

**AGENDA FOR MEETING OF THE BOARD OF DIRECTORS
OF
REINVESTMENT ZONE NUMBER TWENTY-SEVEN, CITY OF HOUSTON, TEXAS
AND
MONTROSE REDEVELOPMENT AUTHORITY, CITY OF HOUSTON, TEXAS**

Notice is hereby given that the Board of Directors of Reinvestment Zone Number Twenty-Seven, City of Houston, Texas (the "Zone"), and along with the Board of Directors of the Montrose Redevelopment Authority, City of Houston, Texas (the "Authority"), will hold a regular meeting on **Monday, October 16, 2023, at 6:30 p.m., at The Montrose Center, 401 Branard Street, Second Floor, Houston, Texas, Rooms 106-107, with supplementary access via Zoom videoconference; REGISTRATION FOR THE VIDEOCONFERENCE IS REQUIRED and can be done at <https://tinyurl.com/3wjnxxkw>**, to consider, discuss and adopt such orders, resolutions or motions, and take direct or indirect actions as may be necessary, convenient, or desirable with respect to the following matters:

1. Establish quorum and call to order.
2. Presentation regarding Montrose Boulevard.
3. Receive public comment.
(A statement of no more than 3 minutes may be made of items of general relevance. There will be no yielding of time to another person. State law prohibits the Board Chair or members of the Board from commenting on any statement or engagement in dialogue without an appropriate agenda item being posted in accordance with the Texas Open Meetings Act. Comments should be directed to the entire board, not individual members. Engaging in verbal attacks or comments intended to insult, abuse, malign, or slander any individual shall be cause for termination of time privileges.)
4. Minutes.
5. Financial matters, including report from Finance Committee, report from bookkeeper, review financial information, and authorize payment of invoices.
6. Projects and Planning:
 - a. Projects and Planning Committee report;
 - b. report from Gauge Engineering, including:
 - i. update on sidewalk improvements along West Gray, including consider Pay Application; and
 - ii. update on Montrose Boulevard improvements, Phase One, including presentation on tree memo.
7. Receive update from The Goodman Corp.
8. Public Engagement matters, including Public Engagement Committee Report and receive update from Hollaway.
9. Montrose Arts project.

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the Zone's attorney at (713) 860-6400 at least three business days prior to the meeting so that appropriate arrangements can be made.

10. Affordable Housing, including Affordable Housing Committee report and take appropriate action regarding Development Agreement Policy.
11. Approve representation letter from Burton Accounting, PLLC, for preparation of AUP report in connection with Authority annual financial statement.
12. Report from Zone administrator.
13. Announcements regarding workshops, seminars, and presentations relating to Zone and Authority matters.
14. Discuss meeting schedule and proposed agenda items for upcoming Board meeting(s).
15. Receive public comment.
(A statement of no more than 3 minutes may be made of items of general relevance. There will be no yielding of time to another person. State law prohibits the Board Chair or members of the Board from commenting on any statement or engagement in dialogue without an appropriate agenda item being posted in accordance with the Texas Open Meetings Act. Comments should be directed to the entire board, not individual members. Engaging in verbal attacks or comments intended to insult, abuse, malign, or slander any individual shall be cause for termination of time privileges.)



Attorney for the Zone

***The Board will conduct an in-person meeting at its physical meeting location. As an accommodation during the current levels of transmission during this COVID-19 virus epidemic emergency, the Board is making available a video and/or telephone option for members of the public to listen to the meeting and to address the Board during the public comment item. Members of the Board may participate via videoconference in accordance with the requirements of the Texas Open Meetings Act, provided a quorum of the Board meets in-person, REGISTRATION FOR THE VIDEOCONFERENCE IS REQUIRED and can be done at <https://tinyurl.com/3wjnxxkw>, and upon registration, a telephone number to join via teleconference, a link to join via videoconference, and a password to access the conference will be provided.**

Montrose Redevelopment Authority / TIRZ No. 27

Cash Management Report

September 30, 2023

ETI BOOKKEEPING SERVICES

17111 ROLLING CREEK DRIVE SUITE 108

HOUSTON TX 77090

TELEPHONE 281 444 3384 FAX 281 440 8304

Fiscal Year End: June 30, 2024

Summary

<u>Current Activity</u>	<u>General Operating Fund</u>	<u>Capital Project Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Beginning Balance	11,058,731.92	14,260,975.87	429,979.29	25,749,687.08
Revenue	394,388.63	62,378.57	0.00	456,767.20
Expenditures	717,667.55	0.00	0.00	717,667.55
Ending Balance	10,735,453.00	14,323,354.44	429,979.29	25,488,786.73

NOTES:

September 30, 2023

General Operating Fund

BEGINNING BALANCE: **11,058,731.92**

REVENUE:

TIRZ 27 Increment	79,949.94	
TexPool Interest	46,910.68	
Due to Joint Projects	267,500.00	
Voided Check (s)	0.00	
Total Revenue:		394,388.63

DISBURSEMENTS:

Checks Presented At Last Meeting	450,167.55	
Checks Written at/after Last Meeting	0.00	
Due to Joint Projects	267,500.00	
Total Expenditures		717,667.55

Ending Balance: **10,735,453.00**

Location of Assets:

Institution	Investment Number	Interest Rate	
Stellar Bank	*5200	0.1000	90,152.48
TexPool	*0001	5.3218	10,645,300.52
		Total	10,735,453.00

TIRZ 27 - Montrose RA
Checks Presented
October 16, 2023

Num	Name	Description	Amount
2224	Allen, Boone, Humphries, Robinson LLP	Legal Fees	-19,271.43
2225	Equi-Tax Inc.	Tax Roll Management	-638.10
2226	ETI Bookkeeping Services	Bookkeeping Fee	-1,642.03
2227	Gauge Engineering, LLC	Engineering Fees	-226,217.77
2228	Hollaway Environmental & Communications	Public Engagement Expenses	-26,947.79
2229	January Advisors	Consultant Fees	-32,000.00
2230	Knudson, LP	Professional Consultant	-12,023.58
2231	McCall Gibson Swedlund Barfoot PLLC	Auditing Fee	-3,000.00
2232	St. Stephen's Episcopal Church	Meeting Room Rental	-125.00
Total			-321,865.70

Joint Project Fund

BEGINNING BALANCE		0.00
REVENUE		
Due from GOF - Downtown RA	267,500.00	
TexPool Interest	936.74	
Voided Check(s)	0.00	
Total Revenue		268,436.74
EXPENDITURES		
Checks Presented at Last Meeting	0.00	
Checks Written at/after Last Meeting	0.00	
Due to GOF	0.00	
Total Expenditures		0.00
ENDING BALANCE		268,436.74

Location of Assets:

Institution	Investment Number	Interest Rate	Current Balance
TexPool - Downtown RA	*0006	5.3218	268,436.74
		Total	268,436.74

Capital Projects Fund

BEGINNING BALANCE		14,260,975.87
REVENUE		
TexPool Interest	62,378.57	
Voided Check(s)	0.00	
Total Revenue		62,378.57
EXPENDITURES		
Checks Presented at Last Meeting	0.00	
Checks Written at/after Last Meeting	0.00	
Due to GOF	0.00	
Total Expenditures		0.00
ENDING BALANCE		14,323,354.44

Location of Assets:

Institution	Investment Number	Interest Rate	Current Balance
TexPool	*0004	5.3218	14,323,354.44
		Total	14,323,354.44

Montrose Redevelopment Authority/ TIRZ 27
\$14,965,000 Tax Increment Contract Revenue Bonds Series 2023
Use and Distribution

	Amount Approved	Distribution	Variance
<u>Approved Bond Project</u>			
Montrose Blvd Phase 1	14,172,870	0	14,172,870
Total Bond Project Cost	14,172,870	0	14,172,870
<u>Non-construction costs</u>			
Interest Due to Debt Service	429,979	429,979	0
Bond Insurance	264,603	264,603	0
Surety Policy	36,320	36,320	0
Financial Advisor	107,395	107,395	0
Bond Counsel	274,688	274,688	0
Underwriter's Discount	85,306	85,306	0
Texas Attorney General	9,500	9,500	0
Rating Agency	23,250	23,250	0
Underwriter's Counsel	68,000	68,000	0
Printing Cost	2,299	2,299	0
Trustee Counsel/ Fee	13,500	13,500	0
Total Nonconstruction Costs:	1,314,840	1,314,840	0
Total Bond Issuance Requirement*	15,487,710	1,314,840	14,172,870
Interest Earned			150,485
Ending Bank Balance			<u><u>14,323,355</u></u>

*Balance of \$15,487,710 comprised of \$14,965,000 Issuance plus \$522,710 Net Premium

Debt Service Fund

BEGINNING BALANCE		429,979.29
REVENUE		
Bond Proceeds	0.00	
Regions Bank Interest	0.00	
Voided Check (s)	0.00	
Total Revenue		0.00
EXPENDITURES		
Debt Service Interest Payment	0.00	
Debt Service Principal Payment	0.00	
Trustee Fee	0.00	
Total Expenditures		0.00
ENDING BALANCE		429,979.29

Location of Assets:

Institution	Investment Number	Interest Rate	Current Balance
Regions Bank	*4347		429,979.29
		Total	429,979.29

Montrose Redevelopment Authority / TIRZ 27
Investment Report
September 30, 2023

SCHEDULE OF INVESTMENTS

Investment Pools

Fund	Location Of Assets	Interest Rate	Beginning Balance		Market	Deposits or (Withdrawals)	Ending Balance	
			N.A.V.	Book			Market	N.A.V.
GOF	TexPool	5.3218	11,046,017.13	11,048,889.84	10,642,532.74	(450,500.00)	0.99974	10,645,300.52
GOF	TexPool	5.3218	0.00	0.00	268,366.95	267,500.00	0.99974	268,436.74
CPF	TexPool	5.3218	14,257,268.02	14,260,975.87	14,319,630.37	0.00	0.99974	14,323,354.44

Debt Service Account held by Regions

Fund	Location Of Assets	Interest Rate	Purchase Date	Beginning Balance	Interest Earned	Deposits or (Withdrawals)	Ending Balance
DSF	Regions Bank	0.00	7/20/2023	429,979.29	0.00	0.00	429,979.29

Demand Accounts

Fund	Location Of Assets	Interest Rate	Purchase Date	Beginning Balance	Interest Earned	Deposits or (Withdrawals)	Ending Balance
GOF	Stellar Bank	0.10	8/1/2021	9,842.08	28.01	80,282.39	90,152.48

Collateral Pledged in Addition to FDIC

Depository Institution	Total Funds On Deposit	Custodial Institution	Securities Pledged	Collateral Description	Par Value	Market Value
Stellar Bank	90,152.48	FHLB-Dallas	1,000,000	LOC	1,000,000	1,000,000
Regions Bank	429,979.29	FDIC	250,000	FDIC	250,000	250,000

Certification:

The District's investments are in compliance with the investment strategy as expressed in the District's Investment Policy and the Public Funds Investment Act. I hereby certify that pursuant to the Senate Bill 253 and in connection with the preparation of this investment report, I have reviewed the investment lists prepared and maintained by the Texas Comptroller of Public Accounts, and the District does not own direct or indirect holdings in any companies identified on such lists.

Bookkeeper

Investment Officer

Investment Officer Kenneth Byrd	Date Assumed Office 1/13/2020	Training Completed 10/15/2022
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TIRZ 27 - Montrose RA
Profit & Loss Budget vs. Actual
September 2023

	September			Year to Date (3 Months)			Annual
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Income							
6-4320 · Increment Collections	79,950	0	79,950	5,556,863	6,279,270	-722,407	6,279,270
6-4330 · Interest	110,254	4,167	106,087	293,095	12,500	280,595	50,000
6-4336 · Grants	0	1,314,167	-1,314,167	0	3,942,500	-3,942,500	15,770,000
6-4340 · Bond Proceeds	0	0	0	14,602,849	0	14,602,849	0
6-4452 · Joint Project Reimbursement	267,500	0	267,500	267,500	0	267,500	0
Total Income	457,704	1,318,334	-860,630	20,720,307	10,234,270	10,486,037	22,099,270
Expense							
6-6300 · Salaries and Benefits	12,024	6,000	6,024	18,039	18,000	39	72,000
6-6320 · Legal Fees	19,271	10,000	9,271	33,016	30,000	3,016	120,000
6-6321 · Auditing Fees	3,000	0	3,000	13,000	10,000	3,000	10,000
6-6322 · Engineering Fees	0	4,167	-4,167	530	12,500	-11,970	50,000
6-6323 · Planning Consultants	0	4,167	-4,167	31,010	12,500	18,510	50,000
6-6324 · Affordable Housing Consultant	32,000	5,833	26,167	32,000	17,500	14,500	70,000
6-6333 · Accounting	4,053	1,583	2,470	7,708	4,750	2,958	19,000
6-6334 · Tax Roll Management	638	867	-29	1,914	2,000	-86	8,000
6-6353 · Insurance / Bonds	0	0	0	0	0	0	5,000
6-6370 · Board Meeting Expense	125	0	125	375	0	375	0
6-6410 · Montrose Collective Reimburse	0	0	0	158,598	0	158,598	0
6-6420 · City of Houston Admin Fee	0	0	0	273,846	313,964	-40,118	313,964
6-6430 · COH Municipal Services	0	0	0	183,610	196,546	-12,936	196,546
6-6450 · Public Engagement Expenses	26,948	5,000	21,948	48,632	15,000	33,632	60,000
6-6460 · Board Development	0	417	-417	0	1,250	-1,250	5,000
6-7000 · Capital Expenditure							
6-7206 · Workforce/Affordable Housing	0	62,500	-62,500	0	187,500	-187,500	750,000
6-7212 · Hawthorne Safe Street	0	0	0	125,748	0	125,748	0
6-7213 · Woodhead Safe Street	0	0	0	125,748	0	125,748	0
6-7214 · Dallas Bikeway	0	36,167	-36,167	0	108,500	-108,500	434,000
6-7217 · Sidewalk Program/ Safe	0	29,167	-29,167	0	87,500	-87,500	350,000
6-7218 · Montrose Blvd - Reconstruction	118,771	617,500	-498,729	329,833	1,852,500	-1,522,667	7,410,000
6-7219 · Welch Safe Street	0	10,417	-10,417	0	31,250	-31,250	125,000
6-7220 · Stanford Safe Street	0	10,417	-10,417	0	31,250	-31,250	125,000
6-7221 · Mandell Bikeway	0	36,167	-36,167	0	108,500	-108,500	434,000
6-7222 · Safe Route to School Sidewalk	0	0	0	258,735	0	258,735	0
6-7223 · W Alabama Street	0	62,500	-62,500	0	187,500	-187,500	750,000
6-7224 · West Gray - Dallas to Allen Pky	31,398	0	31,398	96,677	0	96,677	0
6-7225 · W. Gray Street Sidewalk Improve	5,400	0	5,400	12,344	0	12,344	0
6-7226 · W Gray from Woodhead to Montros	0	110,833	-110,833	0	332,500	-332,500	1,330,000
6-7227 · Westheimer Corridor Study	0	20,833	-20,833	0	62,500	-62,500	250,000
6-7000 · Capital Expenditure - Other	70,648	0	70,648	74,898	0	74,898	0
Total 6-7000 · Capital Expenditure	226,217	996,501	-770,284	1,023,983	2,989,500	-1,965,517	11,958,000
Total Expense	324,276	1,034,335	-710,059	1,826,261	3,623,510	-1,797,249	12,937,510
Net Income	133,428	283,999	-150,571	18,894,046	6,610,760	12,283,286	9,161,760

PROGRESS REPORT—OCTOBER 2023

METRO 5310 PROGRAM WEST GRAY STREET SIDEWALK IMPROVEMENTS

WBS No. N-T27000-0004-7



MONTROSE
TAX INCREMENT REINVESTMENT ZONE 27

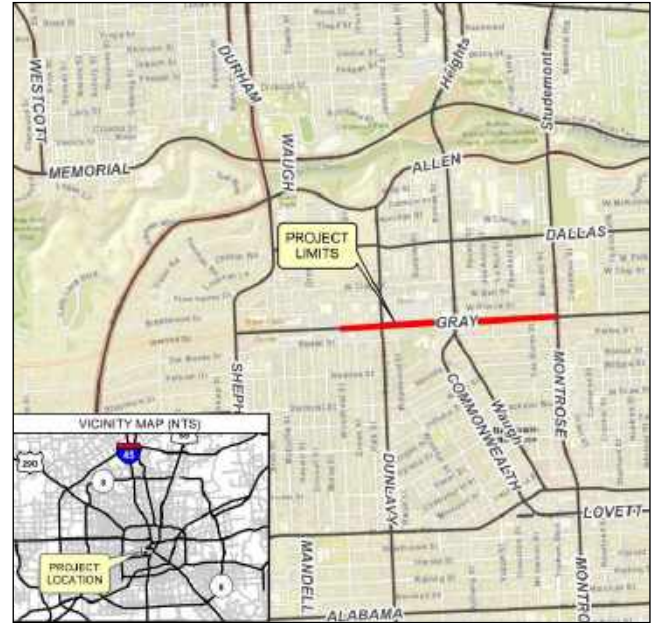
PROJECT LOCATION

The project is located in west central Houston, Texas, just north of the US 59 highway.

The project limits are from Woodhead St to Montrose Blvd

FUNDING

- *Design and Construction Oversight Costs*
 - ◇ Montrose Redevelopment Authority/TIRZ 27
- *Construction Costs*
 - ◇ Montrose Redevelopment Authority/TIRZ 27
 - ◇ METRO 5310 Program



PROJECT DESCRIPTION

• **Improve Pedestrian Facilities:**

Promote a pedestrian-friendly environment by incorporating 6-FT wide, continuous, uninterrupted and safe sidewalks accompanied by City compliant curb ramps along the project corridors, within public right-of-way. The sidewalks are only reduced at specific spots to accommodate mature trees. The corridor were physically walked with an Urban Forester to assist with the sidewalk design around any mature trees.



PROJECT STATUS

- Completed demolition of existing sidewalk and driveways, forming, and installation of new sidewalks and driveways for the following:
 - ◇ North side of W Gray Street from Montrose Blvd to Eberhard St.
- Installation of Traffic Control and Tree Protection along north side of W Gray Street.

NEXT STEPS

- Continue construction on the north side of W Gray Street, heading west.

PROGRESS REPORT— OCTOBER 2023

METRO 5310 PROGRAM WEST GRAY STREET SIDEWALK IMPROVEMENTS

WBS No. N-T27000-0004-7



MONTROSE
TAX INCREMENT REINVESTMENT ZONE 27

CONSTRUCTION TIME

- Original Contract Time: 6 Months
- Notice to Proceed Date: June 19, 2023

CONTACT INFORMATION

Construction Manager:

Gauge Engineering
11750 Katy Freeway, Suite 400
Houston, TX 77079



Contractor:

R. Miranda Trucking & Construction
6326 Perch Creek Dr.
Houston, TX 77049

PROGRESS PHOTOS

PAYMENT ESTIMATES

Original Contract Amount	\$813,243.50
Change Order Amount to Date	-
Current Contract Amount	\$813,243.50
Previous Payments	\$292,316.90
Current Payment (s) Due	\$83,644.65
Contract Completion Date	12/16/2023
Balance Remaining	\$417,494.50



Concrete Removal



Driveway Replacement



Traffic Control



Curb Wall Form Work

Tax Increment Reinvestment Zone (TIRZ) #27 – Montrose

Committee Report Form**Committee Name:** Public Engagement Committee
Meeting**Date of Meeting:** 9/21/2023**Chairperson:** Lisa Hunt**Attendees:**

Lisa Hunt

Eureka Gilkey

Amanda Flores

Connor Stokes

Rosaura Martinez

Patti Joiner

Walter Morris

Meeting Report**Agenda**

- Discussion regarding Hollaway's Activities
 - Debrief on Montrose Public Meeting
 - Discussion regarding massive amount of public comment after Montrose Public Meeting
 - Discussion on status of Public Engagement policy document
 - Review statement to KHOU 11
- Discussion with January Advisors on updated study
- Discussion on convening public meeting for STRs
- Discussion with Sanjay regarding STR Convening

Notes

- The Committee debriefed on the Montrose Public Meeting
- The Committee discussed public comments regarding replacing trees on Montrose
- The Committee discussed the next Public Meeting regarding Housing



BURTON ACCOUNTING, P.L.L.C.
Certified Public Accountants
HOUSTON • AUSTIN • CONROE

September 18, 2023

Independent Accountant's Report
on Applying Agreed-Upon Procedures

Dear Board of Directors,

We have performed the procedures enumerated below for the audit review of the financial statements, which were agreed to by the Board of Directors of Montrose Redevelopment Authority (hereinafter called the "Authority"), as of June 30, 2023. The Authority's management is responsible for the sufficiency of these procedures.

The Board of Directors of the Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the audit review of the June 30, 2023 financial statements, provided by the Authority's auditors, McCall Gibson Swedlund Barfoot PLLC (the "Auditors"). This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. In review of the adjusted trial balances & fund journal entries we performed the following procedures:
 - We compared June 30, 2022 ending balances to ending balances of June 30, 2023. We reviewed prior year adjusting entries and looked for material changes to the adjusting entries for the year under review. Any material changes found for these were identified, and then compared against disclosures in the draft financial statements, as well as the work papers for the year ended June 30, 2023 to verify accuracy and completeness. After reviewing the supporting work papers used to create the fund journal entries provided by the Auditors (Exhibit A), and the material changes in account balances from the prior year, we found them to be complete and accurate.
2. In review of capital asset and depreciation schedules we performed the following procedures:
 - We reviewed the various analyses and schedules prepared by the Auditors including significant repairs and maintenance, engineering fees, capital outlay and construction in progress, and agree with them without exception. There was no capital asset and depreciation schedule to review for all utilities, drainage facilities, public street improvements, sidewalks and light fixtures are conveyed to the City of Houston.

3. In review of the draft financial statements and government-wide adjustments we performed the following procedures:
 - We compared the adjusted trial balance (Exhibit A) to the Governmental Funds Balance Sheet, and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the year ended June 30, 2023 (Exhibit B). We reviewed the work papers provided by the Auditors in support of the financial statements disclosures, adjusted trial balances and government-wide adjustments and found them to be accurate. We found the draft financial statements prepared by the Auditors to be accurate and do not propose any changes.
4. In review of the governmental disclosure checklist
 - We reviewed the governmental disclosure checklist (Exhibit C) and compared the checklist to the draft financial statements. We determined the governmental disclosure checklist to be accurate and do not propose any changes to the draft footnotes prepared by the Auditors.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be to express an opinion or conclusion, respectively, on the June 30, 2023 financial statements. Accordingly we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the use of the Board of Directors of Montrose Redevelopment Authority and it is not intended to be and should not be used to anyone other than those specified parties.



Burton Accounting, P.L.L.C.
Houston, TX
September 18, 2023

Exhibit A

Adjusted Trial Balance &
Fund Journal Entries

**Montrose RA
Trial Balance Worksheet - Grouped by Type**

Account	Type	Description	06/30/22 Adjusted Balance	06/30/23 Unadjusted Balance	Adjusting JE Adjustments	06/30/23 Adjusted Balance	06/30/23 WP Reference
6-1110	A	Allegiance Bank	4,319,386.28	9,894.67		9,894.67	B-1
6-1120	A	Texpool	6,727,517.87	6,839,270.14		6,839,270.14	B-1
6-1136	A	Texpool - HC Precinct One	2,096,750.53	0.00		0.00	SEE B-1
6-2090	A	Due to Other	0.00	4,480,128.44		5,203,067.04	V-1
		GF #1 To adjust per increment collection analysis			722,938.60		
		Total Assets	<u>13,143,654.68</u>	<u>11,329,293.25</u>	<u>722,938.60</u>	<u>12,052,231.85</u>	
6-2000	L	Accounts Payable	(446,569.16)	(305,573.75)		(305,573.75)	N-1
6-2002	L	Retainage Payable	(102,902.86)	(102,902.86)		(236,629.46)	W-1-1
		GF #2 To reclass per capital expense analysis and record retainage payable			(133,726.60)		
		Total Liabilities	<u>(549,472.02)</u>	<u>(408,476.61)</u>	<u>(133,726.60)</u>	<u>(542,203.21)</u>	
6-3900	Q	Retained Earnings	(11,016,301.61)	(12,594,182.66)		(12,594,182.66)	~
		Total Equity	<u>(11,016,301.61)</u>	<u>(12,594,182.66)</u>	<u>0.00</u>	<u>(12,594,182.66)</u>	
		Total Liabilities & Equity	<u>(11,565,773.63)</u>	<u>(13,002,659.27)</u>	<u>(133,726.60)</u>	<u>(13,136,385.87)</u>	
6-4320	R	Increment Collections	(4,480,128.44)	(4,480,128.44)		(5,476,912.67)	V-1
		GF #1 To adjust per increment collection analysis			(996,784.23)		
6-4330	R	Interest	(17,971.74)	(342,432.67)		(342,432.67)	See W-1
6-4452	R	Joint Project Reimbursement	(2,284,055.68)	0.00		0.00	No CY reimb.
		Total Revenue	<u>(6,782,155.86)</u>	<u>(4,822,561.11)</u>	<u>(996,784.23)</u>	<u>(5,819,345.34)</u>	
6-6300	E	Salaries and Benefits	73,221.88	74,589.57		74,589.57	W-4-1
6-6320	E	Legal Fees	108,700.40	124,139.42		124,139.42	W-2
6-6321	E	Auditing Fees	27,696.03	16,000.00		16,000.00	W-4-1
6-6322	E	Engineering Fees	985,430.55	20,659.00		20,659.00	W-3
6-6323	E	Planning Consultants	33,625.25	211,342.80		211,342.80	W-3
6-6333	E	Accounting	19,959.30	20,657.06		20,657.06	W-4-1
6-6334	E	Tax Toll Management	7,557.90	7,629.90		7,629.90	W-4-1
6-6353	E	Insurance/Bonds	868.28	868.28		868.28	PASS
6-6370	E	Board Meeting Expense	0.00	1,125.00		1,125.00	PASS
6-6410	E	Montrose Collective Reimburse	0.00	118,848.87		118,848.87	I-2
6-6430	E	COH Municipal Services	196,546.00	189,746.00		189,746.00	W-4-1
6-6450	E	Public Engagement Expenses	4,788.00	9,576.00		9,576.00	W-4-1
6-7202.000	E	Capital Expenditures - Waugh/Commonwealth	2,559,715.70	81,608.90		23,566.72	I-2
		GF #2 To reclass per capital expense analysis and record retainage payable			(58,042.18)		
6-7204	E	Storm Water Management	0.00	11,598.30		11,598.30	PASS
6-7212	E	Capital Expenditures - Hawthorne Safe Street	592,972.23	1,996,693.10		2,091,693.75	I-2
		GF #2 To reclass per capital expense analysis and record retainage payable			95,000.65		

**Montrose RA
Trial Balance Worksheet - Grouped by Type**

Account	Type	Description	06/30/22 Adjusted Balance	06/30/23 Unadjusted Balance	Adjusting JE Adjustments	06/30/23 Adjusted Balance	06/30/23 WP Reference
6-7213	E	Capital Expenditures - Woodhead Safe Street GF #2 To reclass per capital expense analysis and record retainage payable	592,972.23	1,996,693.10	95,000.65	2,091,693.75	I-2
6-7214	E	Dallas Bikeway GF #2 To reclass per capital expense analysis and record retainage payable	0.00	128,914.47	(76,491.07)	52,423.40	I-2
6-7217	E	Sidewalk Program/Safe	0.00	2,509.95		2,509.95	
6-7218	E	Montrose Blvd-Reconstruction	0.00	1,030,054.76		1,030,054.76	I-2
6-7221	E	Mandell Bikeway	0.00	114,767.22		114,767.22	I-2
6-7222	E	Safe Route to School Sidewalk GF #2 To reclass per capital expense analysis and record retainage payable	0.00	89,899.02	1,767.48	91,666.50	I-2
6-7223	E	W Alabama Street GF #2 To reclass per capital expense analysis and record retainage payable	0.00	93,309.63	76,491.07	169,800.70	I-2
6-7224	E	West Gray - Dallast to Allen Pky	0.00	154,696.78		154,696.78	I-2
6-7395	E	Miscellaneous Expense	221.06	0.00		0.00	PASS
6-7396	E	COH Admin Fee GF #1 To adjust per increment collection analysis	0.00	0.00	273,845.63	273,845.63	V-1
Total Expense			<u>5,204,274.81</u>	<u>6,495,927.13</u>	<u>407,572.23</u>	<u>6,903,499.36</u>	
Totals			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
Net Profit/(Loss)			<u>1,577,881.05</u>	<u>(1,673,366.02)</u>	<u>589,212.00</u>	<u>(1,084,154.02)</u>	

Montrose RA
Adjusting Journal Entries

July 1, 2022 - June 30, 2023

Date	Reference	Account	Description	WP Reference	Debit	Credit	Net Income Effect
Adjusting Journal Entries							
06/30/23	GF #1		To adjust per increment collection analysis				722,938.60
		6-2090	Due to Other		722,938.60		
		6-4320	Increment Collections			996,784.23	
		6-7396	COH Admin Fee		273,845.63		
06/30/23	GF #2		To reclass per capital expense analysis and record retainage payable				(133,726.60)
		6-7223	W Alabama Street		76,491.07		
		6-7214	Dallas Bikeway			76,491.07	
		6-7202.000	Capital Expenditures - Waugh/Commonwealth			58,042.18	
		6-7212	Capital Expenditures - Hawthorne Safe Street		95,000.65		
		6-7213	Capital Expenditures - Woodhead Safe Street		95,000.65		
		6-7222	Safe Route to School Sidewalk		1,767.48		
		6-2002	Retainage Payable			133,726.60	
			Totals for Adjusting Journal Entries		<u>1,265,044.08</u>	<u>1,265,044.08</u>	<u>589,212.00</u>
			Report Totals		<u>1,265,044.08</u>	<u>1,265,044.08</u>	<u>589,212.00</u>

Journal Entry count = 2

Exhibit B

Draft Financial Statements &
Government-Wide Adjustments

MONTROSE REDEVELOPMENT AUTHORITY

CITY OF HOUSTON, TEXAS

ANNUAL FINANCIAL REPORT

JUNE 30, 2023

DRAFT SUBJECT TO CHANGE

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**MONTROSE REDEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

Management's discussion and analysis of Montrose Redevelopment Authority's (the "Authority") financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the Authority's financial statements.

Financial Highlights

- The Authority's assets exceeded its liabilities by \$7,921,019 (net position) as of June 30, 2023. This compares to the previous year when assets exceeded liabilities by \$8,886,324, showing a decrease of \$965,305 during the current fiscal year.
- The Authority's governmental funds reported a total ending fund balance of \$11,510,029 this year. This compares to the prior year fund balance of \$12,594,183 showing a decrease of \$1,084,154.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Fund Balance Sheet and (2) the Statement of Activities and Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balance. This report also includes other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Authority's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide portion of these statements provides both long-term and short-term information about the Authority's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

MONTROSE REDEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

The Statement of Net Position is the government-wide statement of its financial position presenting information that includes all of the Authority's assets, liabilities, and, if applicable, deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority as a whole is improving or deteriorating. Evaluation of the overall financial health of the Authority would extend to other non-financial factors.

The Statement of Activities reports how the Authority's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority has one governmental fund type. The General Fund is the operating fund of the Authority and accounts for all operating activities of the Authority.

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the Authority's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the Authority and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

MONTROSE REDEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and the accompanying notes, this report also presents certain required supplementary information ("RSI"). A budgetary comparison schedule is included as RSI for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as useful indicator of the Authority's financial position. In the case of the Authority, assets exceeded its liabilities by \$7,921,019 as of June 30, 2023.

The following table provides a summary of changes in the Authority's Statement of Net Position as of June 30, 2023, and June 30, 2022:

	Summary of Changes in the Statement of Net Position		
	2023	2022	Change Positive (Negative)
Current and Other Assets	\$ 12,052,232	\$ 13,143,655	\$ (1,091,423)
Due to Developer	\$ 3,589,010	\$ 3,707,859	\$ 118,849
Other Liabilities	542,203	549,472	7,269
Total Liabilities	\$ 4,131,213	\$ 4,257,331	\$ 126,118
Net Position:			
Restricted for Authorized Construction	\$	\$ 2,096,751	\$ (2,096,751)
Unrestricted	7,921,019	6,789,573	1,131,446
Total Net Position	\$ 7,921,019	\$ 8,886,324	\$ (965,305)

MONTROSE REDEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following table provides a summary of changes in the Authority's Statement of Activities for the fiscal years ending June 30, 2023, and June 30, 2022:

	Summary of Changes in the Statement of Activities		
	2023	2022	Change Positive (Negative)
Revenues:			
Tax Increment Revenue	\$ 5,203,067	\$ 4,480,128	\$ 722,939
Harris County Joint Project		2,284,056	(2,284,056)
Interest Revenue	342,433	17,972	324,461
Total Revenues	<u>\$ 5,545,500</u>	<u>\$ 6,782,156</u>	<u>\$ (1,236,656)</u>
Expenses:			
Professional Services	\$ 172,396	\$ 148,916	\$ (23,480)
Contract Services	323,796	139,153	(184,643)
Developer Reimbursement		3,707,859	3,707,859
Capital Outlay	5,822,875	4,718,569	(1,104,306)
Municipal Services	189,746	196,546	6,800
Other	1,992	1,091	(901)
Expenses for Services	<u>6,510,805</u>	<u>8,912,134</u>	<u>2,401,329</u>
Change in Net Position	\$ (965,305)	\$ (2,129,978)	\$ 1,164,673
Net Position, Beginning of Year	<u>8,886,324</u>	<u>11,016,302</u>	<u>(2,129,978)</u>
Net Position, End of Year	<u>\$ 7,921,019</u>	<u>\$ 8,886,324</u>	<u>\$ (965,305)</u>

FINANCIAL ANALYSIS OF THE AUTHORITY'S GOVERNMENTAL FUND

The Authority's governmental fund is the General Fund. As previously discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. The General fund reported an ending fund balance of \$11,510,029 of which \$11,510,029 is unassigned. This is a \$1,084,154 decrease compared to the prior year fund balance of \$12,594,183.

**MONTROSE REDEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of the Authority did not amend the budget for the current fiscal year. Actual net change in fund balances was \$39,824,010 less than budgeted primarily due to not receiving bank loan proceeds.

CAPITAL ASSETS

In the current fiscal year, the Authority recorded \$5,822,875 in capital expenditures on behalf of the City of Houston. The capital expenditures of the Authority are related to public works improvements. In accordance with Section VIII of the Tri-Party Agreement between the City of Houston, Reinvestment Zone Number Twenty-Seven and the Authority, it states: "all utilities, drainage facilities, public street improvements, sidewalks and light fixtures shall be conveyed to the City." Therefore, these assets are not recorded as capital assets of the Authority even though the Authority records the expenditures for the assets conveyed to the City.

LONG-TERM DEBT ACTIVITY

At the end of the current fiscal year, the Authority has recorded due to developers in the amount of \$3,589,010. During the current fiscal year, on August 17, 2022, the Authority paid \$118,849 to the Developer.

CONTACTING THE AUTHORITY'S MANAGEMENT

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Montrose Redevelopment Authority, c/o Knudson, LP, Zone Administrator, 8588 Katy Freeway, Suite 441, Houston, TX 77024.

MONTROSE REDEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2023

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 9,895	\$	\$ 9,895
Investments	6,839,270		6,839,270
Due from City of Houston	5,203,067		5,203,067
TOTAL ASSETS	\$ 12,052,232	\$ - 0 -	\$ 12,052,232
 LIABILITIES			
Accounts Payable	\$ 542,203	\$	\$ 542,203
Due to Developers		3,589,010	3,589,010
TOTAL LIABILITIES	\$ 542,203	\$ 3,589,010	\$ 4,131,213
 FUND BALANCE			
Unassigned	\$ 11,510,029	\$ (11,510,029)	\$ - 0 -
TOTAL LIABILITIES AND FUND BALANCE	\$ 12,052,232		
 NET POSITION			
Unrestricted		\$ 7,921,019	\$ 7,921,019

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

MONTROSE REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total Fund Balance - Governmental Fund \$ 11,510,029

Amounts reported for governmental activities in the Statement of Net Position are different because:

Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Due to Developers	<u>(3,589,010)</u>
Total Net Position - Governmental Activities	<u>\$ 7,921,019</u>

DRAFT SUBJECT TO CHANGE

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

MONTROSE REDEVELOPMENT AUTHORITY
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
REVENUES			
Tax Increment Revenue (Net of Retention for Administrative Costs of \$273,846)	\$ 5,203,067	\$	\$ 5,203,067
Investment Revenues	<u>342,433</u>		<u>342,433</u>
TOTAL REVENUES	<u>\$ 5,545,500</u>	<u>\$ - 0 -</u>	<u>\$ 5,545,500</u>
EXPENDITURES/EXPENSES			
Service Operations:			
Professional Fees	\$ 172,396	\$	\$ 172,396
Contracted Services	323,796		323,796
Insurance	868		868
Other	1,124		1,124
Municipal Services	189,746		189,746
Capital Outlay	5,822,875		5,822,875
Developer Reimbursement	<u>118,849</u>	<u>(118,849)</u>	<u></u>
TOTAL EXPENDITURES/EXPENSES	<u>\$ 6,629,654</u>	<u>\$ (118,849)</u>	<u>\$ 6,510,805</u>
NET CHANGE IN FUND BALANCE	\$ (1,084,154)	\$ 1,084,154	\$
CHANGE IN NET POSITION		(965,305)	(965,305)
FUND BALANCE/NET POSITION - JULY 1, 2022	<u>12,594,183</u>	<u>(3,707,859)</u>	<u>8,886,324</u>
FUND BALANCE/NET POSITION - JUNE 30, 2023	<u>\$ 11,510,029</u>	<u>\$ (3,589,010)</u>	<u>\$ 7,921,019</u>

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

**MONTROSE REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balance - Governmental Fund \$ (1,084,154)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report developer reimbursements as expenditures. However, in the Statement of Net Position, developer payments are reported as a decrease in Due to Developer.

118,849

Change in Net Position - Governmental Activities

\$ (965,305)

DRAFT SUBJECT TO CHANGE

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

MONTROSE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1. CREATION OF CORPORATION

The City of Houston, Texas (the “City”) authorized the creation of the Montrose Redevelopment Authority (the “Authority”) by the Resolution No. 2019-28 passed on August 14, 2019. The Authority was set up as a local government corporation pursuant to provisions of Chapter 431 of the Texas Transportation Code and Chapter 394 of the Texas Local Government Code. The Authority is organized as a public non-profit corporation for the purpose of aiding, assisting, and acting on behalf of the City in the performance of its governmental function to promote the common good and general welfare of Reinvestment Zone Number Twenty-Seven (the “Zone”) and neighboring areas and to promote, develop, encourage and maintain housing, educational facilities, employment, commerce and economic development in the City. The Authority may issue bonds with consent of City Council. The Authority is managed by a Board of Directors consisting of seven members who are appointed by the Mayor with the approval of City Council.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”).

The GASB has established the criteria for determining whether or not a given entity is a component unit. The criteria are: (1) is the potential component unit a legally separate entity, (2) does the primary government appoint a voting majority of the potential component unit’s board, (3) is the primary government able to impose its will on the potential component unit, (4) is there a financial benefit or burden relationship. The Authority was created as an instrumentality of the City of Houston (the “City”). The Authority does meet the criteria for inclusion as a component unit of the City. Copies of the financial statements for the City may be obtained from the City Secretary’s office.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which includes a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

MONTROSE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- * Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- * Restricted Net Position – This component of net position consists of constraints placed on the use of assets through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- * Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the Authority's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Authority as a whole. The Authority's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The Authority is viewed as a special purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded as due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense in the government-wide Statement of Activities.

Fund Financial Statements

As discussed above, the Authority's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

MONTROSE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

The Authority has one governmental fund and considers it to be a major fund.

General Fund – to account for the operating activities of the Authority.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available.” Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The Authority considers revenues reported in the governmental funds to be available if they are collectable within 60 days after year-end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis.

Budgeting

In compliance with the Tri-Party Agreement (See Note 4), the Authority’s board members adopted an unappropriated budget for the governmental funds of the Authority. The budget was not amended during the current fiscal year.

MONTROSE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are reported using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported, regardless of the timing of related cash flows. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The Authority does not have any nonspendable fund balances.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation, or because of constraints that are imposed externally. The Authority does not have any restricted fund balances.

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the Authority. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The Authority does not have any committed fund balances.

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The Authority has not adopted a formal policy regarding the assignment of fund balances. The Authority does not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned, or unassigned fund balances are available, the Authority considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

MONTROSE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Estimates

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

NOTE 3. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Authority's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the Authority of securities eligible under the laws of Texas to secure the funds of the Authority, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At June 30, 2023, none of the Authority's bank balances were exposed to custodial credit risk.

The carrying values of the deposits are included in the Governmental Fund Balance Sheet and the Statement of Net Position at June 30, 2023, as listed below:

	Cash
GENERAL FUND	\$ 9,895

Investments

Under Texas statute, the Authority is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all Authority funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the Authority's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if

MONTROSE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. Authority’s investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived”. No person may invest Authority funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the Authority and its authority to purchase investments as defined in the Public Funds Investment Act. The Authority has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The Authority’s investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in TexPool, an external investment pool that is not SEC-registered. The Texas Comptroller of Public Accounts has oversight of the pool. Federated Investors, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures all its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

As of June 30, 2023, the Authority had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
<u>GENERAL FUND</u>					
TexPool	<u>\$ 6,839,270</u>	<u>\$ 6,839,270</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At June 30, 2023, the Authority’s investment in TexPool, an external investment pool, was rated AAAM by Standard & Poor’s.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in TexPool to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the Authority, unless there has been a significant change in value.

MONTROSE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4. TRI-PARTY AGREEMENT

The City of Houston, Reinvestment Zone Number Twenty-Seven, and the Authority entered into the Tri-Party Agreement on September 11, 2019, pursuant to Ordinance No. 2019-0665. The Tri-Party Agreement states in detail the scope of services to be provided to the Zone by the Authority. The services include management and administrative service for the Zone, as requested by the Zone Board, services with respect to the Project Plan and Reinvestment Zone Financing Plan (the “Plan”), including implementation and updating, and services with respect to the tax rolls pertaining to the Zone, including analysis and coordination with taxing units. The Authority is also required to assist the Zone Board in establishing a program to increase the level of safety within the Zone, preparing development plans, establishing a marketing and public relations program, planning and design and construction of infrastructure improvements and land acquisition.

The Tri-Party Agreement also allows the Authority to pledge the Contract Tax Increments allowing the Authority to issue bonds and notes, enter into obligations with developers or builders, and enter into contracts with consultants, in each case, to be paid from Contract Tax Increments. All bonds must be approved by the City Council and agreements must be approved by the City of Houston’s Chief Development Officer or their designee.

This Agreement shall end upon termination of the Zone.

Pursuant to the Agreement, the City and the Zone have agreed to pay the Authority not later than the first business day of each July in which a current approved budget is in effect for the Authority, all monies available in the Tax Increment Fund, less a reserve of up to five percent of the monies then available in the Tax Increment Fund for administrative costs of the City. Notwithstanding the above, in the event the Authority’s budget is not approved by the thirtieth (30th) day before the date of a principal and interest payment on the Authority’s bonds or notes, the City shall pay from available funds sufficient monies to the Authority to allow for meeting the Authority’s debt service obligations.

MONTROSE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5. TAX INCREMENTS

The City of Houston has agreed to deposit their tax increments into the Tax Increment Fund established by the Zone (See Note 6).

The amount of the tax increment for a year is the amount of property taxes levied and collected by the City for that year on the Captured Appraised Value of real property taxable by the City and located in the Zone. The Captured Appraised Value of real property taxable by the City for a year is the total appraised value of all real property taxable by the City and located in the Zone for that year less the Tax Increment Base, which is the total appraised value of all real property taxable by the City and located in the Zone on January 1 of the year in which the Zone was designated as such pursuant of Chapter 311 of the Texas Tax Code (the "TIRZ Act"). In the event property is annexed into the Zone by ordinance of the City, the Tax Increment Base for annexed property is the value of all real property taxable by the City and located in the annexed area on January 1 of the year of annexation. The City is not required to deposit tax increments derived from property annexed into the Zone unless the City has agreed to do so.

The City is required to collect taxes on property located with the Zone in the same manner as other taxes are collected. The City is required to pay into the tax increment fund the collected tax increments by no later than the 90th day after the delinquency date for the City's property taxes.

NOTE 6. CITY OF HOUSTON TAX INCREMENTS

Pursuant to City Ordinance No. 99-1331, the City and the Zone have established the Tax Increment Fund, a separate fund in the City Treasury into which tax increments have and will be deposited.

During the current fiscal year, tax increments of \$5,476,913 were collected by the City of Houston of which \$273,846 was withheld to cover administrative costs.

NOTE 7. CAPITAL EXPENDITURES

During the current fiscal year, the Authority recorded \$5,822,875 for capital improvements on behalf of the City of Houston. These expenditures are related to capital improvements made by the Authority to City of Houston facilities. The Authority finances these facilities for the benefit of the City. Any capital assets the Authority purchases related to public improvements and facilities have been conveyed to the City of Houston. See pages 27 and 28 for information on current year capital improvement expenditures.

MONTROSE REDEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8. DEVELOPMENT AGREEMENT

On April 20, 2020, the Authority, Reinvestment Zone Number Twenty-Seven (the “Zone”) and Montrose Collective Owner, LP (the “Developer”) entered into the Development Agreement. The Developer has acquired plans and plans to develop, a mixed-use project, including office and retail, which includes an underground parking garage. The Developer is authorized by the Zone and Authority to design and construct these public improvements as described in this agreement. Upon completion of the public improvements, the Developer shall provide the auditor an accounting of all costs within six months after the final completion. The Authority will review and approve for reimbursement to the Developer each eligible cost. Once each year after completion, the Authority shall apply the property increment received from the public improvements to the amount reimbursable to the Developer up to the maximum reimbursement of \$3,707,859. As of June 30, 2023, \$3,589,010 has been recorded as due to developers in the Statement of Net Position in relation to this agreement. On August 17, 2022, the Authority paid \$118,849 to the Developer.

NOTE 9. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Authority participates in the Texas Municipal League’s Intergovernmental Risk Pool (“TML”) to provide general liability, errors and omission and automobile liability. The Authority, along with other participating entities, contributes annual amounts determined by TML’s management. As claims arise they are submitted and paid by TML. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 10. BOND SALE

Subsequent to year end, on July 20, 2023, the Authority closed on the sale of its \$14,965,000 Tax Increment Contract Revenue Bonds, Series 2023. The proceeds of the bond sale will be used to fund project costs in accordance with the Amended Project and Financing Plan; make a deposit to the Debt Service Reserve Fund; and to cover issuance costs of the bonds.

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MONTROSE REDEVELOPMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2023

DRAFT SUBJECT TO CHANGE

MONTROSE REDEVELOPMENT AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Tax Increment Revenue	\$ 5,162,921	\$ 5,203,067	\$ 40,146
Grant Proceeds	3,670,000		(3,670,000)
Interest Income		342,433	342,433
Miscellaneous Revenues	50,000		(50,000)
TOTAL REVENUES	<u>\$ 8,882,921</u>	<u>\$ 5,545,500</u>	<u>\$ (3,337,421)</u>
EXPENDITURES			
Maintenance and Operations	\$ 424,000	\$ 498,184	\$ (74,184)
Municipal Services	196,546	189,746	6,800
Capital Improvements	9,522,519	5,822,875	3,699,644
Developer Reimbursement		118,849	(118,849)
TOTAL EXPENDITURES	<u>\$ 10,143,065</u>	<u>\$ 6,629,654</u>	<u>\$ 3,513,411</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (1,260,144)</u>	<u>\$ (1,084,154)</u>	<u>\$ 175,990</u>
OTHER FINANCING SOURCES(USES)			
Long-Term Debt Issued	\$ 40,000,000	\$ - 0 -	\$ (40,000,000)
NET CHANGE IN FUND BALANCE	\$ 38,739,856	\$ (1,084,154)	\$ (39,824,010)
FUND BALANCE - JULY 1, 2022	<u>12,594,183</u>	<u>12,594,183</u>	
FUND BALANCE - JUNE 30, 2023	<u>\$ 51,334,039</u>	<u>\$ 11,510,029</u>	<u>\$ (39,824,010)</u>

MONTROSE REDEVELOPMENT AUTHORITY

SUPPLEMENTARY INFORMATION

REQUIRED BY CITY OF HOUSTON

JUNE 30, 2023

DRAFT SUBJECT TO CHANGE

MONTROSE REDEVELOPMENT AUTHORITY
OPERATING EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2023

Category	Vendor	Budget
ADMINISTRATION AND OVERHEAD		
Administration Consultant	Knudson, LP	\$ 72,000
Insurance	TML Intergovernmental Risk Pool	5,000
Bookkeeping	ETI Bookkeeping Services	19,000
Board Development		5,000
Auditor	MGSB PLLC/Burton Accounting	10,000
Tax Roll Management	Equi-Tax Inc.	8,000
Office Expenses		
SUBTOTAL		<u>\$ 119,000</u>
PROGRAM AND PROJECT CONSULTANTS		
Engineering Consultants	Gauge Engineering	\$ 50,000
Affordable Housing Consultants		70,000
Legal-General Counsel	Allen Boone Humphries Robinson LLP	120,000
Planning Consultants	The Goodman Corp.	50,000
Public Engagement Expenses	Elsquared Media Group	<u>15,000</u>
SUBTOTAL		<u>\$ 305,000</u>
TOTAL MANAGEMENT CONSULTING SERVICES		
		<u>\$ 424,000</u>
Municipal Services Charge	City of Houston	<u>\$ 196,546</u>
TOTAL OPERATING EXPENDITURES		<u>\$ 620,546</u>
DEVELOPER/PROJECT REIMBURSEMENTS		<u>\$ - 0 -</u>

<u>Actual Expenditure</u>	<u>Variance Positive (Negative)</u>
\$ 74,590	\$ (2,590)
868	4,132
20,657	(1,657)
	5,000
16,000	(6,000)
7,630	370
<u>1,124</u>	<u>(1,124)</u>
<u>\$ 120,869</u>	<u>\$ (1,869)</u>
\$ 32,257	\$ 17,743
	70,000
124,139	(4,139)
211,343	(161,343)
<u>9,576</u>	<u>5,424</u>
<u>\$ 377,315</u>	<u>\$ (72,315)</u>
<u>\$ 498,184</u>	<u>\$ (74,184)</u>
<u>\$ 189,746</u>	<u>\$ (6,800)</u>
<u>\$ 687,930</u>	<u>\$ (80,984)</u>
<u>\$ 118,849</u>	<u>\$ (118,849)</u>

DRAFT SUBJECT TO CHANGE

MONTROSE REDEVELOPMENT AUTHORITY
CAPITAL EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2023

Category	Vendor	Budget
Project T-2702 Waugh/Commonwealth/Yoakum Project Planning and Design Construction	Gauge Engineering Reytec Construction Resources/ Trees for Houston	\$ 60,000 3,325,000
Project T-2703 Localized Micro-Improvement Project Construction		180,209
Project T-2705 Walk/Bike Montrose Planning		29,000
Project T-2706 Partnership with METRO for Montrose Blvd Design	Gauge Engineering	1,170,000
Project T-2707 Hawthorne Neighborhood Safe Street Planning and Design Construction	Gauge Engineering R. Miranda Trucking & Construction	135,000 1,300,000
Project T-2708 Woodhead Neighborhood Safe Street Planning and Design Construction	Gauge Engineering R. Miranda Trucking & Construction	195,000 1,200,000
Project T-2709 Dallas Bikeway Planning and Acquisition Construction	Gauge Engineering	50,000 100,000
Project T-2712 Mandell Bikeway Planning and Design	Gauge Engineering	
Project T-2714 BCycle Construction		135,000
Project T-2715 Affordable Housing Projects Planning		500,000
Project T-2716 Safe Route to School Sidewalk Program Design Construction	Gauge Engineering R. Miranda Trucking & Construction	250,000
Project T-2717 W Alabama Street Design Construction	Gauge Engineering	293,310
Project T-2718 West Gray from Woodhead to Montrose Blvd. Design	Gauge Engineering	
Project T-2799 Safe Sidewalk Program Design Construction	Gauge Engineering	100,000 500,000
		<u>\$ 9,522,519</u>

<u>Actual Expenditure</u>	<u>Variance Positive (Negative)</u>
\$ 23,567	\$ 60,000 3,301,433
	180,209
	29,000
1,030,055	139,945
191,681	(56,681)
1,900,013	(600,013)
191,681	3,319
1,900,013	(700,013)
52,423	(2,423)
	100,000
114,767	(114,767)
	135,000
	500,000
56,317	193,683
35,350	(35,350)
169,801	(169,801)
	293,310
154,697	(154,697)
2,510	97,490
	500,000
<u>\$ 5,822,875</u>	<u>\$ 3,699,644</u>

MONTROSE REDEVELOPMENT AUTHORITY
PROJECT PLAN RECONCILIATION
AS OF THE YEAR ENDED JUNE 30, 2023

	Project Plan Estimated Amount	Cumulative Expenditures as of the Fiscal Year Ended 2023	Variance Positive (Negative)
Project Costs			
Capital Costs:			
Corridor Improvements	\$ 108,594,133	\$ 12,396,053	\$ 96,198,080
Workforce/Affordable Housing	39,600,000		39,600,000
Parking Enhancements	4,830,000		4,830,000
Parks, Recreational Facilities, Cultural Ammenities	8,000,000		8,000,000
Zone Administration/Professional Services	<u>6,000,000</u>	<u>3,359,285</u>	<u>2,640,715</u>
Total Project Costs	<u>167,024,133</u>	<u>15,755,338</u>	<u>151,268,795</u>

DRAFT SUBJECT TO CHANGE

MONTROSE REDEVELOPMENT AUTHORITY

OTHER SUPPLEMENTARY INFORMATION

JUNE 30, 2023

DRAFT SUBJECT TO CHANGE

MONTROSE REDEVELOPMENT AUTHORITY
BOARD MEMBERS AND CONSULTANTS
JUNE 30, 2023

District Mailing Address - Montrose Redevelopment Authority
8588 Katy Freeway, Suite 441
Houston, TX 77024

District Telephone Number - (713) 463-8200

Board Members

Position

Lisa Hunt 1 – Secretary

Abby Noebels 2

Joe Douglas Webb 3 – Chair

Eureka Gilkey 4

Amanda Flores 5

Jeffery Watters 6 – Vice
Chair

Ray Valdez 7

Zone Administrator

Knudson, LP
8588 Katy Freeway, Suite 441
Houston, TX 77024

See accompanying independent auditor's report.

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

13100 Wortham Center Drive
Suite 235
Houston, Texas 77065-5610
(713) 462-0341
Fax (713) 462-2708

PO Box 29584
Austin, TX 78755-5126
(512) 610-2209
www.mgsbpllc.com
E-Mail: mgsb@mgsbpllc.com

September 18, 2023

Board of Directors
Montrose Redevelopment Authority
City of Houston, Texas

We have audited the financial statements of the governmental activities and each major fund of Montrose Redevelopment Authority (the "Authority") for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 26, 2023. Professional standards also require that we communicate to you the following information related to our audit. For the purposes of this letter, the term "management" refers to the Board of Directors and/or Authority consultants.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. Significant accounting policies used by the Authority, including new accounting policies, if any, that have been adopted and implemented during the current fiscal year, are discussed in Note 2. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period. The financial statement disclosures are neutral, consistent, and clear.

Accounting estimates are an integral part of the financial statements and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. If applicable, we evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The Authority's bookkeeper and Board of Directors will be provided with any such adjustments.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 18, 2023.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were engaged to perform the following non-attest services for the Authority: (1) preparation of financial statements and related notes in conformity with accounting principles generally accepted in the United States of America. These services were performed based on information provided by you. We performed these services in accordance with applicable professional standards. The non-attest services we performed are limited to those specifically defined and did not result in assuming management responsibilities.

We applied certain limited procedures to the Management's Discussion and Analysis and the budgetary comparison schedule for all combined funds, which are required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information required by the City of Houston, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors of the Authority and is not intended to be, and should not be, used by anyone other than the specified party.

Sincerely,

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

Exhibit C

Government Disclosure Checklist

ALG-CX-13.1: Governmental Disclosure Checklist

Governmental Unit: Montrose RA
Prepared by: Joseph Ellis

Financial Statement Date: 6/30/2023
Date: 9/6/2023

Explanatory Comments

The following is a list of common disclosure requirements for financial statements of governmental units as required by generally accepted accounting principles. The disclosures are equally appropriate (to the extent applicable) to the financial statements of a single fund, department, or agency of a governmental unit. Note that this is a disclosure checklist, not a GAAP application checklist; accordingly, GAAP measurement and presentation questions are not included. Consideration has been given to the following documents:

Governmental Accounting Standards Board

Codification of Governmental Accounting and Financial Reporting Standards (GASB Cod.) (References to GASB Cod. Secs. refer to the June 30, 2021, *Codification of Governmental Accounting and Financial Reporting Standards*.)

Governmental Accounting Standards Board Statements (GASBS)

Interpretations (GASBI)

Technical Bulletins (GASBTB)

Comprehensive Implementation Guide (QA) (June 2021 edition)

Note

The 2021 *Comprehensive Implementation Guide* includes questions and answers and glossary definitions from annual GASB implementation guides, as well as the effects on those questions and answers and glossary definitions of all standards that are effective as of June 30, 2021. The questions and answers in implementation guides through GASB Implementation Guide No. 2020-1, *Implementation Guidance Update—2020*, have been incorporated into the June 2021 GASB *Comprehensive Implementation Guide*. Therefore, the question numbers in this checklist for questions and answers from implementation guides through Implementation Guide No. 2020-1 refer to the *Comprehensive Implementation Guide*. Questions and answers and glossary definitions from those implementation guides that are included in the *Comprehensive Implementation Guide* retain their authoritative status as Category B guidance.

AICPA

Audit and Accounting Guide, *State and Local Governments* (SLG)
Statements of Position of the Accounting Standards Division (SOP)

Update Information

This checklist has been updated through February 28, 2022.

This checklist incorporates all recent GASB Statements through GASBS No. 98, *The Annual Comprehensive Financial Report* ([link](#)).

GASBS No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* ([link](#)), defers the effective dates of the following Statements and Implementation Guides by one year: Statement Nos. 83; 84 and Implementation Guide 2019-2; 88; 89; 90; 91; certain provisions of GASBS Nos. 92 and 93; and certain questions in Implementation Guide 2017-3, Implementation Guide 2018-1, and Implementation Guide 2019-1. It defers the effective date of GASBS No. 87 and Implementation Guide 2019-3 by 18 months. The requirements of GASBS No. 95, issued May 8, 2020, are effective immediately. Early implementation is encouraged and is permitted to the extent specified in each pronouncement as originally issued. The amended effective dates are included in this checklist.

Some checklist questions do not cite a specific authoritative reference but indicate that the disclosure is “generally accepted.” Many governments disclose this information even though a specific requirement in authoritative literature cannot be identified.

This checklist is divided into two parts: Part I—Most Frequent Disclosures, and Part II—Other Disclosures.

Disclosure requirements unique to the separate financial statements of external investment pools, disclosure requirements unique to public entity risk pools, and disclosure requirements unique to the Single Audit schedule of expenditures of federal awards are presented in other checklists. Complete those checklists in addition to this checklist when applicable.

This checklist is directed toward disclosures required by GAAP in the basic financial statements and does not include the additional disclosures applicable only to an annual comprehensive financial report (ACFR). This disclosure checklist does not include all of the suggested disclosures included in the *GFOA's Governmental Accounting, Auditing, and Financial Reporting (GAAFR)*.

Exercise caution in determining which disclosures are applicable. Different requirements may apply to governmental funds and proprietary funds, and different ones may apply to an enterprise fund, depending on the issuance date of the pronouncement being considered.

The disclosure checklist is current as of the following documents:

- *GASBS No. 98, The Annual Comprehensive Financial Report* ([link](#)) (October 2021)
- [GASBI No. 6](#) [March 2000, amended by [GASBS No. 87](#) , effective for fiscal years beginning after June 15, 2021, and all reporting periods thereafter (as amended by [GASBS No. 95](#))]
- [GASBTB No. 2020-1](#) (June 2020)
- [QA](#) (June 2021)
- [QA 2021-1](#) (May 2021)

For a list of disclosures required by subsequent standards, visit tax.thomsonreuters.com/en/checkpoint/ppc-disclosure-checklist-update-information.

PART I—MOST FREQUENT DISCLOSURES

Instructions

Complete Part I in its entirety. A box has been provided for each major disclosure caption. If the major caption is not applicable to your client, simply place a checkmark in the box. It will then not be necessary to check “N/A” for each question under the major caption. Otherwise, respond to each question with a checkmark in the appropriate column: (1) Yes—disclosure made; (2) No—item present but no disclosure made (any item checked “No” should be explained in the checklist or in a separate memorandum); or (3) N/A—either the item is not present or it is immaterial to the financial statements.

		Disclosure Made?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
<u>MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)</u>				<input type="checkbox"/>
1.	Does the MD&A:			
	a. Precede the basic financial statements as required supplementary information? (GASBS No. 34, para. 8)	<u>X</u>	—	—
	b. Discuss current-year results in comparison with the prior year, placing emphasis on the current year? (GASBS No. 34, para. 9)	<u>X</u>	—	—
	c. Focus on the primary government, distinguishing between information for the primary government and that of its component units? (Inclusion of component unit information is a matter of professional judgment based on the individual component unit’s significance to the total of all discretely presented component units and that component unit’s relationship with the primary government.) (GASBS No. 34, para. 10)	<u>X</u>	—	—
	d. Exclude information on topics not listed under Question No. 2? (GASBS No. 37, para. 4)	<u>X</u>	—	—
2.	Are the following required items included in MD&A: (Inclusion of required information in the letter of transmittal does not meet this requirement.) (GASBS No. 34, paras. 11 and 145 ; GASBS No. 37, paras. 4–5 ; GASBS No. 63, paras. 7–8 and Appendix D ; and GASB Cod. Sec. 2200.109)			
	a. A brief discussion of the basic financial statements, including the relationships of the statements to each other, and the significant differences in the information they provide?	<u>X</u>	—	—
	b. The following condensed financial information derived from government-wide financial statements comparing the current year to the prior year, if relevant:			
	i. Total assets, distinguishing between capital and other assets?	<u>X</u>	—	—
	ii. Total deferred outflows of resources?	—	—	<u>X</u>
	iii. Total liabilities, distinguishing between long-term liabilities and other liabilities?	<u>X</u>	—	—
	iv. Total deferred inflows of resources?	—	—	<u>X</u>
	v. Total net position, distinguishing among the net investment in capital assets; restricted amounts; and unrestricted amounts?	<u>X</u>	—	—
	vi. Program revenues, by major source?	<u>X</u>	—	—
	vii. General revenues, by major source?	<u>X</u>	—	—
	viii. Total revenues?	<u>X</u>	—	—

	Disclosure Made?		
	Yes	No	N/A
ix. Program expenses, at a minimum by function?	—	—	X
x. Total expenses?	X	—	—
xi. Excess (deficiency) before contributions to term and permanent endowments or permanent fund principal, special and extraordinary items, and transfers?	—	—	X
xii. Contributions?	—	—	X
xiii. Special and extraordinary items?	—	—	X
xiv. Transfers?	—	—	X
xv. Change in net position?	X	—	—
xvi. Ending net position?	X	—	—
c. An analysis of the overall financial position and results of operations (addressing both governmental and business-type activities) to assess whether financial position has improved or deteriorated during the year, including reasons for significant changes from the prior year and important economic factors (such as changes in the tax or employment bases) that significantly affected operating results?	X	—	—
d. An analysis of balances and transactions of individual funds, including the reasons for significant changes in fund balances or fund net position and whether restrictions, commitments, or other limitations significantly affect the availability of fund resources for future use?	X	—	—
e. An analysis of significant variations between original and final budget amounts and between final budget amounts and actual budget results for the general fund, including reasons for those variations that are expected to have a significant effect on future services or liquidity?	X	—	—
f. A description of significant capital asset and long-term debt activity, including a discussion of commitments made for capital expenditures, changes in credit ratings, and debt limitations that may affect the financing of planned facilities or services?	X	—	—
g. A discussion of infrastructure assets (for governments that use the modified approach) including (1) significant changes in the assessed condition of eligible infrastructure assets, (2) how the current assessed condition compares with the condition level the government has established, and (3) any significant differences from the estimated annual amount to maintain/preserve eligible infrastructure assets compared with the actual amounts spent during the current period?	—	—	X
h. A description of currently known facts, decisions, or conditions that are expected to have a significant effect on financial position (net position) or results of operations (revenues, expenses, and other changes in net position)?	X	—	—
i. Other analysis necessary to meet the requirement for an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, and conditions? (Currently known facts include information known by management as of the date of the auditor's report.) (GASBS No. 34, para. 8)	X	—	—
j. Refer readers to separately issued financial statements, if any, for component unit(s)? (GASBS No. 34, para. 10)	—	—	X

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

GENERAL



	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. Do the GWFS:			
a. Include a statement of net position and a statement of activities? (GASBS No. 34, para. 12 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Sec. 2200.110)	<u>X</u>	—	—
b. Exclude fiduciary activities, including fiduciary component units? (GASBS No. 34, para. 12 and GASBS No. 84, para. 5)	—	—	<u>X</u>
c. Measure and report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, gains, and losses using the economic resources measurement focus and accrual basis of accounting? (GASBS No. 34, para. 12 ; GASBS No. 63, paras. 7–8 and Appendix D ; and GASB Cod. Sec. 2200.110)	<u>X</u>	—	—
d. Contain separate rows and columns for each of the following (if applicable): (GASBS No. 34, paras. 14–15)			
i. Governmental activities?	<u>X</u>	—	—
ii. Business-type activities?	—	—	<u>X</u>
iii. Discretely presented component units?	—	—	<u>X</u>
e. Contain a total column for the primary government? (GASBS No. 34, para. 14)	—	—	<u>X</u>

STATEMENT OF NET POSITION

			<input type="checkbox"/>
1. Are assets and liabilities presented in the order of their relative liquidity or in a classified format? (GASBS No. 34, para. 31)	<u>X</u>	—	—
a. Are liabilities, whose average maturities are greater than one year, reported in two components—the amount due within one year and the amount due in more than one year? (GASBS No. 34, para. 31)	—	—	<u>X</u>
2. Are assets and liabilities not offset unless a right of offset exists? (GASBS No. 62, para. 501)	—	—	<u>X</u>
3. Is the difference between all other elements on the statement of net position (i.e., assets and deferred outflows of resources less liabilities and deferred inflows of resources) reported as net position, and is it displayed on the face of the statement in the following three components (if applicable): net investment in capital assets, restricted, and unrestricted? (GASBS No. 63, para. 8 and Appendix D , and GASB Cod. Sec. 2200.117)	<u>X</u>	—	—
4. Is the amount of the primary government’s net position at the end of the reporting period that is restricted by enabling legislation disclosed in the notes to the financial statements? (GASBS No. 46, para. 6 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Sec. 2200.119)	<u>X</u>	—	—
5. If permanent endowments, permanent fund principal amounts, or a minority interest in a component unit are included in the restricted component of net position, are the expendable and nonexpendable components of restricted net position presented? (GASBS No. 34, para. 35 ; GASBS No. 61, para. 12 ; GASBS No. 63, paras. 8 and 10 and Appendix D ; and GASB Cod. Secs. 1800.161 and 2200.123)	—	—	<u>X</u>
6. Are assignments and commitments excluded from the face of the <i>statement of net position</i> ? (GASBS No. 34, para. 37 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Sec. 2200.125)	<u>X</u>	—	—

STATEMENT OF ACTIVITIES



	Disclosure Made?		
	Yes	No	N/A
1. Is a net (expense) revenue format used to report each of the government's functions? (GASBS No. 34, para. 38)	<u>X</u>	—	—
2. Are general revenues, contributions to term and permanent endowments, special and extraordinary items, and transfers reported separately after total net expenses of the government's functions? (GASBS No. 34, para. 38)	—	—	<u>X</u>
3. Are governmental activities presented to coincide with the level of detail required in the governmental fund financial statements—at a minimum by function? (GASBS No. 37, para. 10)	<u>X</u>	—	—
4. Are activities accounted for in enterprise funds presented by different identifiable activities? (GASBS No. 37, para. 10)	—	—	<u>X</u>
5. Are all expenses reported by function, except for those considered extraordinary or special and except as indicated in Questions 7a and 8? (GASBS No. 34, para. 41)	<u>X</u>	—	—
6. Are direct expenses presented for each function, and if indirect expenses are allocated, are direct and indirect expenses presented in separate columns? (GASBS No. 34, paras. 41 and 42)	—	—	<u>X</u>
7. Is depreciation expense on assets specifically identified with a function included in its direct expenses, and is the depreciation expense on shared capital assets ratably included in the direct expenses of the appropriate functions? (GASBS No. 34, para. 44)	—	—	<u>X</u>
a. If a separate line is used to report unallocated depreciation, such as depreciation on a capital asset that essentially serves all functions, is it clearly indicated on the face of the statement that this line item excludes direct depreciation expenses of the various programs? (GASBS No. 34, para. 44)	—	—	<u>X</u>
8. Is depreciation expense on general infrastructure assets not allocated to various functions but reported as a direct expense of the most relevant function? (GASBS No. 34, para. 45)	—	—	<u>X</u>
9. Is interest expense on long-term debt included in direct expenses in those limited instances when applicable or as a separate line item that, when applicable, clearly indicates that it excludes direct interest expenses reported as a function expense? (GASBS No. 34, para. 46)	—	—	<u>X</u>
a. When applicable, has the amount of interest expense included as a direct function expense been disclosed? (GASBS No. 34, para. 46)	—	—	<u>X</u>
10. Are the following three categories of program revenues separately reported at a minimum: (GASBS No. 34, para. 48 and GASBS No. 37, para. 12)			
a. Charges for services?	<u>X</u>	—	—
b. Program-specific operating grants and contributions?	—	—	<u>X</u>
c. Program-specific capital grants and contributions?	—	—	<u>X</u>
11. Are general revenues reported after total net expense of the government's functions, including all taxes reported by type of tax, e.g., sales, property, franchise, and income? (GASBS No. 34, para. 52)	—	—	<u>X</u>
12. Are the following items reported separate from, but in the same manner as, general revenues: (GASBS No. 34, para. 53)			
a. Contributions to term and permanent endowments?	—	—	<u>X</u>
b. Contributions to permanent fund principal?	—	—	<u>X</u>
c. Special and extraordinary items?	—	—	<u>X</u>

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
d. Transfers between governmental and business-type activities?	—	—	<u>X</u>
13. Are special items (significant transactions within the control of management that are either unusual in nature or infrequent in occurrence) separately reported before extraordinary items? (GASBS No. 34, para. 56)	—	—	<u>X</u>
14. Are items that are either unusual or infrequent but not within the control of management disclosed in the notes to the financial statements? (GASBS No. 34, para. 56)	—	—	<u>X</u>
15. Is the adjustment in the current period of a previously presented extraordinary item or special item classified separately in the same manner as the original item and are the year of origin, nature, and amount disclosed? (GASBS No. 62, para. 50)	—	—	<u>X</u>
INTERNAL BALANCES AND INTERNAL SERVICE FUNDS			<input checked="" type="checkbox"/>
1. Are internal balances eliminated in the statement of net position to minimize the grossing up of internal balances, leaving a net amount due between the governmental and business-type activities that is eliminated in the total primary government column? (Balances with fiduciary activities are not considered to be internal balances.) (GASBS No. 34, para. 58 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Secs. 1800.103 and 2200.152)	—	—	<u>x</u>
2. Are eliminations made in the statement of activities to remove the duplication of internal service fund activity, leaving the expenses reported in the function to which they were allocated? (GASBS No. 34, para. 59)	—	—	<u>x</u>
3. Are transactions between the primary government and discretely presented component units reported as external transactions, and are receivables/payables reported on a separate line? (GASBS No. 34, para. 61 , and GASB Cod. Sec. 1800.106)	—	—	<u>x</u>
4. Unless dominated by enterprise funds, are internal service fund balances reported in the governmental activities column of the statement of net position? (GASBS No. 34, para. 62 ; GASBS No. 63, paras. 7–8 and Appendix D ; and GASB Cod. Sec. 2200.156)	—	—	<u>x</u>
<u>FUND FINANCIAL STATEMENTS</u>			<input type="checkbox"/>
1. Are separate fund financial statements presented for each of the following three categories: (GASBS No. 34, para. 63 and GASBS No. 84, para. 5)			
a. Governmental funds?	<u>X</u>	—	—
b. Proprietary funds?	—	—	<u>X</u>
c. Fiduciary funds including fiduciary component units?	—	—	<u>X</u>
2. Do the governmental and proprietary fund financial statements contain a column for each major fund, with a single column for the aggregate of nonmajor funds and a total column? (GASBS No. 34, paras. 75 , 76 , 83 , 86 , and 93)	<u>X</u>	—	—
3. Do the governmental and proprietary fund financial statements present a summary reconciliation to the government-wide financial statements at the bottom of the fund financial statements or in an accompanying schedule? (GASBS No. 34, para. 77)	<u>X</u>	—	—
a. If the summary reconciliation obscures the nature of the individual elements of a particular reconciling item, is a more detailed explanation provided in a note to the financial statements? (GASBS No. 34, para. 77)	—	—	<u>X</u>

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
4. Are the governmental funds financial statements prepared using the current financial resources measurement focus and the modified accrual basis of accounting, and are the proprietary funds financial statements prepared using the economic resources measurement focus and the accrual basis of accounting? (GASBS No. 34, paras. 79 and 92)	<u>X</u>	—	—
5. Do the governmental funds financial statements:			
a. Include a balance sheet (assets plus deferred outflows of resources, equals liabilities plus deferred inflows of resources plus fund balances) and a statement of revenues, expenditures, and changes in fund balances? (GASBS No. 34, paras. 78 and 83 ; GASBS No. 63, para. 12 and Appendix D ; and GASB Cod. Sec. 2200.161–.162)	<u>X</u>	—	—
b. Present fund balance classifications on the balance sheet in the following hierarchy: nonspendable, restricted, committed, assigned, or unassigned, as applicable? (GASBS No. 54, paras. 5 –19)	<u>X</u>	—	—
c. Report stabilization amounts only in the general fund as restricted, committed, or unassigned, or in a special revenue fund as restricted or committed, as applicable? (GASBS No. 54, para. 21)	—	—	<u>X</u>
d. Include amounts encumbered for specific purposes within restricted, committed, or assigned fund balance but not display such amounts separately within those classifications? (GASBS No. 54, para. 24)	<u>X</u>	—	—
e. Present the major sources of revenue (e.g., property, sales, and franchise tax revenue; revenue from licenses, fees, and permits; interest income, etc.)? (GASB Cod. Sec. 1800.131)	<u>X</u>	—	—
f. Report the face amount of long-term debt (including capital leases), issuance premium or discount, payments to bond escrow agents, transfers, and sale of capital assets separately from fund revenues as “other financing sources”? (GASBS No. 34, para. 88 , GASBS No. 37, para. 16 , and QA, Question 7.66.1)	<u>X</u>	—	—
g. Classify expenditures by function or program, and by character; e.g., current, capital outlays, and debt service? (GASB Cod. Sec. 1800.132–.133 and .136)	<u>X</u>	—	—
h. Report debt issue costs, such as underwriter and attorneys’ fees (if any), as expenditures? (GASBS No. 34, para. 87 , and QA, Question 7.66.1)	—	—	<u>x</u>
i. Separately report special items (significant transactions within the control of management that are either unusual in nature or infrequent in occurrence) after other financing sources or uses and before extraordinary items? (GASBS No. 34, para. 89)	—	—	<u>X</u>
j. Separately identify within the appropriate revenue or expenditure category or disclose in the notes to financial statements items that are either unusual or infrequent, but not within the control of management? (GASBS No. 34, para. 89)	—	—	<u>X</u>
6. Do the proprietary funds financial statements:			
a. Include a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows? (GASBS No. 63, paras. 8–9 and Appendix D , and GASB Cod. Sec. P80.104)	—	—	<u>X</u>
b. Include a single column for all internal service funds to the right of the total enterprise funds column? (GASBS No. 34, para. 96)	—	—	<u>X</u>
c. Present assets, deferred outflows of resources, liabilities, and deferred inflows of resources in a classified format? (GASBS No. 34, para. 97 ; GASBS No. 63, para. 7 and Appendix D ; and GASB Cod. Sec. P80.110)	—	—	<u>X</u>

	Disclosure Made?		
	Yes	No	N/A
d. Report assets with use restrictions as restricted assets? (GASBS No. 34, para. 99)	___	___	<u>X</u>
e. Not offset assets and liabilities except when a right of offset exists? (GASBS No. 62, para. 501 , and GASB Cod. Sec. 2200.172)	___	___	<u>X</u>
f. Present net position in the following three components (if applicable): net investment in capital assets; restricted (distinguishing between major categories of restrictions); and unrestricted? (GASBS No. 34, para. 98 ; GASBS No. 63, para. 8 and Appendix D , and GASB Cod. Sec. 2200.173)	___	___	<u>X</u>
g. Separate restricted net position arising from additions to permanent endowments into expendable and nonexpendable categories? (GASBS No. 34, para. 103 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Sec. P80.116)	___	___	<u>X</u>
h. Report revenues by major source? (GASBS No. 34, para. 100)	___	___	<u>X</u>
i. Report revenues net of discounts and allowances with the discounts and allowances disclosed on the face of the statement or in a note to the financial statements? (GASBS No. 34, footnote 41)	___	___	<u>X</u>
j. Distinguish between operating and nonoperating revenues and expenses? (GASBS No. 34, para. 100)	___	___	<u>X</u>
k. Present subtotals for operating revenues, operating expenses, and operating income? (GASBS No. 34, para. 100)	___	___	<u>X</u>
l. Report nonoperating revenues and expenses after operating income? (GASBS No. 34, para. 100)	___	___	<u>X</u>
m. Report revenues from capital contributions and additions to the principal of permanent and term endowments, special and extraordinary items, and transfers separately, after nonoperating revenues and expenses? (GASBS No. 34, paras. 100 and 103)	___	___	<u>X</u>
7. Do the fiduciary funds and fiduciary component unit financial statements:			
a. Include a statement of fiduciary net position and a statement of changes in fiduciary net position? (GASBS No. 34, para. 106 ; GASBS No. 63, para. 8 and Appendix D ; GASBS No. 84, paras. 5 and 14–18 ; and GASB Cod. Sec. 2200.196)	___	___	<u>X</u>
b. Include, as applicable, a single column for each fiduciary fund type—pension (and other employee benefit) trust, investment trust, private-purpose trust, and custodial funds? (GASBS No. 34, para. 106 ; and GASBS No. 84, para. 18)	___	___	<u>X</u>
c. Use the economic resources measurement focus and the accrual basis of accounting (excluding certain pension and postemployment items)? (GASBS No. 34, para. 107)	___	___	<u>X</u>
8. In reporting interfund activity in the fund financial statements between the governmental, proprietary, and fiduciary activities: (GASBS No. 34, para. 112 and GASB Cod. Sec. 1800.102)			
a. Are interfund loans reported as interfund receivables and payables?	___	___	<u>x</u>
b. Are interfund services (sales and purchases of goods or services) reported as revenues and expenses/expenditures with unpaid amounts reported as interfund receivables and payables?	___	___	<u>X</u>
c. Are interfund transfers reported as other financing sources and uses in governmental funds and after nonoperating revenues and expenses in proprietary funds?	___	___	<u>x</u>

		Disclosure Made?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
d.	Are interfund reimbursements excluded by the funds initially reporting the expense/expenditure?	—	—	<u>X</u>
9.	In reporting net position/fund balance:			
a.	Are subdivisions of net position/fund balance appropriate? (GASB Cod. Sec. 1800.164–.179 and SLG, paras. 10.10–15)	<u>X</u>	—	—
b.	Is there disclosure of any deficit in the fund balance or net position of an individual nonmajor fund? (GASB Cod. Sec. 2300.106n , and GASBS No. 63, para. 8)	—	—	<u>X</u>
c.	For governmental funds:			
i.	Is detailed information about any nonspendable, restricted, committed, or assigned fund balances that are aggregated on the balance sheet disclosed in the notes to the financial statements? (GASBS No. 54, para. 25 and QA, Question Z.54.65)	<u>X</u>	—	—
ii.	Is the following information about stabilization amounts (i.e., amounts formally set aside for use in emergency situations or when revenue shortages or budgetary imbalances occur) disclosed in the notes to the financial statements: (GASBS No. 54, para. 26)			
	1) The authority (e.g., statute or ordinance) for establishing stabilization arrangements?	—	—	<u>X</u>
	2) Requirements for additions to stabilization amounts?	—	—	<u>X</u>
	3) Conditions under which stabilization amounts may be spent?	—	—	<u>X</u>
	4) The stabilization balance, if not apparent on the face of the financial statements?	—	—	<u>X</u>
iii.	Are the purpose for each major special revenue fund and the revenues and other resources it reports disclosed in the notes to the financial statements? (GASBS No. 54, para. 32)	—	—	<u>X</u>

STATEMENT OF CASH FLOWS—PROPRIETARY FUNDS



1.	Does the statement of cash flows:			
a.	Classify cash receipts and cash payments as resulting from the following activities: (GASBS No. 9, para. 15)			
	i. Operating activities?	—	—	—
	ii. Noncapital financing activities?	—	—	—
	iii. Capital and related financing activities?	—	—	—
	iv. Investing activities?	—	—	—
b.	Use the direct method of presenting cash flows from operating activities? (GASBS No. 34, para. 105)	—	—	—
c.	Separately report the net effect of cash flows of each of the categories in Question 1.a. above on cash and cash equivalents during the period in a manner that reconciles beginning and ending cash and cash equivalents? (GASBS No. 9, paras. 30 and 35)	—	—	—
d.	Show total amounts of cash and cash equivalents at the beginning and end of the period in a manner where they can be <i>easily traceable</i> to similarly titled line items or subtotals shown in the statements of financial position (i.e., the statement of net position)? (GASBS No. 9, para. 8)	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
e. Separately report the following classes of operating cash receipts and payments: (GASB Cod. Sec. 2450.128)			
i. Cash receipts from customers?	—	—	—
ii. Cash receipts from interfund services provided?	—	—	—
iii. Other operating cash receipts, if any?	—	—	—
iv. Cash payments to other suppliers of goods or services?	—	—	—
v. Cash payments to employees for services?	—	—	—
vi. Cash payments for interfund services used, including payments in lieu of taxes that are payments for, and equivalent to, services provided?	—	—	—
vii. Other operating cash payments, if any?	—	—	—
f. Include a separate schedule reconciling operating income to net cash flow from operating activities? (GASBS No. 34, para. 105)	—	—	—
i. Does the schedule separately report all major classes of reconciling items including, at a minimum, changes in receivables, inventory, and payables? (GASB Cod. Sec. 2450.129)	—	—	—
g. Include a separate schedule of information about all investing, capital, and financing activities that affect recognized assets or liabilities but do not result in cash receipts or payments in the period? (GASBS No. 9, para. 37 , and QA, Question 2.32.1)	—	—	—

BUDGETARY COMPARISON SCHEDULES



1. If a budget is not adopted for the general or a major special revenue fund because it is not legally required to do so (thus eliminating the requirement to present budgetary comparison information), is that fact disclosed in the notes to RSI (or in the notes to the financial statements if the budgetary comparison information is presented as a basic financial statement)? (SLG, para. 11.16)	—	—	<u>X</u>
2. Is a budgetary comparison schedule presented as required supplementary information or as a basic financial statement for the general fund and each major special revenue fund that has a legally adopted budget? (GASBS No. 34, para. 130)	<u>X</u>	—	—
3. If significant budgetary perspective differences prevent the presentation of budgetary comparisons for the general fund and each major special revenue fund, is the budgetary comparison information presented only as required supplementary information based on the fund, organization, or program structure used for the legally adopted budget? (GASBS No. 41, para. 3)	—	—	<u>X</u>
4. Are columns provided for: (GASBS No. 34, para. 130)			
a. Original budget?	<u>X</u>	—	—
b. Final appropriated budget?	<u>X</u>	—	—
c. Actual results presented on the budgetary basis?	<u>X</u>	—	—
5. Does the schedule provide information (in a separate schedule or in notes) that reconciles the budgetary information to the GAAP information? (GASBS No. 34, para. 131)	—	—	<u>X</u>
6. Do notes to the schedule disclose individual funds presented in the budgetary comparison with an excess of expenditures over appropriations (if any)? (GASBS No. 34, para. 131 and GASBS No. 37, para. 19)	—	—	<u>X</u>

Disclosure Made?
Yes No N/A

GENERAL FINANCIAL STATEMENT DISCLOSURES

(These are additional note disclosures that have not been addressed in previous checklist questions.)

ACCOUNTING POLICIES



1. Are all significant accounting policies presented as Note No. 1 or in a separate schedule including where there is a selection from existing acceptable alternatives, where there are principles and methods peculiar to governmental accounting or specialized activities the governmental unit operates, and where unusual or innovative applications of GAAP or methods of application exist? (GASBS No. 62, para. 93)	<u>X</u>	—	—
2. Are the following unique governmental accounting policies included: (GASBS No. 34, para. 115 ; GASBS No. 54, paras. 23 and 27 ; GASBS No. 61, para. 11 ; GASBS No. 84, paras. 5 and 14–18 ; and GASB Cod. Sec. 2300.106)			
a. A description of the government-wide financial statements, noting that fiduciary activities are not included?	<u>X</u>	—	—
b. A brief description of the component units of the financial reporting entity and their relationships to the primary government, including a discussion of the rationale for including each component unit in the financial reporting entity and how each component unit is reported? Also, information should be included about how the separate financial statements for the individual component units may be obtained. (See THE FINANCIAL REPORTING ENTITY, Question No. 4.)	—	—	<u>X</u>
c. A description of the activities accounted for in each of the following columns—major funds, internal service funds, and each type of fiduciary fund—presented in the basic financial statements? (GASBS No. 38, para. 6 and GASBS No. 84, paras. 14–18)	<u>X</u>	—	—
d. The measurement focus and basis of accounting used in the government-wide statements and the revenue recognition policies used in fund financial statements?	<u>X</u>	—	—
e. The length of time used to define <i>available</i> for purposes of revenue recognition in the governmental fund financial statements? (GASBS No. 38, para. 7)	<u>X</u>	—	—
f. The policy for eliminating internal activity in the government-wide statement of activities?	<u>X</u>	—	—
g. The basis on which inventory amounts are stated and, where practicable, the method used to determine the cost?	—	—	<u>X</u>
h. The policy for capitalizing assets and for estimating the useful lives of those assets (used to calculate depreciation expense) and the method(s) used in computing depreciation for major classes of depreciable assets? (Governments that choose to use the modified approach for reporting eligible infrastructure assets should describe that approach.)	<u>X</u>	—	—
i. A description of the types of transactions included in program revenues and the policy for allocating indirect expenses to functions in the statement of activities?	—	—	<u>X</u>
j. The policy for defining operating and nonoperating revenues of proprietary funds?	—	—	<u>X</u>
k. The definition of cash and cash equivalents used in the statement of cash flows for proprietary fund types?	—	—	<u>X</u>

	Disclosure Made?		
	Yes	No	N/A
i. The government's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available?	<u>X</u>	—	—
m. The government's fund balance classification policies and procedures for governmental funds, including:			
i. For committed fund balances: (GASBS No. 54, para. 23)			
1) The government's highest level of decision-making authority?	<u>X</u>	—	—
2) The formal action that is required to be taken to establish (and modify or rescind) a fund balance commitment?	<u>X</u>	—	—
ii. For assigned fund balances: (GASBS No. 54, para. 23)			
1) The body or official authorized to assign amounts to a specific purpose?	<u>X</u>	—	—
2) The policy established by the governing body pursuant to which the authorization to assign amounts to a specific purpose is given?	<u>X</u>	—	—
iii. The government's policy regarding whether restricted or unrestricted amounts are considered to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available? (GASBS No. 54, para. 23)	<u>X</u>	—	—
iv. The government's policy regarding whether committed, assigned, or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used? (GASBS No. 54, para. 23)	<u>X</u>	—	—
v. The government's policy that sets forth the minimum fund balance amount, if the government has formally adopted such a policy? (GASBS No. 54, para. 27)	—	—	<u>X</u>
3. Is there disclosure of any material changes in classifications made to previously issued financial statements? (GASBS No. 62, para. 52)	—	—	<u>X</u>
4. Are details of the governmental unit's property tax calendar disclosed, including lien dates, levy dates, due dates, and collection dates? (GASB Cod. Sec. P70.108)	<u>X</u>	—	—
5. If a period greater than 60 days is used to measure availability, and thus to accrue property taxes, are the reasons for a different period and the length of that period disclosed? (GASB Cod. Sec. P70.104)	—	—	<u>X</u>
THE FINANCIAL REPORTING ENTITY			<input type="checkbox"/>
1. Financial statement presentation			
a. Do the financial statements of the reporting entity provide an overview of the entity based on financial accountability? (GASB Cod. Sec. 2600.105)	<u>X</u>	—	—
b. Are users able to distinguish between the primary government and its component units? (GASB Cod. Sec. 2600.105 and QA, Question 4.28.6)	—	—	<u>X</u>
i. If budgetary data is presented for discretely presented component units, is it presented only as supplementary information and not in the reporting entity's budget-to-actual comparison? (QA, Question 4.36.1)	—	—	<u>X</u>
c. Are columns located to the right of the government-wide financial data of the primary government for the discrete presentation of component units financial data? (GASB Cod. Sec. 2600.107 and QA, Question 4.28.4)	—	—	<u>X</u>
d. Are descriptive column headings provided in the discrete presentation? (GASB Cod. Sec. 2600.107)	—	—	<u>X</u>

	Disclosure Made?		
	Yes	No	N/A
e. Are fiduciary component units reported only in the fiduciary fund financial statements? (GASBS No. 34, para. 12 and GASBS No. 84, para. 5)	___	___	<u>X</u>
f. Are organizations that raise and hold economic resources for the direct benefit of the governmental unit reported as component units as required by <i>GASBS No. 39, Determining Whether Certain Organizations Are Component Units, an Amendment of GASB Statement No. 14</i> (link) ? (GASBS No. 39, para. 5)	___	___	<u>X</u>
g. Are component units that are organized as not-for-profit corporations reported using the blending method if the primary government is the sole corporate member (as identified in the component unit's articles of incorporation or bylaws) and if the component unit is included in the financial reporting entity pursuant to the provisions in <i>GASBS No. 14, paragraphs 21–37</i> (link) , as amended? (Note: Organizations that meet the criteria in GASBS No. 39, paragraph 5 , should be discretely presented, even if they also meet the criterion in <i>GASBS No. 14, paragraphs 53b or 53c</i> (link) , as amended, or GASBS No. 80, paragraph 4 .)	___	___	<u>X</u>
2. Component unit reporting			
a. Is each major discretely presented component unit (excluding fiduciary component units) included either in a separate column in the government-wide statements of net position and activities, in the combining statements of major component units, or as condensed financial statements in the notes to the financial statements? (GASBS No. 34, paras. 125 and 126 ; GASBS No. 63, para. 8 and Appendix D ; GASBS No. 84, para. 5 ; and GASB Cod. Sec. 2600.108)	___	___	<u>X</u>
b. Do the notes to the financial statements include the following condensed combining information for blended component units of a government engaged only in business-type and fiduciary activities that use a single column for financial statement presentation: (GASBS No. 61, para. 9 ; GASBS No. 63, paras. 7 and 8 and Appendix D ; GASBS No. 84, para. 14 ; and GASB Cod. Sec. 2600.115)			
i. Condensed statement of net position:			
1) Total assets—distinguishing between current assets, capital assets, and other assets? (Amounts receivable from the primary government or from other component units should be reported separately.)	___	___	<u>X</u>
2) Total deferred outflows of resources?	___	___	<u>X</u>
3) Total liabilities—distinguishing between current liabilities and long-term liabilities? (Amounts payable to the primary government or to other component units should be reported separately.)	___	___	<u>X</u>
4) Total deferred inflows of resources?	___	___	<u>X</u>
5) Total net position—distinguishing between net investment in capital assets, restricted (with expendable and nonexpendable components separately reported), and unrestricted?	___	___	<u>X</u>
ii. Condensed statement of revenues, expenses, and changes in net position:			
1) Operating revenues (by major source)?	___	___	<u>X</u>
2) Operating expenses, with depreciation/amortization separately identified?	___	___	<u>X</u>
3) Operating income (loss)?	___	___	<u>X</u>
4) Nonoperating revenues (expenses), with major revenues and expenses separately reported?	___	___	<u>X</u>
5) Capital contributions and additions to permanent and term endowments?	___	___	<u>X</u>
6) Special and extraordinary items?	___	___	<u>X</u>

	Disclosure Made?		
	Yes	No	N/A
7) Transfers?	___	___	<u>X</u>
8) Change in net position?	___	___	<u>X</u>
9) Beginning net position?	___	___	<u>X</u>
10) Ending net position?	___	___	<u>X</u>
iii. Condensed statement of cash flows:			
1) Net cash provided (used) by:			
a) Operating activities?	___	___	<u>X</u>
b) Noncapital financing activities?	___	___	<u>X</u>
c) Capital and related financing activities?	___	___	<u>X</u>
d) Investing activities?	___	___	<u>X</u>
2) Beginning cash and cash equivalent balances?	___	___	<u>X</u>
3) Ending cash and cash equivalent balances?	___	___	<u>X</u>
c. Are the entity totals derived from the component units' statements used to support the amounts reported in the government-wide financial statements? (GASBS No. 34, para. 126 and GASBS No. 37, para. 18)	___	___	<u>X</u>
d. Is the information for all nonmajor discretely presented component units aggregated in a separate column? (Though not required, a combining statement for nonmajor component units may be presented as supplementary information.) (GASB Cod. Sec. 2600.108)	___	___	<u>X</u>
e. Are the nature and amount of significant transactions with the primary government and other component units presented in the notes to the financial statements for each major component unit? (GASBS No. 34, para. 128)	___	___	<u>X</u>
3. Reporting period disclosures			
a. If transactions between component units that have different fiscal year ends result in inconsistencies in amounts reported in due to/from or transfer accounts, are the nature and amount of those transactions disclosed in the notes to the financial statements? (GASBS No. 14, para. 60)	___	___	<u>X</u>
b. Is the fiscal year of the component units included in the reporting entity consistent from year to year, and are changes in fiscal years disclosed? (GASBS No. 14, para. 60)	___	___	<u>X</u>
4. Relationship between the primary government and component units			
a. Do the notes to the financial statements include a brief description of the component units (those blended and those discretely presented) and their relationships to the primary government? (GASBS No. 14, para. 61 ; and GASBS No. 61, para. 11)	___	___	<u>X</u>
b. Does this description include a discussion of the rationale for including each component unit in the financial reporting entity and how it is reported? (GASBS No. 14, para. 61 ; GASBS No. 61, para. 11 ; and QA, Questions 4.39.3 and 4.39.4)	___	___	<u>X</u>
c. Is information included on how the separate financial statements of the individual component units may be obtained? (GASBS No. 14, para. 61 and GASBS No. 61, para. 11)	___	___	<u>X</u>

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
d. Do the notes to the financial statements include required disclosure information for the governmental and business-type activities, major funds individually, and nonmajor funds in the aggregate of the primary government including its blended component units and major discretely presented component units? (GASBS No. 61, para. 11 ; GASB Cod. Sec. 2600.123 ; and QA, Questions 4.39.1–4.39.4 and 4.39.6)	—	—	<u>X</u>
e. If the financial statements present only the data of the primary government, is it acknowledged that the data of the component units that is necessary for reporting in conformity with GAAP is not included? (GASBS No. 14, para. 64)	—	—	<u>X</u>
f. Do the separately issued financial statements of a component unit acknowledge that it is a component unit of another government? (GASBS No. 14, para. 65)	—	—	<u>X</u>
g. Do the separately issued financial statements of a component unit identify the primary government in whose financial reporting entity it is included and describe its relationship with the primary government? (GASBS No. 14, para. 65)	—	—	<u>X</u>
5. Related organizations			
a. Does the primary government disclose the nature of its accountability for related organizations in the notes to the financial statements? (GASBS No. 14, para. 68)	—	—	<u>X</u>
b. Do the financial statements of the related organization disclose the primary government that is accountable for it and describe its relationship with that primary government? (GASBS No. 14, para. 68)	—	—	<u>X</u>
6. Joint ventures			
a. If the governmental entity participates in joint ventures, does it make the following disclosures in the notes to its financial statements:			
i. A general description of each joint venture, including:			
1) A description of the participating government's ongoing financial interest (including its equity interest, if applicable) or ongoing financial responsibility? (GASBS No. 14, para. 75)	—	—	<u>X</u>
2) Enough information to allow the reader to evaluate whether the joint venture is accumulating significant financial resources or is experiencing fiscal stress that may cause an additional financial benefit or burden on the participating government in the future? (GASBS No. 14, para. 75)	—	—	<u>X</u>
3) Information about the availability of separate financial statements of the joint venture? (GASBS No. 14, para. 75)	—	—	<u>X</u>
ii. Disclosure of any other information required by GASB Cod. Sec. 2300.107f on related party transactions? (GASBS No. 14, para. 75)	—	—	<u>X</u>
7. Jointly governed organizations			
a. If the governmental unit participated in a jointly governed organization but did not retain an ongoing financial interest or responsibility in the organization, have related party transaction disclosures been made? (GASBS No. 14, para. 77)	—	—	<u>X</u>
8. Have the provisions relating to component unit reporting been applied prospectively? (GASBS No. 90, paras. 10–11)	—	—	<u>X</u>
CASH			<input type="checkbox"/>
1. Are restricted amounts of cash or investments appropriately segregated from other cash items possibly to the point of showing restricted cash as a noncurrent asset under a classified format? (GASBS No. 62, para. 31)	<u>X</u>	—	—

Disclosure Made?

Yes No N/A

2. Are material bank overdrafts presented as a separate caption among liabilities (SLG, para. 5.29)? Similarly, are material dollar amounts of held checks (checks on the bank reconciliation but not released until after the statement of net position date) reclassified as accounts payable? (Generally accepted)

_____ _____ X

NOTES AND ACCOUNTS RECEIVABLE

1. Is the allowance for doubtful accounts, if any, deducted from the receivables to which it relates and disclosed? (GASBS No. 62, para. 33)

_____ _____ X

2. Are unearned discounts (other than cash or quantity discounts and similar discounts), finance charges, and interest included in the face amount of receivables deducted from the related receivable? (GASBS No. 62, para. 32)

_____ _____ X

3. If there is a discount or premium associated with a receivable is LIABILITIES, Question 8, completed?

_____ _____ X

DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

NOTE: The disclosures required by GASBS Nos. 3 , as amended, and 40 should generally be made for the primary government, including its blended component units. Risk disclosures should also be presented for governmental and business-type activities, individual major funds, nonmajor funds in the aggregate, or fiduciary fund types when those risks are significantly greater than the risks of the primary government. (GASBS No. 40, para. 5) Disclosures required by GASBS Nos. 3 , as amended, and 40 should be made separately for the total of those discretely presented component units for which disclosures are essential to fair presentation. (GASB Cod. Sec. C20.105)

GASBS No. 72, *Fair Value Measurement and Application* (link) , establishes requirements on how fair value should be measured, which assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements.

In addition, GASBS No. 79, *Certain External Investment Pools and Pool Participants* (link) , establishes criteria that, if met, permit external investment pools to elect to measure all of their investments at amortized cost for financial reporting purposes. GASBS No. 79 also establishes additional disclosure requirements for qualifying external investment pools that make that election and for governments that participate in such external investment pools.

The disclosure requirements for external investment pools and the governments that sponsor such pools are included in Part II of this checklist.

1. Are the following disclosures made concerning legal or contractual provisions for deposits and investments (including repurchase agreements): (GASBS No. 3, paras. 65 and 66)

a. Brief description of the types of investments authorized by legal or contractual provisions? (QA, Questions 1.7.1 and 1.7.2)

 X _____ _____

b. Any significant differences in authorized investment types between the primary government and different funds, fund types, or component units whose investment activity is significant in relation to the reporting entity's investment activity? (QA, Question 1.7.3)

_____ _____ X

	Disclosure Made?		
	Yes	No	N/A
c. For deposits and investments, <i>significant</i> violations during the period of legal or contractual provisions (including provisions other than those disclosed in Question 1.a. above)?	—	—	X
d. If the governing body has not formally adopted deposit and investment policies that limit the government's allowable deposits or investments and address the specific types of risk to which the government is exposed, is that fact disclosed? (GASBS No. 40, para. 6)	—	—	X
2. If the governmental unit has exposure to credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk, does the government briefly describe the deposit or investment policies related to such risks or disclose that there are no such policies? (GASBS No. 40, para. 6)	X	—	—
3. If the governmental unit's deposits or investments are exposed to foreign currency risk, does the governmental unit disclose the U.S. dollar balances of such deposits or investments, organized by currency denomination and, if applicable, investment type? (GASBS No. 40, para. 17)	—	—	X
4. If the governmental unit has deposits at the end of the period that are exposed to custodial credit risk (bank balances are not covered by depository insurance), does the governmental unit disclose the amount of those bank balances that are both uninsured and that fall into one of the following categories: (GASBS No. 40, para. 8)			
a. Uncollateralized?	—	—	X
b. Collateralized by securities held by the pledging financial institution?	X	—	—
c. Collateralized by securities held by the pledging financial institutions' trust department or agent but not in the depositor-government's name?	—	—	X
5. Are the following disclosures made concerning investments as of the period end date:			
a. Investment disclosure organized by investment type, such as U.S. Treasuries, corporate bonds, or commercial paper? (Dissimilar investments, such as Treasury bills and strips should not be aggregated.) (GASBS No. 40, para. 4)	X	—	—
b. Credit risk information disclosing the credit quality ratings of: (Obligations of or guaranteed by the U.S. government do not require disclosure of credit quality ratings.) (GASBS No. 40, para. 7)			
i. investments in debt securities (as recognized by rating agencies, for example, aggregating investments by rating categories)	—	—	X
ii. external investment pools	X	—	—
iii. money market funds	—	—	X
iv. bond mutual funds	—	—	X
v. other pooled investments of fixed-income securities	—	—	X
c. If a credit quality disclosure is required and the investment is unrated, is that fact disclosed? (GASBS No. 40, para. 7)	—	—	X
d. If the governmental unit has investment securities (including securities under repurchase agreements) at the end of the period that are exposed to custodial credit risk (securities that are uninsured and not registered in the name of the government), does the governmental unit disclose the investment type and reported balance that are held by the following parties: (External investment pools, open-end mutual funds, and securities under reverse repurchase agreements are excluded from custodial credit risk disclosures.) (GASBS No. 40, para. 9)			
i. The counterparty?	—	—	X

	Disclosure Made?		
	Yes	No	N/A
ii. The counterparty's trust department or agent but not in the government's name?	___	___	<u>X</u>
e. Concentration of credit risk by disclosing by amount and by issuer investments in any one issuer that represent 5% or more of total investments based on the level of detail discussed in the introduction to this section? (Investments issued by or explicitly guaranteed by the US Government and investments in mutual funds, external investment pools, and other pooled investments are exempt.) (GASBS No. 40, para. 11)	___	___	<u>X</u>
f. Interest rate risk of debt investments by type and amount using the segmented time distribution, specific identification, weighted average maturity, duration, or simulation model methods, including any assumptions regarding timing of cash flows, interest rate changes, or other factors? (Investments in debt mutual funds, external debt investment pools, or other pooled debt investments that do not meet the criteria that would allow measuring their investments at amortized cost should also disclose interest rate risk information according to one of these methods.) (GASBS No. 40, para. 15 ; GASBS No. 59, para. 6 ; and GASBS No. 79, para. 4)	___	___	<u>X</u>
g. Terms of investments with fair values that are highly sensitive to changes in interest rates (including fair values if investment terms were not considered in Question 5.f), such as coupon multipliers, benchmark indexes, reset dates, and embedded options? (GASBS No. 40, paras. 14 and 16)	___	___	<u>X</u>
6. If the governmental unit has commitments as of the statement of net position date to resell securities under yield maintenance repurchase agreements, are the following matters disclosed: (GASBS No. 3, para. 72)			
a. The reported amount (if applicable) as of the statement of net position date?	___	___	<u>X</u>
b. Fair value as of the statement of net position date of securities to be resold?	___	___	<u>X</u>
c. The terms of the agreements; e.g.,			
i. Settlement price ranges?	___	___	<u>X</u>
ii. Agreed-on yields?	___	___	<u>X</u>
iii. Maturity dates, etc.?	___	___	<u>X</u>
7. Are losses recognized during the period due to default by counterparties to deposit or investment transactions and amounts recovered from prior period losses disclosed if not separately displayed on the operating statement? (GASBS No. 3, para. 75)	___	___	<u>X</u>
8. If the governmental unit made any reverse repurchase agreements, are the following disclosures made of legal or contractual provisions for reverse repurchase agreements: (GASBS No. 3, paras. 76 and 77)			
a. If reverse repurchase agreements were used during the period, the source of legal or contractual authorization for the use of those agreements?	___	___	<u>X</u>
b. Any significant violations during the period of legal or contractual provisions for reverse repurchase agreements?	___	___	<u>X</u>
9. If the governmental unit has any reverse repurchase agreements as of the statement of net position date: (GASBS No. 3, paras. 78–81 ; GASBI No. 3, paras. 3–6 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Sec. I55.111–.115)			
a. Are the assets and liabilities arising from the agreements separately displayed?	___	___	<u>X</u>
b. For reverse repurchase agreements other than yield maintenance agreements outstanding as of the statement of net position date, is the credit risk related to the agreements disclosed?	___	___	<u>X</u>

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. For commitments as of the statement of net position date to repurchase securities under yield maintenance agreements, are the following disclosed:			
i. Fair value as of the statement of net position date of securities to be repurchased?	___	___	<u>X</u>
ii. The terms of the agreements; e.g.,			
1) Settlement price ranges?	___	___	<u>X</u>
2) Agreed-on yields?	___	___	<u>X</u>
3) Maturity dates, etc.?	___	___	<u>X</u>
d. Are losses recognized during the period due to default by counterparties to reverse repurchase agreements and amounts recovered from prior period losses disclosed if not separately displayed on the operating statement?	___	___	<u>X</u>
e. Do the notes to the financial statements disclose whether the maturities of the investments made with reverse repurchase agreement proceeds generally match the maturities of the agreements, as well as the extent of such matching at the balance sheet date? (GASBI No. 3, para. 6)	___	___	<u>X</u>
10. If the governmental unit changes its custodial arrangement(s) after year-end and the change significantly changes the credit risk classifications of future deposits or investments, is the change and its expected effect on future credit risk classifications disclosed if essential to a user's understanding of the financial statements? (GASB Cod. Sec. 2300.106e and GASBS No. 56, para. 10)	___	___	<u>X</u>
11. Have the following disclosures been made for investments subject to the fair value requirements in GASBS No. 31 , including land and other real estate held by endowments: (GASBS No. 31, para. 15 ; GASBS No. 52, para. 5 ; GASBS No. 72, paras. 80–82 ; and GASBS No. 79, para. 43)			
a. The policy for determining which investments, if any, are reported at amortized cost? (QA, Question 1.66.7)	<u>X</u>	___	___
b. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool, and whether the fair value of the position in the pool is the same as the value of pool shares?	<u>X</u>	___	___
c. Any involuntary participation in an external investment pool? (QA, Question 1.66.4)	___	___	<u>X</u>
d. If an entity cannot obtain information from a pool sponsor to allow it to determine the fair value of its investment in the pool, the methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate?	___	___	<u>X</u>
e. For investments in external investment pools that report their investments at amortized cost in accordance with GASBS No. 79, paragraph 4 (GASB Cod. Sec. In5.104), the presence of any limitations or restrictions on withdrawals (such as notice periods, maximum transaction amounts, and the pool's authority to impose liquidity fees or redemption gates)?	<u>X</u>	___	___
f. Any income from investments associated with one fund that is assigned to another fund? (QA, Question 1.66.8)	___	___	<u>X</u>

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
g. For recurring and nonrecurring fair value measurements, the fair value measurement at the end of the period; the level of the fair value hierarchy within which the measurements are categorized in their entirety (Level 1, Level 2, or Level 3) [except for certain investments measured at net asset value per share (or its equivalent)—see Question i.]; a description of the valuation techniques used in the measurement; and, if applicable, any changes in the valuation techniques used that have a significant impact on the results and the reasons for such changes?	___	___	<u>X</u>
h. For nonrecurring fair value measurements, the reason(s) for the measurement?	___	___	<u>X</u>
i. For investments in entities that (a) calculate the net asset value per share (or its equivalent), (b) do not have a readily determinable fair value, and (c) are measured at fair value, are the questions in INVESTMENTS IN ENTITIES THAT CALCULATE THE NET ASSET VALUE PER SHARE (OR ITS EQUIVALENT) in Part II of this checklist completed?	___	___	<u>X</u>
12. The disclosure of realized gains and losses in the notes to the financial statements is optional. For governmental entities and external investment pools that disclose realized gains and losses, do the notes disclose that: (GASBS No. 31, para. 15 ; GASBS No. 72, para. 81 ; and QA, Questions 1.66.9 and 1.66.10)			
a. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments?	___	___	<u>X</u>
b. Realized gains or losses on investments that had been held in more than one reporting period and sold in the current reporting period were included as a change in the fair value of investments reported in the prior reporting period(s) and the current reporting period?	___	___	<u>X</u>
13. For all derivative financial instruments, do disclosures include summary information of activity during the reporting period and period-end balances? (GASBS No. 53, para. 69 ; and GASBS No. 72, para. 81)	___	___	<u>X</u>
a. Is the information organized by governmental activities, business-type activities, and fiduciary funds, and further categorized as hedging derivative instruments (distinguishing between fair value hedges and cash flow hedges) or investment derivative instruments?	___	___	<u>X</u>
b. Within each category, are derivative instruments aggregated by type (e.g., receive-fixed swaps, pay-fixed swaps, swaptions, rate caps, basis swaps, or futures contracts)?	___	___	<u>X</u>
c. Does the summary information disclose the following:			
i. Notional amount?	___	___	<u>X</u>
ii. Changes in fair value during the reporting period and the financial statement classification in which the changes are reported?	___	___	<u>X</u>
iii. Fair values as of the end of the period and the financial statement classification in which the fair values are reported?	___	___	<u>X</u>
iv. For recurring and nonrecurring fair value measurements, the fair value measurement at the end of the period; the level of the fair value hierarchy within which the measurements are categorized in their entirety (Level 1, Level 2, or Level 3); a description of the valuation techniques used in the measurement; and, if applicable, any changes in the valuation techniques used that have a significant impact on the results and the reasons for such changes?	___	___	<u>X</u>

	Disclosure Made?		
	Yes	No	N/A
v. For nonrecurring fair value measurements, the reason(s) for the measurement?	—	—	<u>X</u>
vi. Information about derivative instruments reclassified from hedging derivative instruments to investment derivative instruments, including:			
1) Fair values?	—	—	<u>X</u>
2) The amount of the deferral that was reported in investment revenue upon the reclassification?	—	—	<u>X</u>
14. For derivative instruments categorized as hedging derivative instruments, are the following disclosures provided:			
a. The objectives of the derivative instruments and information needed to understand the objectives, the government's strategies for achieving the objectives, and the types of derivative instruments entered into? (GASBS No. 53, para. 71)	—	—	<u>X</u>
b. Derivative terms, including notional amounts, reference rates, embedded options, dates the hedging derivative instruments were entered into, scheduled termination or maturity dates, and cash received or paid, if any, when forward contracts or swaps (including swaptions) were initiated? (GASBS No. 53, para. 72)	—	—	<u>X</u>
c. Risks that could give rise to financial loss for instruments held at the end of the period, including: (GASBS No. 53, para. 73)			
i. Credit risk, including the:			
1) Credit quality ratings of counterparties as of the end of the reporting period, or that the counterparty is not rated?	—	—	<u>X</u>
2) Maximum amount of loss due to credit risk, based on the fair value of the hedging derivative instrument as of the end of the reporting period, that the government would incur if counterparties failed to perform (without regard to any collateral, other security, or netting arrangement)?	—	—	<u>X</u>
3) The government's policy for requiring collateral or other security to support hedging derivative instruments exposed to credit risk, a summary description and the aggregate amount of collateral or other security that reduces credit risk exposure, and information about the government's access to that collateral or other security?	—	—	<u>X</u>
4) The government's policy of entering into master netting arrangements, including a summary description and the aggregate amount of liabilities included in those arrangements?	—	—	<u>X</u>
5) The aggregate fair value of hedging derivative instruments in asset (positive) positions, net of collateral posted by the counterparty and the effect of master netting arrangements?	—	—	<u>X</u>
6) Significant concentrations of net exposure to credit risk with individual counterparties and groups of counterparties?	—	—	<u>X</u>
ii. Interest rate risk, including the instrument's terms that increase interest rate risk?	—	—	<u>X</u>
iii. Basis risk, including related terms of the instrument and payment terms of the hedged item that create the basis risk?	—	—	<u>X</u>
iv. Termination risk, including any termination events that have occurred, dates that derivative instruments may be terminated, and unusual termination events included in contractual documents?	—	—	<u>X</u>

	Disclosure Made?		
	Yes	No	N/A
v. Rollover risk, including the maturity of the hedging derivative instrument and the maturity of the hedged item?	___	___	<u>X</u>
vi. Foreign currency risk, including the U.S. dollar balance of the hedging derivative instrument, organized by currency denomination and by type of derivative instrument?	___	___	<u>X</u>
vii. Market-access risk (i.e., the risk that the government will not be able to enter credit markets as planned or that credit will become more costly)?	___	___	<u>X</u>
d. When there is associated debt, net cash flows? (GASBS No. 53, para. 74)	___	___	<u>X</u>
e. If a quantitative method other than the synthetic interest method, dollar-offset method, or regression analysis method is used to evaluate hedge effectiveness, do disclosures include: (GASBS No. 53, para. 75)			
i. The identity and characteristics of the method?	___	___	<u>X</u>
ii. The range of critical terms tolerated?	___	___	<u>X</u>
iii. The actual critical terms of the hedge?	___	___	<u>X</u>
f. Are changes in fair values of hedging derivative instruments reported as either deferred outflows of resources or deferred inflows of resources until a termination event occurs? (GASBS No. 53, para. 20)	___	___	<u>X</u>
15. For derivative instruments categorized as <i>investment derivative instruments</i> , are the following disclosures provided for instruments held at the end of the period: (GASBS No. 53, para. 76)			
a. Credit risk, consistent with Question 14.c.(1)?	___	___	<u>X</u>
b. Interest rate risk, consistent with the disclosures in Questions 5.f. and 5.g., and including the fair value, notional amount, reference rate, and embedded options?	___	___	<u>X</u>
c. Foreign currency risk, consistent with the disclosures in Question 14.c.(6)?	___	___	<u>X</u>
16. Are changes in fair values of investment derivative instruments, including derivative instruments that are determined to be ineffective, reported within the investment revenue classification on the statement of activities and the statement of revenues, expenses, and changes in net position? (GASBS No. 53, para. 20)	___	___	<u>X</u>
17. Do disclosures about contingent features in derivative instruments held at the end of the period include the: (GASBS No. 53, para. 77)			
a. Existence and nature of contingent features and the circumstances that could trigger those features?	___	___	<u>X</u>
b. Aggregate fair value of derivative instruments that contain contingent features?	___	___	<u>X</u>
c. Aggregate fair value of assets that would be required to be posted as collateral or transferred if contingent features were triggered?	___	___	<u>X</u>
d. The amount, if any, that the government has posted as collateral as of the end of the reporting period?	___	___	<u>X</u>
18. For <i>hybrid instruments</i> (i.e., embedded derivative instruments and companion instruments) held at the end of the period, are disclosures about the companion instruments consistent with the disclosures required for similar transactions and do they include the existence of the embedded derivative instrument? (GASBS No. 53, para. 78)	___	___	<u>X</u>
19. For synthetic guaranteed investment contracts (SGIC) that are fully benefit-responsive, are the following disclosed: (GASBS No. 53, para. 79)			

	Disclosure Made?		
	Yes	No	N/A
a. The nature of the SGIC?	—	—	X
b. The SGIC's fair value, including separate disclosure of the fair value of the wrap contract and the fair value of the underlying investments?	—	—	X
INVENTORIES			<input checked="" type="checkbox"/>
1. Is the basis for stating inventories disclosed, including, where practicable, the method of determining cost? (GASBS No. 62, para. 201)	—	—	—
2. If goods are stated above cost, has that fact been disclosed? (GASBS No. 62, para. 199)	—	—	—
3. Are accrued net losses on firm, uncancelable, and unhedged commitments for the future purchase of inventory items separately recognized in the government-wide statement of activities and the proprietary fund statement of revenues, expenses, and changes in fund net position? (GASBS No. 62, para. 200 ; and GASB Cod. Sec. 140.113)	—	—	—
CAPITAL ASSETS			<input type="checkbox"/>
1. Are the following disclosed in notes to financial statements:			
a. Major classes of capital assets divided between governmental activities and business-type activities? (GASBS No. 34, para. 116)	X	—	—
b. Capital assets that are not being depreciated? (GASBS No. 34, para. 116)	—	—	x
c. Descriptions of collections of works of art and historical treasures that are not being capitalized and the reasons for not capitalizing them? (GASBS No. 34, para. 118)	—	—	X
d. A general description of the method or methods used to compute depreciation with respect to major classes of depreciable assets? (GASBS No. 62, para. 95)	—	—	x
e. A general description, amount, and financial statement classification (for example, public works or instruction) of an impairment loss from capital assets that is not apparent from the face of the financial statements? (GASBS No. 42, para. 17)	—	—	X
f. The following for impaired capital assets that are idle at year end: (GASBS No. 42, para. 20 ; and GASBS No. 72, para. 81)			
i. The carrying amount and fair value?	—	—	X
ii. The level of the fair value hierarchy within which the measurements are categorized in their entirety (Level 1, Level 2, or Level 3)?	—	—	X
iii. A description of the valuation techniques used in the measurement?	—	—	X
iv. If applicable, any changes in the valuation techniques used that have a significant impact on the results and the reasons for such changes?	—	—	X
v. The reason(s) for the measurement?	—	—	X
2. Do the disclosures of major classes of capital assets include the following: (GASBS No. 34, para. 117 ; QA 2019-3 , Questions 4.37 and 4.41)			
a. Beginning and ending balances with accumulated depreciation presented separately from historical cost?	—	—	x
b. Capital acquisitions?	—	—	x
c. Sales or other dispositions?	—	—	X
d. Current depreciation expense, with disclosure of the amounts charged to each function in the statement of activities?	—	—	x

	Disclosure Made?		
	Yes	No	N/A
3. Are capital assets reported net of accumulated depreciation in the statement of net position? (GASBS No. 34, para. 20 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Sec. 1400.112)	—	—	X
4. Are nondepreciable capital assets, such as land, intangible assets with indefinite useful lives, or infrastructure under the modified approach, reported separately from the depreciable capital assets if significant? (GASBS No. 34, para. 20)	—	—	X
5. Are capital assets, excluding inexhaustible assets, intangible assets with indefinite useful lives, and infrastructure under the modified approach, depreciated over their estimated useful lives in a systematic and rational manner by either class of assets, network of assets, subsystem of network, or individual assets? (GASBS No. 34, paras. 21 and 22)	—	—	X
6. Is the initial acquisition value of life-interests in real estate that has been recognized as a capital asset allocated in a systematic and rational way throughout the life of the split-interest agreement by reducing the carrying value of the asset and a related deferred inflow of resources? (GASBS No. 81, para. 27)	—	—	X
7. Are general capital assets (not proprietary or fiduciary) recorded in the governmental activities column of the statement of net position and not in the governmental funds financial statements? (GASBS No. 34, para. 80 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Sec. 1400.114)	—	—	x
8. If reporting infrastructure under the modified approach:			
a. Are the following schedules provided as required supplementary information: (GASBS No. 34, para. 132)			
i. The assessed condition, performed at least every three years, for at least the three most recent complete condition assessments, indicating the dates of the assessments?	—	—	X
ii. The estimated annual amount calculated at the beginning of the fiscal year to maintain and preserve at (or above) the condition level established and disclosed by the government compared with the amounts actually expended for each of the past five reporting periods?	—	—	X
b. Do the following disclosures accompany the schedules:			
i. The basis for the condition measurement and the measurement scale used to assess and report condition?	—	—	X
ii. The condition level at which the government intends to preserve its eligible infrastructure assets reported using the modified approach?	—	—	X
iii. Factors that significantly affect trends in the information reported in the required schedules, including any changes in the measurement scale, the basis for the condition measurement, or the condition assessment methods used during the periods covered by the schedules? (If there is a change in the condition level, an estimate of the effect on the estimated annual amount to maintain and preserve those assets for the current period also should be disclosed.)	—	—	X
LIABILITIES			<input type="checkbox"/>
1. Are amounts payable from restricted assets separately disclosed and properly classified; e.g., accrued interest, revenue bonds, deposits, etc.? (Generally accepted)	X	—	—
2. Are significant categories of debt identified; e.g., general obligation bonds, revenue bonds, special assessment bonds, anticipation notes, obligations under capitalized leases? (Generally accepted)	X	—	—

	Disclosure Made?		
	Yes	No	N/A
a. If the governmental unit is not obligated in any manner for special assessment debt, are that fact and the amount of the debt disclosed? (GASBS No. 6, para. 21 , and GASB Cod. Sec. S40.127)	—	—	<u>X</u>
b. If the government is primarily obligated or obligated in some manner for special assessment debt, are the nature of the obligation and the identification and description of any guarantee, reserve, or sinking fund established to cover any property owner defaults disclosed? (GASBS No. 6, para. 20, and GASB Cod. Sec. S40.126)	—	—	<u>X</u>
3. Are note disclosures made of long-term liabilities divided between governmental activities and business-type activities? (GASBS No. 34, para. 116)	—	—	<u>X</u>
4. Does the information on long-term liabilities include both long-term debt (such as bonds, notes, and loans) and other long-term liabilities (such as compensated absences, leases payable, and claims and judgments)? (GASBS No. 34, para. 119 , as amended by GASBS No. 88, para. 4 ; and GASB Cod. Sec. 2300.120)	<u>X</u>	—	—
5. Do the long-term liabilities note disclosures include the following, with separate information about direct borrowings and direct placement of debt from other types of debt: (GASBS No. 34, para. 119 , as amended by GASBS No. 88, para. 6)			
a. Beginning and ending balances?	<u>X</u>	—	—
b. Increases and decreases, presented separately?	<u>X</u>	—	—
c. Portions of each due within one year?	<u>X</u>	—	—
d. Which governmental funds have been used to liquidate other long-term liabilities in prior years?			
i. If the government has decided to depart from the historical trend and use different funds to liquidate other long-term liabilities, is that decision disclosed? (QA, Question 7.85.6)	—	—	<u>X</u>
6. Are general long-term liabilities recorded in the governmental activities column of the statement of net position and not in the governmental funds financial statements? (GASBS No. 34, para. 82 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Sec. 1500.103)	<u>X</u>	—	—
7. Are interest rates, maturity dates, subordinate features (generally accepted), and pledged assets disclosed? (GASBS No. 62, para. 113)	<u>X</u>	—	—
8. If a note is noninterest bearing or has an inappropriate stated interest rate: (GASBS No. 62, para. 187 ; GASBS No. 63, para. 8 and Appendix D ; GASBS No. 65, para. 15 ; and GASB Cod. Sec. I30.115)			
a. Is the discount or premium presented as a deduction from or addition to the face amount of the note?	—	—	<u>X</u>
b. Does the disclosure include the effective interest rate and face amount of the note?	—	—	<u>X</u>
c. Is amortization of the discount or premium reported as interest in the government-wide statement of activities and proprietary fund statement of revenues, expenses, and changes in fund net position?	—	—	<u>X</u>
d. Are debt issuance costs, except any portion related to prepaid insurance costs, recognized as an expense in the period incurred?	—	—	<u>X</u>
9. Are current portions of debt obligations presented as current liabilities (due within one year)? (GASBS No. 62, paras. 34 and 44)	<u>X</u>	—	—

	Disclosure Made?		
	Yes	No	N/A
a. Does the current liability classification include obligations that, by their terms, are due on demand or will be due on demand within one year (or operating cycle, if longer) from the date of the financial statements, even though liquidation may not be expected within that period?	X	—	—
b. Does the current liability classification include long-term obligations that are or will be callable by the creditor either because the debtor's violation of a provision of a debt agreement at the date of the financial statements makes the obligation callable or because the violation, if not cured within a specified grace period, will make the obligation callable unless (1) the creditor has waived or subsequently lost the right to demand payment for more than one year from the date of the financial statements; or (2) it is probable that the debtor will cure the violation within the grace period?	—	—	X
c. If obligations callable by the creditor because the debtor was in violation of the debt agreement at the date of the financial statements are classified as long-term obligations because it is probable the debtor will cure the violation within the specified grace period, are the circumstances disclosed?	—	—	X
10. Are the following disclosures made concerning demand bonds outstanding: (GASBI No. 1, para. 11)			
a. General description of the demand bond program?	—	—	X
b. Terms of any letters of credit or other standby liquidity agreements outstanding?	—	—	X
c. Commitment fees to obtain letters of credit?	—	—	X
d. Any amounts drawn or letters of credit outstanding at the statement of net position date?	—	—	X
e. Description of any take-out agreement, including its expiration date and commitment fees to obtain it?	—	—	X
f. Terms of any new obligation under a take-out agreement?	—	—	X
g. The debt service requirements that would result if the take-out agreement were to be exercised?	—	—	X
11. If GASBS No. 91 has not been implemented, are the following disclosures made concerning conduit debt obligations: (GASBI No. 2, para. 3)			
a. A general description of the conduit debt transactions?	—	—	X
b. The aggregate amount of all conduit debt obligations outstanding at the statement of net position date?	—	—	X
c. A clear indication that the issuer has no obligation for the debt beyond the resources provided by related leases or loans?	—	—	X
12. If GASBS No. 91 has been implemented, are the following disclosures made concerning the issuer's conduit debt obligations: (GASBS No. 91, para. 25)			
a. General description of conduit debt obligations?	—	—	X
b. General description of limited commitments?	—	—	X
c. General description of voluntary commitments?	—	—	X
d. General description of additional commitments, including—			
i. Legal authority and limits for extending the commitments?	—	—	X
ii. Time length of the commitments?	—	—	X
iii. Any arrangements with third-party obligor(s) for recovering payments?	—	—	X

	Disclosure Made?		
	Yes	No	N/A
e. The aggregate amount of outstanding principal of all conduit debt obligations that share the same type of commitment(s) at the end of the reporting period?	___	___	<u>X</u>
13. If GASBS No. 91 has been implemented, are the following disclosures made concerning conduit debt obligations the issuer has recognized as a liability: (GASBS No. 91, para. 26)			
a. A brief description of the timing of the initial recognition and measurement of the liability?	___	___	<u>X</u>
b. Information about changes in the recognized liability, including—			
i. Beginning and ending balances?	___	___	<u>X</u>
ii. Increases and decreases, presented separately (including initial recognition, payments, and adjustments increasing or decreasing the estimate)?	___	___	<u>X</u>
c. Amounts of cumulative payments made on the recognized liability at the reporting date, if any?	___	___	<u>X</u>
d. Any amounts expected to be recovered from payments on the liability?	___	___	<u>X</u>
14. In the first year GASBS No. 91 is applied— (GASBS No. 91, para. 28)			
a. Have the financial statements for all prior periods presented been restated or, if restatement is not practical, is the cumulative effect of the change reported as a restatement of the beginning net position (or fund balance or fund net position, as appropriate) for the earliest period restated?	___	___	<u>X</u>
b. Are the nature of the restatement and its effect disclosed?	___	___	<u>X</u>
c. If prior periods have not been restated, are the reasons for not restating disclosed?	___	___	<u>X</u>
15. Are the following debt service to maturity requirements disclosed in the notes: (Note: Note disclosures should separate information about direct borrowings and direct placement of debt from other types of debt.) (GASBS No. 38, para. 10 , as amended by GASBS No. 88, paras. 4 and 6 ; and QA, Question 7.85.7 , as amended by GASBS No. 88, para. 6)			
a. Principal and interest requirements to maturity, presented separately, for each of the five subsequent fiscal years and in five-year increments thereafter? (Interest requirements for variable-rate debt should be determined using the rate in effect at the financial statement date.)	<u>X</u>	___	___
b. The terms by which interest rates change for variable-rate debt?	<u>X</u>	___	___
16. Has summarized information, separating information regarding direct borrowing and direct placements of debt from other debt, been disclosed in the notes to the financial statements for the following: (GASBS No. 88, paras. 5 and 6)			
a. The amount of unused lines of credit?	___	___	<u>X</u>
b. Assets pledged as collateral for debt?	___	___	<u>X</u>
c. The terms specified in debt agreements related to significant events of default with finance-related consequences, termination events with finance-related consequences, and subjective acceleration clauses?	___	___	<u>X</u>
17. Do the short-term debt note disclosures include the following, even if no short-term debt is outstanding at year end: (GASBS No. 38, para. 12 , as amended by GASBS No. 88, paras. 4 and 6)			
a. Beginning and ending balances?	___	___	<u>X</u>
b. Increases and decreases, presented separately?	___	___	<u>X</u>

	Disclosure Made?		
	Yes	No	N/A
c. Purpose for which the short-term debt was issued?	—	—	X
18. If a short-term obligation (e.g., tax or revenue anticipation notes) expected to be refinanced is to be excluded from current or fund liabilities, do disclosures include: (GASBS No. 62, para. 44)			
a. General description of the financing agreement?	—	—	X
b. Terms of any new obligation incurred or expected to be incurred as a result of the refinancing?	—	—	X
19. Are contingent liabilities associated with sold or discounted receivables disclosed (guarantees to repurchase receivables or related property)? (GASBS No. 62, para. 109)	—	—	X
DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES			<input type="checkbox"/>
1. Are deferred outflows of resources reported in a separate section following assets in the statement of net position or governmental fund balance sheet and are deferred inflows of resources presented in a separate section following liabilities? (GASBS No. 63, para. 7)	X	—	—
2. If balances of deferred outflows of resources and/or deferred inflows of resources reported in a statement of net position or a governmental fund balance sheet are obscured by aggregation, are details of the significant components of the total deferred amounts disclosed in the notes to the financial statements? (GASBS No. 63, para. 13 , and GASB Cod. Sec. 2300.130)	—	—	X
3. If the amount reported for a component of net position (i.e., net investment in capital assets, restricted, or unrestricted) is significantly affected by a transaction that resulted in the recognition of a deferred outflow of resources or deferred inflow of resources, and the difference between the deferred outflow of resources or deferred inflow of resources and the related asset or liability is significant, is an explanation of that effect on net position provided in the notes to the financial statements? (GASBS No. 63, para. 14 , and GASB Cod. Sec. 2300.131)	—	—	X
RELATED PARTY TRANSACTIONS			<input checked="" type="checkbox"/>
1. Do disclosures of material related party transactions include: (GASBS No. 56, para. 4 ; GASBS No. 62, para. 55 ; GASBS No. 63, para. 8 and Appendix D ; and GASB Cod. Sec. 2250.107)			
a. The nature of the relationship(s)? (If necessary to an understanding of the effects of the transactions, the related party should be identified by name.)	—	—	—
b. A description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which financial statements are presented and such other information deemed necessary to gain an understanding of the effects of the transactions on the financial statements?	—	—	—
c. The dollar amounts of transactions for each of the periods for which financial statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period?	—	—	—
d. Amounts due from, or to, related parties as of each statement of net position date and, if not otherwise apparent, the terms and manner of settlement?	—	—	—
2. If representations are made that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions, can such representations be substantiated? (GASBS No. 62, para. 56 , and GASB Cod. Sec. 2250.108)	—	—	—

	Disclosure Made?		
	Yes	No	N/A
DISAGGREGATED RECEIVABLE AND PAYABLE BALANCES			<input checked="" type="checkbox"/>
1. Do the notes to the financial statements disclose the details of the significant components of receivable and payable balances to prevent them from being obscured by aggregation (for example, balances due to or from taxpayers, other governments, vendors, customers, beneficiaries, employees)? (GASBS No. 38, para. 13)	—	—	—
2. Are significant receivable balances not expected to be collected within one year disclosed? (GASBS No. 38, para. 13)	—	—	—
INTERFUND BALANCES AND TRANSFERS			<input type="checkbox"/>
1. Are the following items disclosed concerning interfund balances in the fund financial statements: (GASBS No. 38, para.14)			
a. Amounts due from other funds by individual major fund, nonmajor governmental funds in the aggregate, nonmajor enterprise funds in the aggregate, internal service funds in the aggregate, and fiduciary fund type?	<u>X</u>	—	—
b. The purpose for interfund balances?	<u>X</u>	—	—
c. Balances not expected to be repaid within one year?	—	—	<u>X</u>
2. Are the following items disclosed concerning interfund transfers in the fund financial statements: (GASBS No. 38, para.15)			
a. Amounts transferred from other funds by individual major fund, nonmajor governmental funds in the aggregate, nonmajor enterprise funds in the aggregate, and internal service funds in the aggregate? (GASBS No. 38, para. 15 ; and GASBS No. 84, para. 23)	<u>X</u>	—	—
b. A general description of the principal purposes of the government's interfund transfers?	<u>X</u>	—	—
c. The intended purpose and the amount of <i>significant</i> transfers that do not occur on a routine basis or are inconsistent with the activities of the fund making the transfer?	—	—	<u>X</u>
LEASES IN STATEMENTS OF LESSEES PRIOR TO IMPLEMENTATION OF GASBS NO. 87			<input checked="" type="checkbox"/>
NOTE: This section should be completed if the governmental unit has <i>not</i> implemented GASBS No. 87, Leases . As amended, GASBS No. 87 is effective for fiscal years beginning after June 15, 2021, and all reporting periods thereafter. Early implementation is permitted. Complete LEASES IN STATEMENTS OF LESSEES AFTER IMPLEMENTATION OF GASBS NO. 87 if the governmental unit has implemented GASBS No. 87 .			
1. General disclosures:			
a. Have the nature and extent of leasing transactions with related parties been disclosed? (GASBS No. 56, para. 4 ; GASBS No. 62, para. 239 ; and GASB Cod. Sec. L20.153)	—	—	—
b. Has a general description of the governmental unit's leasing arrangements been disclosed, including but not limited to, the basis on which contingent rental payments are determined, the existence and terms of renewal or purchase options and escalation clauses, and restrictions imposed by lease agreements such as those concerning additional debt and further leasing? (GASBS No. 62, para. 223)	—	—	—
2. Operating leases:			

		Disclosure Made?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
a.	Has disclosure of the following been made for operating leases having initial or remaining noncancelable lease terms in excess of one year:			
i.	Future minimum rental payments for each of the five subsequent fiscal years and in five-year increments thereafter? (GASBS No. 38, para. 11)	—	—	—
ii.	The total amount of minimum rentals to be received in the future under noncancelable subleases as of the latest financial statements presented? (GASBS No. 62, para. 223)	—	—	—
b.	Has disclosure been made of rental expense/expenditure for each period for which an operating statement is presented, with separate amounts for minimum rentals, contingent rentals, and sublease rental income? (Note: Rental payments under leases with terms of one month or less that were not renewed need not be included.) (GASBS No. 62, para. 223)	—	—	—
3. Capital leases:				
a.	Have the following been disclosed in the notes: (GASBS No. 62, para. 223)			
i.	The gross amount of assets recorded under capital leases and the accumulated amortization by major classes according to nature or function?	—	—	—
ii.	The lease obligations classified as current and long-term?	—	—	—
iii.	Amortization expense, unless it is included in depreciation expense and that fact has been disclosed?	—	—	—
iv.	Total contingent rentals actually incurred?	—	—	—
b.	Has disclosure been made of future minimum lease payments as of the statement of net position date in the aggregate and for each of the five subsequent fiscal years and in five-year increments thereafter? (GASBS No. 38, para. 11)	—	—	—
c.	Has disclosure been made of minimum sublease rentals to be received in the future under noncancelable subleases? (GASBS No. 62, para. 223)	—	—	—
4. Is the following disclosed for sale-leaseback transactions: (GASBS No. 62, paras. 255 and 256)				
a.	A description of the terms of the transactions, including future commitments, obligations, provisions, or circumstances that require or result in continuing involvement of the seller-lessee?	—	—	—
b.	If the transactions were accounted for by the deposit method or as a financing, are the total minimum sublease rentals, if any, to be received in the future under noncancelable subleases disclosed in the aggregate and for each of the five succeeding years?	—	—	—

LEASES IN STATEMENTS OF LESSEES AFTER IMPLEMENTATION OF GASBS NO. 87



Disclosure Made?
Yes No N/A

NOTE: This section should be completed if the governmental unit has implemented [GASBS No. 87, Leases](#) . As amended, [GASBS No. 87](#) is effective for fiscal years beginning after June 15, 2021, and all reporting periods thereafter. Early implementation is permitted. The effective date reflects the deferral of the original effective date of [GASBS No. 87](#) by eighteen months through the issuance of [GASBS No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance \(link\)](#) , on May 8, 2020. The requirements of [GASBS No. 95](#) are effective immediately. Complete LEASES IN STATEMENTS OF LESSEES PRIOR TO IMPLEMENTATION OF GASBS NO. 87 if the governmental unit has *not* implemented [GASBS No. 87](#) .

1. General disclosures for lease activities, other than short-term leases: (**Note:** Lease activities may be grouped for disclosure purposes.) ([GASBS No. 87, para. 37](#))
 - a. Has a general description of the governmental unit’s leasing arrangements been disclosed, including but not limited to:
 - i. General description of lease arrangements? ___
 - ii. The basis, terms, and conditions on which variable payments that are not included in the measurement of the lease liability are determined? ___
 - iii. The existence, terms, and conditions of lessee-provided residual value guarantees that are not included in the measurement of the lease liability? ___
 - b. Have the following lease asset amounts been disclosed, separately from other capital assets, as of the end of the reporting period:
 - i. Total lease assets and related accumulated amortization? ___
 - ii. Lease assets by major classes of underlying assets? ___
 - c. Have the following outflows of resources recognized during the reporting period been disclosed:
 - i. Variable payments not previously included in the measurement of the lease liability? ___
 - ii. Other payments (e.g., residual value guarantees, termination penalties) not previously included in the measurement of the lease liability? ___
 - d. Have principal and interest requirements (presented separately) to maturity for the lease liability been disclosed for each of the five subsequent fiscal years and in five-year increments thereafter? ___
 - e. Has disclosure been made of any commitments under leases prior to the commencement of the lease term? ___
 - f. Has disclosure been made for any impairment-related loss components [i.e., impairment loss and change in the lease liability (see [GASBS No. 87, para. 34](#))]? ___
 - g. Have the nature and extent of leasing transactions with related parties been disclosed? ([GASBS No. 56, para. 4](#) ; and [GASBS No. 87, para. 90](#)) ___
2. For sublease arrangements: ([GASBS No. 87, para. 81](#))
 - a. Are the subleases included in the general description of lease arrangements of the original lessee in Question 1? [The original lessee is now the lessor in the sublease.] ___
 - b. Are lessor transactions related to subleases disclosed separately from the entity’s lessee transactions related to the original lease? ___

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
3. For the seller-lessee in a sale-leaseback transaction, have the terms and conditions of the sale-leaseback transaction been disclosed in addition to the items in Question 1? (GASBS No. 87, para. 85)	—	—	—
4. In a lease-leaseback transaction, are the amounts of the lease and the leaseback disclosed separately? (GASBS No. 87, para. 87)	—	—	—
Implementation Disclosures			<input checked="" type="checkbox"/>
5. In the first period that GASBS No. 87 is applied: (GASBS No. 87, para. 93)			
a. Have the financial statements for all prior periods presented been restated or, if restatement is not practical, is the cumulative effect of the change reported as a restatement of the beginning net position (or fund balance or fund net position, as appropriate) for the earliest period restated?	—	—	—
b. Are the nature of the restatement and its effect disclosed?	—	—	—
c. If prior periods have not been restated, are the reasons for not restating disclosed?	—	—	—
OTHER COMMITMENTS			<input type="checkbox"/>
1. Are the following types of commitments disclosed:			
a. Construction and other significant commitments, including encumbrances for major funds and nonmajor funds in the aggregate, if appropriate? (GASB Cod. Secs. 1700.127c and 2300.106k , and GASBS No. 54, para. 24)	—	—	—
b. Obligations to reduce debts or maintain working capital? (GASBS No. 62, para. 113)	—	—	<u>X</u>
c. Unused letters of credit? (GASBS No. 62, para. 113)	—	—	<u>X</u>
d. Existence, nature, and amount of any direct or indirect guarantees of the indebtedness of other entities in an exchange or exchange-like transaction, even if the possibility of loss is remote? (GASBS No. 62, paras. 109–110 , and GASB Cod. Sec. C50.164)	—	—	<u>X</u>
CONTINGENCIES			<input type="checkbox"/>
1. Are the nature and amount of an accrued loss contingency disclosed in the financial statements if disclosure is necessary to keep the financial statements from being misleading? (GASBS No. 62, para. 106)	—	—	<u>X</u>
2. If there is exposure to a loss in excess of the amount accrued or if no loss contingency is accrued because one or both of the following conditions are <i>not</i> met—(a) information available prior to issuance of the financial statements indicates that it is probable an asset had been impaired or a liability had been incurred at the date of the financial statements or (b) the amount of loss can be reasonably estimated—but there is at least a reasonable possibility that a loss or additional loss may have been incurred, do disclosures indicate: (GASBS No. 10, para. 58 ; and GASBS No. 62, para. 107)			
a. Nature of contingency?	—	—	<u>X</u>
b. Estimate of possible loss or range of loss, or a statement that such estimate cannot be made?	—	—	<u>X</u>
3. Have contingencies that might result in gains been adequately disclosed, but not reflected in the accounts so as not to recognize revenue prior to its realization? (GASBS No. 62, para. 112)	—	—	<u>X</u>

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
4. Has disclosure been made of loss contingencies relating to guarantees made for outside parties, in an exchange or exchange-like transaction, including the nature and amounts thereof? Also, consider disclosing, if estimable, the value of any recovery that could be expected to result. (GASBS No. 62, para. 109 , and GASB Cod. Sec. C50.164)	—	—	<u>X</u>
5. Are any significant violations of finance-related legal and contractual provisions disclosed, along with the actions taken to address the violations? (GASB Cod. Sec. 1200.112)	—	—	<u>X</u>
6. For entities other than public entity risk pools, are the following disclosures made: (GASB Cod. Sec. C50.145)			
a. A description of the risks of loss to which the entity is exposed and the way(s) in which those risks of loss are handled (for example, purchase of commercial insurance, participation in a public entity risk pool, risk retention)?	<u>x</u>	—	—
b. A description of significant reductions in insurance coverage from coverage in the prior year by major categories of risk, and an indication of whether the amount of settlements exceeded insurance coverage for each of the past three fiscal years?	<u>x</u>	—	—
c. If an entity participates in a risk pool, a description of the nature of the participation, including the rights and the responsibilities of both the entity and the pool?	<u>x</u>	—	—
d. If an entity retains the risk of loss:			
i. The basis for estimating the liabilities for unpaid claims? (GASBS No. 30 requires that this disclosure include the entity's policy of including or excluding other incremental costs in its estimates.) (GASBS No. 30, para. 10)	—	—	<u>X</u>
ii. The carrying amount of liabilities for unpaid claims that are presented at present value in the financial statements and the range of discount rates used to discount those liabilities?	—	—	<u>X</u>
iii. The aggregate outstanding amount of claims liabilities for which annuity contracts have been purchased in the claimants' names and for which the related liabilities have been removed from the statement of net position/balance sheet (annuity contracts used to settle claims for which the claimant has signed an agreement releasing the entity from further obligation and for which the likelihood that the pool will be required to make future payments on those claims is remote should not be included in this disclosure)? (QA, Question 3.69.1)	—	—	<u>X</u>
iv. A reconciliation of changes in the aggregate liabilities for claims (including IBNR claims) for the current fiscal year and the prior fiscal year, in the following tabular format: (QA, Question 3.75.1)			
1) Amount of claims liabilities at the beginning of each fiscal year?	—	—	<u>X</u>
2) Incurred claims, representing the total of a provision for events of the current fiscal year and any change (increase or decrease) in the provision for events of prior fiscal years?	—	—	<u>X</u>
3) Payments on claims attributable to events of both the current fiscal year and prior fiscal years?	—	—	<u>X</u>
4) Other (provide an explanation of each material item)? (QA, Question 3.75.2 , indicates that the removal of a liability because of an annuity contract should be reported as an "other" item with an explanation.)	—	—	<u>X</u>
5) Amount of claims liabilities at the end of each fiscal year?	—	—	<u>X</u>

	Disclosure Made?		
	Yes	No	N/A
e. Are additional or separate presentations made of the disclosures in Items a. through d. above, if aggregate disclosures are misleading? (GASBS No. 10, para. 78 , and GASB Cod. Sec. C50.146)	___	___	<u>X</u>
f. Are Questions 6.a. and b. above disclosed in the notes of separately issued financial statements of component units that participate in their primary government's risk management internal service fund? (GASBS No. 10, para. 79 , and QA, Question 3.76.1)	___	___	<u>X</u>
i. Is the fact of participation in the fund disclosed?	___	___	<u>X</u>
ii. Is there a description of the nature of that participation?	___	___	<u>X</u>
iii. Are the rights and responsibilities of both the unit and the primary government stated?	___	___	<u>X</u>
g. If an asset is impaired or a liability is incurred after the date of the financial statements but before their issuance, is there disclosure of the following: (GASBS No. 10, para. 80)			
i. The nature of the loss or loss contingency?	___	___	<u>X</u>
ii. An estimate of the amount or range of loss or possible loss or a statement that such an estimate cannot be made?	___	___	<u>X</u>
h. If an entity other than a pool uses an internal service fund to account for its risk financing activities, is there note disclosure of any deficit fund balance of the internal service fund resulting from the activities? (GASBS No. 10, para. 67 , and GASB Cod. Sec. C50.129)	___	___	<u>X</u>
i. If an entity other than a pool is insured under a retrospectively rated policy or contract (i.e., a policy or contract in which the initial premium is adjusted based on actual experience during the period of coverage), is there disclosure of the following: (GASBS No. 10, para. 74)			
i. The fact that the entity is insured under a retrospectively rated policy?	___	___	<u>X</u>
ii. The fact that premiums are accrued based on the ultimate cost of the experience to date of a group of entities?	___	___	<u>X</u>
iii. The disclosures in Questions 2.a. and b. above, with respect to losses the entity cannot estimate from reported and unreported claims? (GASBS No. 10, para. 73)	___	___	<u>X</u>
j. If an entity other than a pool participates in a public entity risk pool in which there is a transferring (sharing) of risk among the pool participants, are the following disclosures made:			
i. The disclosures in Questions 2.a. and b. above, if the pool is allowed to make additional assessments to its members, with respect to assessment amounts that are probable but not reasonably estimable, or are reasonably possible? (GASBS No. 10, para. 69)	___	___	<u>X</u>
ii. The disclosures in Questions 2.a. and b. above, if it appears that the pool will not be able to meet its obligations and it is probable or reasonably possible that the entity will be required to pay its own obligations if the pool fails? (GASBS No. 10, para. 70)	___	___	<u>X</u>
NONEXCHANGE TRANSACTIONS			<input checked="" type="checkbox"/>
1. Are nonexchange transactions that are not recognizable because they are not measurable disclosed? (GASBS No. 33, para. 11)	___	___	___

Disclosure Made?

Yes	No	N/A
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**SEGMENT REPORTING**

1. Are the following note disclosures provided for enterprise activities required to report segment information: (Segment information is required for identifiable activities with outstanding debt supported by a pledged revenue stream that must be accounted for separately as required by an *external* party.) (GASBS No. 34, para. 122 ; GASBS No. 37, para. 17 ; GASBS No. 63, paras. 7–8 and Appendix D ; and GASB Cod. Sec. 2500.101)

a. Type of goods and services provided?	—	—	—
b. A condensed statement of net position:			
i. Total assets—distinguishing between current assets, capital assets, and other assets? (Amounts receivable from other funds or component units should be reported separately.)	—	—	—
ii. Total deferred outflows of resources?	—	—	—
iii. Total liabilities—distinguishing between current liabilities and long-term liabilities? (Amounts payable to other funds or component units should be reported separately.)	—	—	—
iv. Total deferred inflows of resources?	—	—	—
v. Total net position—distinguishing among net investment in capital assets, restricted (separately reporting expendable and nonexpendable components), and unrestricted?	—	—	—
c. Condensed statement of revenues, expenses, and changes in net position:			
i. Operating revenues (by major source)?	—	—	—
ii. Operating expenses? [Depreciation (including any amortization) should be identified separately.]	—	—	—
iii. Operating income (loss)?	—	—	—
iv. Nonoperating revenues (expenses)—with separate reporting of major revenues and expenses?	—	—	—
v. Capital contributions and additions to permanent and term endowments?	—	—	—
vi. Special and extraordinary items?	—	—	—
vii. Transfers?	—	—	—
viii. Change in net position?	—	—	—
ix. Beginning net position?	—	—	—
x. Ending net position?	—	—	—
d. Condensed statement of cash flows:			
i. Net cash provided (used) by:			
1) Operating activities?	—	—	—
2) Noncapital financing activities?	—	—	—
3) Capital and related financing activities?	—	—	—
4) Investing activities?	—	—	—
ii. Beginning cash and cash equivalent balances?	—	—	—

Disclosure Made?

Yes No N/A

iii. Ending cash and cash equivalent balances?

— — —

SUBSEQUENT EVENTS

1. Are subsequent events that provide evidence with respect to conditions that *did not exist* at the statement of net position date, but that arose subsequent to that date and are essential to a user’s understanding of the financial statements, adequately disclosed? (GASBS No. 56, para. 10 ; GASBS No. 63, para. 8 ; and GASB Cod. Sec. 2300.106e and C50.149)

x — —

OTHER POSSIBLE DISCLOSURES

SPECIALIZED ACCOUNTING AND REPORTING PRINCIPLES

Have appropriate disclosures been made for: (These specialized disclosures have been established by GASBS No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements (link)* , but are not included in Part II. If present, consult GASBS No. 62 or the relevant Codification section. Paragraph references are to the paragraphs in GASBS No. 62)

- 1. Broadcasters? (para. 385-388; GASB Cod. Sec. Br10)
- 2. Cable Television Systems? (para. 389-399; GASB Cod. Sec. Ca5)
- 3. Foreign Currency Transactions? (para. 165-172; GASB Cod. Sec. F70)
- 4. Insurance Entities—Other Than Public Entity Risk Pools? (para. 400-430; GASB Cod. Sec. In3)
- 5. Lending Activities? (para. 431-451; GASB Cod. Sec. L30)
- 6. Mortgage Banking Activities? (para. 452-475; GASB Cod. Sec. L30)
- 7. Regulated Operations? (para. 476-500; GASB Cod. Sec. Re10)
- 8. Research and Development Arrangements? (para. 374-384; GASB Cod. Sec. R50)
- 9. Retail Land Sales? (para. 324-330; GASB Cod. Sec. R30)

— — X
 — — X
 — — X
 — — X
 — — X
 — — X
 — — X
 — — X
 — — X

PART II DISCLOSURES

Review the following list of disclosure topics for applicability to your client. Indicate either “Item Present” or “Item Not Present.” If the item is present, attach and complete the appropriate checklist from Part II.

	Item Present	Item Not Present
1. Accounting changes and correction of an error?	_____	X _____
2. Certain asset retirement obligations?	_____	X _____
3. Changes in presentation of comparative statements?	_____	X _____
4. Chapter 9 bankruptcy?	_____	X _____
5. Construction-type contracts—long-term?	_____	X _____
6. Donor-restricted endowments?	_____	X _____
7. External investment pools?	_____	X _____
8. Extinguishment and advance refundings of debt?	_____	X _____
9. Fund raising costs?	_____	X _____
10. Going concern?	_____	X _____
11. Government combinations and disposals of operations?	_____	X _____
12. Investments accounted for by the equity method?	_____	X _____
13. Investments in entities that calculate the net asset value per share (or its equivalent)?	_____	X _____
14. Insurance recoveries?	_____	X _____
15. Leases in financial statements of lessors prior to implementation of GASBS No. 87 ?	_____	X _____
16. Leases in financial statements of lessors after implementation of GASBS No. 87 ?	_____	X _____
17. Municipal solid waste landfill closure and post closure care costs?	_____	X _____
18. Nonexchange financial guarantees?	_____	X _____
19. Nonmonetary transactions?	_____	X _____
20. On-behalf payments for fringe benefits and salaries?	_____	X _____
21. Pensions—employer and nonemployer contributing entity financial statements?	_____	X _____
22. Pensions—plan financial statements?	_____	X _____
23. Pledges or sales of future revenues?	_____	X _____
24. Pollution remediation obligations?	_____	X _____
25. Postemployment benefits other than pension benefits—employer and nonemployer contributing entity financial statements?	_____	X _____
26. Postemployment benefits other than pension benefits—plan financial statements?	_____	X _____
27. Public-private or public-public partnerships (PPPs or P3s)—operators?	_____	X _____
28. Public-private or public-public partnerships (PPPs or P3s)—transferors?	_____	X _____

	Item Present	Item Not Present
29. Securities lending transactions?	_____	_____ X
30. Service concession arrangements?	_____	_____ X
31. Subscription-based information technology arrangements?	_____	_____ X
32. Tax abatements?	_____	_____ X
33. Termination benefits?	_____	_____ X
34. Troubled debt restructurings—creditors?	_____	_____ X
35. Troubled debt restructurings—debtors?	_____	_____ X

SUBSEQUENT PRONOUNCEMENTS ISSUED

Use the space provided below to list additional requirements as they are issued by authoritative bodies until the checklist is revised.

Pronouncement	Description of Topic	Have the disclosure requirements been considered?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. []	[]	_____	_____	_____
2. []	[]	_____	_____	_____
3. []	[]	_____	_____	_____
4. []	[]	_____	_____	_____
5. []	[]	_____	_____	_____
6. []	[]	_____	_____	_____
7. []	[]	_____	_____	_____
8. []	[]	_____	_____	_____
9. []	[]	_____	_____	_____
10. []	[]	_____	_____	_____
11. []	[]	_____	_____	_____
12. []	[]	_____	_____	_____
13. []	[]	_____	_____	_____
14. []	[]	_____	_____	_____
15. []	[]	_____	_____	_____
16. []	[]	_____	_____	_____
17. []	[]	_____	_____	_____
18. []	[]	_____	_____	_____
19. []	[]	_____	_____	_____
20. []	[]	_____	_____	_____

September 18, 2023

Burton Accounting, P.L.L.C.
1281 Brittmoore Road
Houston, TX 77043

In connection with your engagement to apply agreed-upon procedures to the audit review of the financial statements as of June 30, 2023, we confirm, to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We acknowledge that we are responsible for the audit review.
2. We have obtained from the necessary parties their agreement to the procedures and their acknowledgment that the procedures are appropriate for their purposes.
3. We have provided you with the relevant information and access under the terms of our agreement.
4. We have disclosed to you all known matters contradicting the audit review of the financial statements.
5. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, other affecting the audit review of the financial statements, including communications received between the date of the financial statements as of June 30, 2023 and the date of your report, September 18, 2023.
6. We are not aware of any material misstatements in the financial statements.
7. We have disclosed to you all known events subsequent to the date of the financial statements, as of June 30, 2023, the date of this letter and the date of your report, September 18, 2023 that would have a material effect on the audit review of the financial statements.

Signature: _____

Title: _____

Signature: _____

Title: _____

Montrose TIRZ 27 Board Meeting October 16th, 2023: Knudson Report

Knudson Activity with the Montrose TIRZ:

General Board:

- Checked the City of Houston Plat Report for new plats within the TIRZ boundaries
- Took meeting minutes and created agendas for all Committee meetings;
- Helped with information sharing between the Montrose TIRZ and the City of Houston;
- Assisted in technical help to the Directors;
- Efforts to make updates to the Montrose TIRZ website with the help of the Webmaster;
- Updated and populated the Montrose TIRZ #27 Shared Folder use for simplified information sharing;
- Managed the Montrose info email;
- Provided Knudson reports for the TIRZ Board Book.

Affordable Housing Committee:

- Attended 1 Committee Meeting;

Projects and Planning Committee:

- Attended 1 Committee meeting;

Finance Committee:

- No Board Action needed

Public Engagement Committee:

- Attended 1 Committee meeting;
- Managed the Montrose info email;
- Worked with Hollaway and Guage in managing public comments from September Board Meeting and after