution shall be commenced with a running start to insure full rate of spread over the entire area to be treated. Areas inadvertently missed shall receive additional treatment as may be required by hand sprayer application.

Application of asphalt rejuvenating agent shall be on one-half width of the pavement at a time. When the second half of the surface is treated, the distributor nozzle nearest the center of the road shall overlap the previous application by at least one-half the width of the nozzle spray. In any event the centerline construction joint of the pavement shall be treated in both application passes of the distributor truck.

Before spreading, the asphalt rejuvenating agent shall be blended with water at the rate of two (2) parts rejuvenating agent to one (1) part water, by volume or as specified by the manufacturer. The combined mixture of asphalt rejuvenating agent and water shall be spread at the rate of 0.05 to 0.10 gallons per square yard, or as approved by the Engineer following field testing.

Where more than one application is to be made, succeeding applications shall be made as soon as penetration of the preceding application has been completed and the Engineer grants approval for additional applications.

Grades or super elevations of surfaces that may cause excessive runoff, in the opinion of the Engineer, shall have the required amounts applied in two or more applications as directed.

After the rejuvenating emulsion has penetrated, a coating of dry sand shall be applied to the surface in sufficient amount to protect the traveling public as required by the Engineer.

The Contractor shall furnish a quality inspection report showing the source, manufacturer, and the date shipped, for each load of asphalt rejuvenating agent. When directed by the Engineer, the Contractor shall take representative samples of material for testing.

XI. STREET SWEEPING:

The Contractor shall be responsible for sweeping and cleaning of the streets prior to, and after treatment.

Prior to treatment, the street will be cleaned of all standing water, dirt, leaves, foreign materials, etc. This work shall be accomplished by hand brooming, power blowing or other approved methods. If in the opinion of the Engineer the hand cleaning is not sufficient then a self-propelled street sweeper shall be used.

All sand used during the treatment must be removed no later than 48 hours after treatment of the street. This shall be accomplished by a combination of hand and mechanical sweeping. All turnouts, cul-de-sacs, etc. must be cleaned of any material to the satisfaction of the Engineer. Street sweeping will be included in the price bid per square yard for asphalt rejuvenating agent.

If, after sand is swept and in the opinion of the Engineer a hazardous condition exists on the roadway, the contractor must apply additional sand and sweep same no later than 24 hours following reapplication. No additional compensation will be allowed for reapplication and removal of sand.

XII. TRAFFIC CONTROL:

The Contractor shall schedule his operations and carry out the work in a manner to cause the least disturbance and/or interference with the normal flow of traffic over the areas to be treated. Treated portions of the pavement surfaces shall be kept closed and free from traffic until penetration, in the opinion of the Engineer, has become complete and the area is suitable for traffic.

When, in the opinion of the Engineer, traffic must be maintained at all times on a particular street, then the Contractor shall apply asphalt rejuvenating agent to one lane at a time. Traffic shall be maintained in the untreated lane until the traffic may be switched to the completed lane.

The Contractor shall be responsible for all traffic control and signing required to permit safe travel. The contractor shall notify the police and fire departments as to the streets that are to be treated each day if applicable.

If, in the opinion of the Engineer, proper signing is not being used, the Contractor shall stop all operations until safe signing and barricading is achieved.

XIII. METHOD OF MEASUREMENT:

Asphalt rejuvenating agent will be measured by the square yard as provided for in the Contract Documents.

XIV. BASIS FOR PAYMENT:

The accepted quantities, measured as provided for above, will be paid for at the contract unit price for asphalt rejuvenating agent.

Asphalt rejuvenating agent shall be paid for PER SQUARE YARD, which shall be full compensation for furnishing all materials, equipment, labor and incidentals to complete the work as specified and required.

BID SHEET

The undersigned proposes to furnish material, labor, etc. according to the terms and conditions of the attached City of _____ Specifications at the following unit prices, to wit:

BASE BID

_____ SQUARE YARDS, MORE OR LESS, CONSTRUCTION SEALING WITH ASPHALT REJUVENATING AGENT FURNISHED AND APPLIED.

_____ \$ _____ PER SQ. YD.
Product Name

CONTRACTOR CAN BEGIN WORK _____ DAYS AFTER WRITTEN NOTICE.

CONTRACTOR WILL COMPLETE WORK BY _____ YES _____ OR NO _____

PRICE TERMS: _____

ALTERNATE BID

_____ SQUARE YARDS, MORE OR LESS, CONSTRUCTION SEALING WITH ASPHALT REJUVENATING AGENT FURNISHED AND APPLIED.

_____ \$ _____ PER SQ. YD.
Product Name

CONTRACTOR CAN BEGIN WORK _____ DAYS AFTER WRITTEN NOTICE.

CONTRACTOR WILL COMPLETE WORK BY _____ YES _____ OR NO _____

PRICE TERMS: _____

BIDDER

AUTHORIZED AGENT

BUSINESS ADDRESS

PHONE NUMBER

ACTION ITEM: #7

**Agreement with
Lubbock County for
Fire Suppression**

**INTERLOCAL AGREEMENT BETWEEN LUBBOCK COUNTY, TEXAS AND
TOWN OF RANSOM CANYON FOR FIRE SUPPRESSION AND RESCUE SERVICES**

**THE STATE OF TEXAS §
 §
COUNTY OF LUBBOCK §**

FISCAL YEAR 2022

WHEREAS, this Agreement is made between the County of Lubbock, Texas, hereinafter referred to as "COUNTY" and the Town of Ransom Canyon Volunteer Fire Department, hereinafter referred to as "DEPARTMENT", under and pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and under Section 352.001 of the Texas Local Government Code, for the performance of governmental functions and services, specifically, fire suppression and firefighting services; and

WHEREAS, the COUNTY and DEPARTMENT represent that each is independently authorized to perform the functions contemplated by this Agreement; and

WHEREAS, the COUNTY has determined that a need exists for fire suppression and rescue services in the unincorporated areas of Lubbock County; and

WHEREAS, the DEPARTMENT is the owner of certain trucks and other equipment designed for and capable of being used in the protection of persons and property from and in the suppression and fighting of fires; and

WHEREAS, the COUNTY desires to obtain such services for its citizens residing in unincorporated areas of Lubbock County, and the DEPARTMENT is willing to provide such services as hereinafter set forth and provided.

NOW, THEREFORE, in consideration of the above recitals, mutual covenants and agreements each to the other made herein, the COUNTY and DEPARTMENT do hereby agree as follows:

Section 1. The DEPARTMENT agrees to furnish, equip, train and supervise personnel and equipment in response to fire suppression and rescue operations in the unincorporated areas of Lubbock County, upon being dispatched by the Lubbock County Sheriff's Office. The term of this agreement shall be from **October 1, 2021** and continuing through **September 30, 2022**.

Section 2. In consideration of the services provided under this Agreement, the COUNTY agrees to pay the DEPARTMENT **\$55,754.00** for fire suppression and rescue services for fiscal year **2022**, said amount to be paid following the approval of said funding by the Lubbock County Commissioner's Court, consistent with the Texas Open Meetings Act. The County of Lubbock endeavors to take requests for funding made by Fire Departments to Commissioner's Court prior to October 30th of each year, however, this goal cannot supersede the legal requirements of the Texas Open Meetings Act.

Section 3. Of the \$55,754.00 payment for fire suppression and rescue services for fiscal year 2022, the DEPARTMENT shall expend **\$45,454.00** on the purchase of firefighting equipment and/or personal protective equipment (PPE) related to fire and rescue services for the DEPARTMENT (e.g. fire cache such as fire hoses, nozzles, rescue equipment, extrication equipment, hand tools, PPV fans, flashlights, ladders or other firefighting equipment). Within 30 days of expending funds for the purchase of firefighting equipment and/or PPE, itemized receipts must be submitted to the COUNTY by email at firereports@lubbockcounty.gov. All receipts must be submitted to the COUNTY by July 31, 2022. Any funds of the \$45,454.00 paid to the DEPARTMENT for the purchase of firefighting equipment and/or PPE related to fire and rescue services not accounted for with itemized receipts and reported to the COUNTY by July 31, 2022 will be withheld from the DEPARTMENT'S fiscal year 2023 fire suppression and rescue funds (if any). Any amount expended over \$45,454.00 for the purchase of firefighting equipment and/or PPE related to fire and rescue services is the responsibility of the DEPARTMENT alone. Fiscal year 2022 funds shall be used exclusively to enhance the firefighting capabilities

of the DEPARTMENT and to facilitate the purchase of additional firefighting equipment and/or PPE to bolster the DEPARTMENT'S fire services and functions. Fiscal year 2022 funds are not meant to function as a budget reduction mechanism for the DEPARTMENT or to replace other source(s) of income by another governmental entity. COUNTY shall not accrue any equity or ownership interest in any firefighting and/or PPE equipment purchased by the DEPARTMENT and likewise, COUNTY shall not be responsible for licensing, inspection, repairs or maintenance of any firefighting equipment and/or PPE purchased by the DEPARTMENT.

Section 4. The DEPARTMENT shall make or cause to be made a fire report, showing the date, time, location and description of all fire suppression and rescue operations conducted by the DEPARTMENT in the unincorporated areas of Lubbock County each month. A report must be submitted even if no fire suppression and rescue operations are performed in a given month. A copy of said reports shall be furnished monthly to the Lubbock County Office of Emergency Management by sending an email to firereports@lubbockcounty.gov. True copies of such reports shall be retained by DEPARTMENT, subject to inspection by COUNTY, by the County Auditor or the Lubbock County Commissioners Court, at any time during normal business hours.

Section 5. The DEPARTMENT shall make or cause to be made an annual budget proposal each fiscal year and must submit to the COUNTY by May 31st of each year the proposed annual budget for the following fiscal year by email to firereports@lubbockcounty.gov.

Section 6 The DEPARTMENT shall make or cause to be made a final budget to be filed with the COUNTY by October 31st of each year. This budget shall be of the preceding fiscal year and shall be submitted to the COUNTY by email to firereports@lubbockcounty.gov.

Section 7. This Agreement shall become effective and shall remain in effect unless terminated by written notice from either party, delivered not less than ninety (90) days in advance of such termination.

Section 8. Any notice required to be given under this Agreement shall be in writing and shall be duly served when it is deposited with a United States post office, with proper postage affixed thereto via certified mail, return receipt requested, addressed as shown below:

To the DEPARTMENT:	Town of Ransom Canyon 24 Lee Kitchens Drive Ransom Canyon, TX 79366 ATTN: Jana Trew, Mayor
To the COUNTY:	Lubbock County Commissioner's Court 904 Broadway, Suite 101 Lubbock, TX 79401 ATTN: County Judge
With a copy to:	Lubbock County Contract Manager P.O. Box 10536 Lubbock, TX 79408

Section 9. All payments made by COUNTY shall be made from current funds. All payments made by COUNTY to DEPARTMENT for the performance of governmental functions or services is in an amount that fairly compensates the performing party for the services or functions performed under this Agreement.

Section 10. No provisions in this Agreement will waive the requirements of Texas Government Code § 552.001 et seq., as amended (the "Open Records Act").

Section 11. The construction, interpretation, and performance of this Agreement and all transactions under it shall be governed by the domestic laws of the State of Texas, and any suit regarding this Agreement must be filed in the state courts of Lubbock County, Texas.

Section 12. The purpose of this Agreement is only to set forth the rights and duties of the parties with regard to the governmental function or services described. This Agreement does not create any right, benefit, expectation, warranty, promise, or cause of action for any other person or entity who is not a party to this Agreement. By executing this Agreement, no party waives, or will be deemed to have waived, any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. Each Party will be solely responsible for any attorney fees, costs, loss, damages, injury, or death to others or their property arising out of or related to the acts or omissions only of the Party's employees or agents and not those of any other Party.

Section 13. The DEPARTMENT agrees that it shall abide by all statutes, ordinances, rules and regulations pertaining to, or regulating the provision of, fire suppression and rescue services, including those not in effect and hereafter adopted.

Section 14. The DEPARTMENT agrees that it shall, at its own cost and expense, purchase and keep in force at all times insurance for the minimum amount of liability under the Texas Tort Claims Act. The DEPARTMENT agrees to provide copies of such policy or policies of insurance and/or other evidence satisfactory to the COUNTY by emailing copies to firereports@lubbockcounty.gov.

Section 15. This Agreement constitutes the entire Agreement and understanding between the parties. Any modification, change or amendment to this Agreement shall be in writing and approved by both parties.

Section 16. If any provision hereof or the application thereof to any person or circumstance is held to any extent, to be void, invalid, or unenforceable, the remainder of this Agreement, and the application of such provision to other persons or circumstances, will not be affected thereby, and will be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under authority of appropriate action taken by their respective governing bodies on the date herein below specified.

LUBBOCK COUNTY:

TOWN OF RANSOM CANYON:

Curtis Parrish
Lubbock County Judge

Jana Trew
Mayor

Date Approved by Lubbock County
Commissioners Court: _____

Date Signed or Approved by
Town Council: _____

ATTEST:

ATTEST:

Kelly Pinion
Lubbock County Clerk

Maria Elena Quintanilla
City Administrator

APPROVED AS TO CONTENT:

Jason Corley
Commissioner, Precinct Two

APPROVED AS TO FORM ONLY:

Rachael Foster
Civil Division, Lubbock County
Criminal District Attorney's Office