



Executive Committee | Agenda

10:00 a.m., Wednesday, May 12, 2021

Access via Zoom or Conference Call

<https://zoom.us/j/94965399048?pwd=Ums0L1IvaTlOSjNRek50NnpNN0hYZz09>

Dial In: +1 346 248 7799

Meeting ID: 949 6539 9048

Passcode: 355057

Judge Paul Pape, Bastrop County, **Chair**
Mayor Brandt Rydell, City of Taylor, **First Vice Chair**
Judge James Oakley, Burnet County, **Second Vice Chair**
Mayor Lew White, City of Lockhart, **Secretary**
Judge Ron Cunningham, Llano County, **Parliamentarian**
Mayor Jane Hughson, City of San Marcos, **Immediate Past President**
Council Member Mackenzie Kelly, City of Austin
Mayor Pro Tem Lyle Nelson, City of Bastrop Council Member Andrea Willott, City of Bee Cave
Judge Brett Bray, Blanco County
Commissioner Joe Don Dockery, Burnet County
Judge Hoppy Haden, Caldwell County
Judge Joe Weber, Fayette County
Mayor Pro Tem Kevin Pitts, City of Georgetown
Commissioner Debbie Ingalsbe, Hays County

Mayor Sandy Cox, City of Lakeway
Council Member Christine Sederquist, City of Leander
Commissioner Steven Knobloch, Lee County
Council Member Mike Heath, City of Pflugerville
Council Member Matthew Baker, City of Round Rock
Council Member Janice Bruno, City of Smithville
Commissioner Ann Howard, Travis County
Commissioner Brigid Shea, Travis County
Commissioner Russ Boles, Williamson County
Commissioner Cynthia Long, Williamson County
Representative John Cyrier
Representative Celia Israel
Representative Terry Wilson
Representative Erin Zwiener

1. **Call to Order by the Chair**
2. **Consider Approval of Minutes for the April 14, 2021 Executive Committee Meeting**
3. **Consider Accepting the Annual Financial Report of the Capital Area Council of Governments for the Year Ended September 30, 2020**

Lisa Bowman, Director of Finance

Lupe Garcia, CPA – Audit Partner of Whitley Penn, LLP

4. **Consider Accepting Quarterly Investment Report**

Lisa Bowman, Director of Finance

5. **Report on Mid-Year Budgeted Revenues for FY 2021**

Sheila Jennings, Director of Administration

6. **Consider Adopting a Resolution for Prioritized List of General Victim Assistance Direct Services Program Projects for Plan Year 2022 Funding Consideration through the Office of the Governor, Public Safety Office's Criminal Justice Division**

Matt Holderread, Regional Research Coordinator

- 7. Adopting a Resolution for Prioritized List of Violence Against Women Justice and Training Program Projects for Plan Year 2022 Funding Consideration through the Office of the Governor, Public Safety Office's Criminal Justice Division**

Matt Holderread, Regional Research Coordinator

- 8. Consider Adopting a Resolution Declaring May 9 – May 15, 2021 as Hurricane Preparedness Week**

Martin Ritchey, Director Homeland Security

- 9. Consider Approving Appointments to Advisory Committees**

Deborah Brea, Executive Assistant

- 10. Staff Reports**

Betty Voights, Executive Director

- 11. Adjourn**

Persons wishing to provide comment on an agenda item during the Executive Committee Meeting may do so by emailing Mason Canales at mcanales@capcog.org no later than 5 p.m., Tuesday May 11, 2021. Please include the participants first and last name, organization, county representing and the agenda item for which comment is being provided. Comments will have a time limit of three minutes each. Persons who join the Executive Committee Meeting will be provided a call-in number to participate remotely.



Executive Committee | Summary Minutes

10:00 a.m., Wednesday, April 14, 2021

Access via Zoom or Conference Call

<https://zoom.us/j/97000961700?pwd=bWVQOG53azg1UGpocjFIZWppSnRoZz09>

Dial In: +1 346 248 7799

Meeting ID: 970 0096 1700

Passcode: 644915

Present (21)

Judge Paul Pape, Bastrop County, **Chair**
Mayor Brandt Rydell, City of Taylor, **First Vice Chair**
Judge James Oakley, Burnet County, **Second Vice Chair**
Mayor Lew White, City of Lockhart, **Secretary**
Judge Ron Cunningham, Llano County, **Parliamentarian**
Mayor Jane Hughson, City of San Marcos, **Immediate Past President**
Council Member Mackenzie Kelly, City of Austin
Mayor Pro Tem Lyle Nelson, City of Bastrop Council
Judge Brett Bray, Blanco County
Commissioner Joe Don Dockery, Burnet County
Judge Hoppy Haden, Caldwell County
Judge Joe Weber, Fayette County
Commissioner Debbie Ingalsbe, Hays County

Mayor Sandy Cox, City of Lakeway
Council Member Christine Sederquist, City of Leander
Commissioner Steven Knobloch, Lee County
Council Member Mike Heath, City of Pflugerville
Council Member Matthew Baker, City of Round Rock
Commissioner Ann Howard, Travis County
Commissioner Brigid Shea, Travis County
Commissioner Cynthia Long, Williamson County

Absent (03)

Commissioner Russ Boles, Williamson County
Mayor Pro Tem Kevin Pitts, City of Georgetown
Member Andrea Willott, City of Bee Cave

1. **Call to Order by the Chair**

Judge Pape called the meeting to order at 10:03 a.m. and confirmed a quorum.

2. **Consider Approval of Minutes for the March 10, 2021 Executive Committee Meeting**

Judge Weber questioned if Judge Haden was present at the last meeting noting he believed Judge Haden would have opposed the Homeland Security Grant Program prioritized projects list if present. Judge Haden indicated he was not present at the March meeting. A motion was made by Judge Oakley to approve the March 10, 2021 meeting minutes. Commissioner Shea seconded the motion. The motion passed unanimously.

3. **Consider Electing Replacement to Serve Remainder of Term for Council Member Bill Gordon Betty Voights, Executive Director**

Ms. Voights stated Council Member Gordon, upon resignation from the board, recommended consideration of fellow Council Member Janice Bruno. Council Member Bruno was appointed to the Smithville's General Assembly slot and has submitted her Nomination Form to Serve on the Executive Committee.

A motion was made by Judge Pape to approve electing Commissioner Janice Bruno to serve the remainder of the term for Council Member Bill Gordon. Mayor White seconded the motion. The motion passed unanimously.

4. Consider Adopting a Resolution for Prioritized List of Criminal Justice Program Projects for Plan Year 2022 Funding Consideration through the Office of the Governor, Public Safety Office's Criminal Justice Division

Matt Holderread, Regional Research Coordinator

Mr. Holderread requested the Executive Committee adopt a resolution authorizing the submission of a prioritized list of Criminal Justice Program applications to the Office of Governors Public Safety Office for funding consideration. Mr. Holderread explained that this agenda item was one of three resolutions that he would present today. He went on to explain the CJAC was asked to review fourteen applications from fourteen different organizations, requesting over \$850,000 in funding to provide communities in the CAPCOG region with equipment, personnel and training that improves the criminal justice system. Mr. Holderread stated that on March 25, the CJAC met to score and prioritize applications and that recommendations for funding was based on scores from highest to lowest and estimated budget funding. He went on to state that the scoring document was in the agenda packet and pointed out that the PY 2022 CJAC JAG funding recommendations and PY 2022 CJAC policy statement, which outlines the application requirements and review process used by a the subcommittee, was also in the agenda packet. He added that nine projects would receive full funding and that the tenth project would receive partial funding.

Ms. Voights questioned if the CJAC attempted to negotiate the funding amounts requested, as had been done in the past to get more projects funded. Mr. Holderread explained that the CJAC had gone back and forth with that over the years, but this year the committee decided to recommend what was requested since the CJAC felt the applicants knew what they needed and did not feel comfortable with adjusting the budgets this year. Council Member Heath commended Mr. Holderread and the CJAC on evaluating the grant projects.

A motion was made by Council Member Heath to adopt a resolution for prioritized list of Criminal Justice Program Projects for Plan Year 2022 funding consideration through the Office of the Governor, Public Safety Office's Criminal Justice Division. Commissioner Ingalsbe seconded the motion. The motion passed unanimously.

5. Consider Adopting a Resolution for Prioritized List of Juvenile Justice and Truancy Prevention Grant Program: Juvenile Justice Projects for Plan Year 2022 Funding Consideration through the Office of the Governor, Criminal Justice Division

Matt Holderread, Regional Research Coordinator

For this category, Mr. Holderread reported there were eight projects requesting just under \$300,000 noting that these projects provide communities in the CAPCOG region with programs that focus on at risk youth and preventing violence. He went on to state that six projects would receive full funding, the seventh project would receive partial funding and one project would not be unfunded.

A motion was made by Mayor Cox to adopt a resolution for prioritized list of Juvenile Justice and Truancy Prevention Grant Program: Juvenile Justice Projects for Plan Year 2022 funding consideration through the Office of the Governor, Criminal Justice Division. Commissioner Dockery seconded the motion. The motion passed unanimously.

6. Consider Adopting a Resolution for Prioritized List of Juvenile Justice and Truancy Prevention Grant Program: Truancy Prevention Projects for Plan Year 2022 Funding Consideration through the Office of the Governor, Criminal Justice Division

Matt Holderread, Regional Research Coordinator

For this category, Mr. Holderread reported there were four projects just under \$1.8 million dollars. He

explained that these projects provide school districts in the CAPCOG region with programs that focus on truancy prevention and intervention with children that are already truant. He went on to explain that three projects would receive full funding with the fourth receiving partial funding.

A motion was made by Judge Oakley to adopt a resolution for prioritized list of Juvenile Justice and Truancy Prevention Grant Program: Truancy Prevention Projects for Plan Year 2022 funding consideration through the Office of the Governor, Criminal Justice Division. Mayor Pro Tem Nelson seconded the motion. The motion passed unanimously.

Ms. Voights pointed out that there were two other grant projects to be scored and that because of the way the Governor's Office has timed these, the Executive Committee will finish scoring the other two grant projects on the May agenda.

7. Provide Guidance on Homeland Security Funding for Rural Counties

Betty Voights, Executive Director

Martin Ritchey, Homeland Security Director

Ms. Voights explained the item was a follow up from the March meeting after the board directed staff to look at how more rural projects could get funded, perhaps with a carve out of funds for rural communities. She said she had summarized the requirements for how projects need to be funded based on state required plans as well as priorities of federal agencies. She said she wasn't sure how to achieve a carve out but perhaps the staff could provide more technical assistance on project development and application assistance to rural counties to improve their chances. She said she had discussed this with Commissioner Dockery who is the board's liaison on the HSTF and is aware of the process for reviewing projects and asked him to provide input.

Commissioner Dockery acknowledged the challenge and said that the process gets more cumbersome every year. You need the high level assets like a bomb squad that serve the whole region but rural areas also have needs and there's not enough funding to do it all so maybe we look at having regional assets east and west of Travis County.

As an example, Mr. Ritchey talked about his efforts as Caldwell County EMC to pursue a hazmat team until he found out all of the requirements that go with that and noted that, while everybody wants projects funded, the regional allocation is \$1.4 million and 60 percent of that is earmarked. With regard to the March debate about which projects to fund, Judge Bray questioned why the Fayette County project wasn't moved above the funding cutoff since the board had the final decision.

Ms. Voights noted that historically large regional assets were placed with larger communities because the requirements to fund, train and respond across the region were hard for small communities. Commissioner Long explained that Williamson County staff have been reminded about the cost of budgeting for equipment they plan to apply for since operations and maintenance can be challenging and some assets require specialized staff training plus the staff have to go with the asset for response.

Mayor Cox discussed the challenge of getting water for her community during the winter storm because of their location and said there should also be some thought given to where regional assets are positioned. Judge Haden and Commissioner Howard agreed a more geographical look at location of assets rather than urban/rural would be good.

Commissioner Dockery said that, to bring the discussions full circle, we should look at the required plans and identify projects we need then look at positioning them outside the corridor, but he emphasized we

do not have control over the earmarks like Austin Regional Intelligence Center (ARIC), which takes funding off the top. Ms. Voights added that the process depends on the subject matter experts on the subcommittees and asked that more rural counties get involved with these committees to help determine how regional assets can be geographically located.

8. Consider Adopting a Resolution to Apply for Coronavirus Emergency Supplemental Funding (CESF) for CAPCOG Regional WebEOC Board Project

Martin Ritchey, Director, Homeland Security

Mr. Ritchey explained that WebEOC is a cloud-based record keeping system used by jurisdictions in the region to communicate resource requests and task assignments locally or with the state. The system has several posting boards with local significant events and regional significant events to provide a common operating picture throughout the region during incidents and events.

Mr. Ritchey went on to explain that this investment will make WebEOC accessible for all regional stakeholders as well as emergency management programs, fire departments, EMS, law enforcement - all those agencies across the region that can gather information. Mr. Ritchey referenced a worksheet in the agenda packet which showed seven WebEOC boards and seven mobile WebEOC boards to be created by programmers at Juvare our contractor. These boards were selected to improve overall usability and the mobile boards will allow our users to leverage mobile app-level control of noted WebEOC functionality. Both capabilities are important, but the mobile use will greatly improve usage from smaller jurisdictions that do not have the capacity to set up large EOC's and have to work from Incident Command Posts.

Council Member Kelly asked if anyone on the CAPCOG staff knew how to build boards or plans in the future to train someone to do that because she sees this as a value for CAPCOG. Mr. Ritchey stated we do have an onsite person that is shared between RNS and WebEOC but that we do not have anyone to build boards.

A motion was made by Major Hughson to adopt a resolution to apply for Coronavirus Emergency Supplemental Funding (CESF) for CAPCOG regional WebEOC Board Project. Commissioner Shea seconded the motion. The motion passed unanimously.

9. Consider Authorizing Contract Negotiation for Aging and Disability Resource Center (ADRC) Technology Training and Supports Services Pilot Project

Patty Bordie, Director Aging Services

Ms. Bordie explained the ADRC of the Capital Area (ADRC – CAP) received CARES Act funding from the Administration on Community Living through the Texas Department of Health and Human Services for FY 2021. This allocation seeks to reduce social isolation for older adults and persons with disabilities made particularly acute because of the COVID-19 pandemic. The ADRC-CAP seeks to lessen the impacts of social isolation by using \$75,000 of the grant funds to hire a contractor to provide technology devices and training to older persons and persons with disabilities in a pilot project. ADRC-CAP will establish community partnerships across rural and harder to reach urban communities to ensure referrals and consumer participation meet target population requirements.

Only one proposal was submitted by Community Tech Network. ADRC Steering Committee's RFP scoring subcommittee reviewed and scored the Technology Training and Supports Pilot Project Services Request for Proposals application on March 29, 2021 and recommended negotiating the contract with this applicant who met the requirements outlined in the RFP.

A motion was made by Commissioner Shea to authorize a contract negotiation for Aging and Disability Resource Center (ADRC) Technology Training and Supports Services Pilot Project. Mayor Hughson seconded the motion. The motion passed unanimously.

10. Consider Adopting a Resolution Recognizing May 2021 as Older Americans Month
Patty Bordie, Director Aging Services

Judge Pape indicated this was a routine agenda item and asked for a motion. A motion was made by Judge Oakley to Adopt the Resolution Recognizing May 2021 as Older Americans Month. Commissioner Ingalsbe seconded the motion. The motion passed unanimously.

11. Consider Adopting a Proclamation Recognizing May 3 – May 7, 2021 as Air Quality Awareness Week
Andrew Hoekzema, Director of Regional Planning and Services

Mr. Hoekzema explained that this was a routine item and briefly discussed the importance of air quality. A motion was made by Mayor Cox to adopt a proclamation recognizing May 3 – May 7, 2021 as Air Quality Awareness Week. Mayor Hughson seconded the motion. The motion passed unanimously. Judge Pape commented that air quality awareness was key and that he would like to see each board member take action at the local level so that citizens are aware of how important clean air is in our region.

12. Consider Approving Appointments to Advisory Committees
Deborah Brea, Executive Assistant

Ms. Brea announced the following recommendations: Mark Jones is the new EMC for Hays County to fill the Hays County vacancy on HSTF; Nomination by Commissioner Long to appoint Steve Byrd, GIS Supervisor, City of Georgetown, to the Williamson County vacancy on GISPC; Lee County Commissioners Court appointed Commissioner Mark Matthiejetz to fill the Lee County vacancy on the SWAC; Laura Wilson-Solcom requested Samantha Montemayor as her alternate on the CJAC. There were two nominations from the floor: Commissioner Dockery nominated Jackie Haines to fill the Burnett County vacancy on the GISPC. Judge Haden nominated Hannah Garrett Caldwell County to fill the vacancy on the CJAC.

13. Staff Reports
Betty Voights, Executive Director

Ms. Voights reported RELA law enforcement training was going well and that the academy currently had both a day and night BPOC underway. She stated RLEA anticipates doing its first satellite BPOC with the City of Hutto noting that if a city or county is hosting the BPOs we require the governing body to take action on it – the Hutto City Council should have this on their agenda this week. Ms. Voights indicated that CAPCOG currently has surplus furniture and that it has always been our policy to offer it to board members. Interested board members should contact Ms. Shelia Jennings for more information.

14. Adjourn

The meeting was adjourned at 11:22 a.m.

Mayor Lew White, Secretary
Executive Committee
Capital Area Council of Governments

Date

EXECUTIVE COMMITTEE MEETING

MEETING DATE: May 12, 2021

AGENDA ITEM: #3 Consider Accepting the Annual Financial Report of the Capital Area Council of Governments for the Year Ended September 30, 2020

GENERAL DESCRIPTION OF ITEM:

The Annual Financial Report of the Capital Area Council of Governments for the Year Ended September 30, 2020 has been prepared by Whitley Penn, LLP, in accordance with state and federal regulations. A representative from the audit firm will present the Annual Financial Report to the Executive Committee and answer any questions from committee members. All of the programs and service areas of CAPCOG's operations were included in the general standard audit procedures. The programs chosen for additional Single Audit testing are listed in the Annual Financial Report on pages 51 and 52. There were no audit findings.

THIS ITEM REPRESENTS A:

- New issue, project, or purchase
- Routine, regularly scheduled item
- Follow-up to a previously discussed item
- Special item requested by board member
- Other

PRIMARY CONTACT/STAFF MEMBER:

Lisa Bowman, Director of Finance
Lupe Garcia, CPA – Audit Partner of Whitley Penn, LLP

BUDGETARY IMPACT:

Total estimated cost: N/A

Source of Funds: _____

Is item already included in fiscal year budget? Yes No

Does item represent a new expenditure? Yes No

Does item represent a pass-through purchase? Yes No

If so, for what city/county/etc.? _____

PROCUREMENT: The audit services were acquired based on response to a RFP.

ACTION REQUESTED:

Accept the Annual Financial Report of the Capital Area Council of Governments for the Year Ended September 30, 2020.

BACK-UP DOCUMENTS ATTACHED:

1. Required Auditor Disclosure Letter from Whitley Penn, LLP
2. Annual Financial Report of the Capital Area Council of Governments for the Year Ended September 30, 2020.

BACK-UP DOCUMENTS NOT ATTACHED (to be sent prior to meeting or will be a handout at the meeting): None

April 23, 2021

To the Executive Committee Members of
Capital Area Council of Governments
Austin, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Capital Area Council of Governments (“CAPCOG”) as of and for the year ended September 30, 2020 and have issued our report thereon dated April 23, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated February 9, 2021, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of CAPCOG solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team and our firm, including its employees, have complied with all relevant ethical requirements regarding independence. As part of our audit, we assisted with the preparation of the financial statements and related notes. We have implemented safeguards to reduce the threats to independence to an acceptable level.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by CAPCOG is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements was:

- Management's estimate of depreciation expense for depreciable capital assets is based on estimated useful lives.

We evaluated the key factors and assumptions used to develop the estimates and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. We did not identify any such misstatements.

In addition, professional standards require us to communicate to you all material journal entries that were brought to the attention of management as a result of our audit procedures. The attached list of journal entries that we proposed as a result of our audit procedures were brought to the attention of, and approved by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to CAPCOG's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the letter dated April 23, 2021.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with CAPCOG, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as CAPCOG's auditors.

Other Matters

With respect to the supplementary information accompanying the financial statements, 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.

This report is intended solely for the information and use of the Executive Committee and management of CAPCOG and is not intended to be and should not be used by anyone other than these specified parties.



Austin, Texas
April 23, 2021

Client: 651183.0 - Capital Area Council of Governments				
Engagement: 651183.0 - Capital Area Council of Governments - NEW				
Period Ending: 9/30/2020				
Trial Balance: TB				
Workpaper: 3700.00 - Adjusting Journal Entries Report				
Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1002				
WP - A/E Internal Cost Allocation True Up		1100.25		
100-5592	Internal Expense Offset Acct		1,202.00	
100-5416	Other Expense			1,202.00
Total			1,202.00	1,202.00
Adjusting Journal Entries JE # 1003				
WP - To record AT&T credit as of 10/1/2019		3700.17		
900-1541	Other Prepaid		3,236,784.00	
900-3321	Restricted			3,236,784.00
Total			3,236,784.00	3,236,784.00
Adjusting Journal Entries JE # 1004				
WP - To record AT&T invoice dated 9/16/2020		3700.17		
900-2112	Trade Accounts Payable 911		75,061.00	
900-1541	Other Prepaid			75,061.00
Total			75,061.00	75,061.00
Total			34,738.00	34,738.00



ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2020

CAPITAL AREA COUNCIL OF GOVERNMENTS
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REPORT OF INDEPENDENT AUDITORS

To the Executive Committee Members of
Capital Area Council of Governments
Austin, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Capital Area Council of Governments (“CAPCOG”), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise CAPCOG’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

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

To the Executive Committee Members of
Capital Area Council of Governments

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of CAPCOG, as of September 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 to 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise CAPCOG's basic financial statements. The combining nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State of Texas *Uniform Grant Management Standards* and are also not a required part of the basic financial statements.

The combining nonmajor fund financial statements and schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Executive Committee Members of
Capital Area Council of Governments

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 23, 2021 on our consideration of CAPCOG's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CAPCOG's internal control over financial reporting and compliance.

Whitley Penn LLP

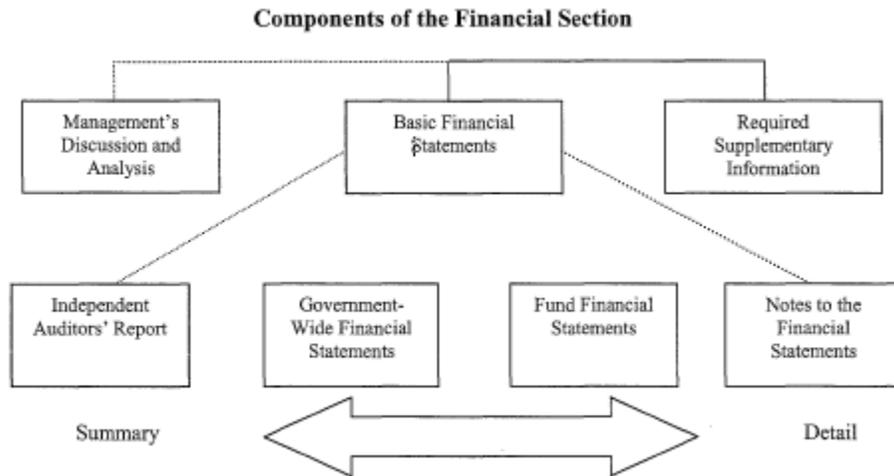
Austin, Texas
April 23, 2021



CAPITAL AREA COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020

The purpose of management's discussion and analysis ("MD&A") is to give the readers an objective and easily readable analysis of the financial activities of Capital Area Council of Governments ("CAPCOG") for the year ending September 30, 2020. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of CAPCOG's activities. Please read the MD&A in conjunction with CAPCOG's financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT



CAPCOG's basic financial report include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The government-wide statements report information for CAPCOG as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of CAPCOG as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in CAPCOG's financial statements, report information on CAPCOG's activities that enable the reader to understand the financial condition of CAPCOG. These statements are prepared using the *accrual basis of accounting*, which is similar to the accounting method used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of CAPCOG's assets and liabilities, 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 CAPCOG is improving or deteriorating.

The Statement of Activities presents information showing how CAPCOG's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows - the accrual method rather than the modified accrual method that is used in the fund level statements.

CAPITAL AREA COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The Statement of Net Position and the Statement of Activities present one class of activities:

1. Governmental Activities - CAPCOG's basic services are reported here including services from the Capital Area Emergency Communication District (“CAECD”), general government, aging, agriculture, economic development, transportation, criminal justice, homeland security, and environmental quality. Emergency District state mandated 911 fees, grants, membership dues, and contract service revenue finance most of these activities.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is CAPCOG. They are usually segregated for specific activities or objectives. CAPCOG uses fund accounting to ensure and demonstrate compliance with finance-related legal reporting requirements. CAPCOG uses only one category of funds, which is governmental.

Governmental Funds

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

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

CAPCOG maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, aging fund, and the CAECD, which are considered to be major funds for reporting purposes.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of CAPCOG's financial position. Assets exceed liabilities by \$35,413,360 as of September 30, 2020 for the primary government. A portion of the CAPCOG's net position in the amount of \$3,442,568 (9.7%) reflects its investments in capital assets (e.g., property, equipment, and leasehold improvements). CAPCOG uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

CAPITAL AREA COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Total Dollar
	2020	2019	Change
			2020-2019
Current and other assets	\$ 34,571,538	\$ 29,441,254	\$ 5,130,284
Capital assets, net	3,442,568	2,484,146	958,422
Total Assets	38,014,106	31,925,400	6,088,706
Other liabilities	2,600,746	2,421,703	179,043
Total Liabilities	2,600,746	2,421,703	179,043
Net Position:			
Investment in capital assets	3,442,568	2,484,146	958,422
Restricted	29,725,607	25,211,566	4,514,041
Unrestricted	2,245,185	1,807,985	437,200
Total Net Position	\$ 35,413,360	\$ 29,503,697	\$ 5,909,663

A portion of CAPCOG's net position in the amount of \$29,725,607 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position, \$2,245,185 may be used to meet CAPCOG's ongoing obligations to members.

CAPCOG's total net position increased by \$2,672,879. This increase was largely due to the increase in aging operating grants and contributions related to Coronavirus Aid, Relief, and Economic Security (CARES) Act programs. The increase was offset by the decrease in general revenues and interest income. General revenues decreased by \$559,214 due to the decrease in contract service revenue as the related grants and programs in aging and homeland security division ended in the current fiscal year. In addition, interest income decreased significantly due to downturn in the economy as a result of pandemic.

CAPITAL AREA COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

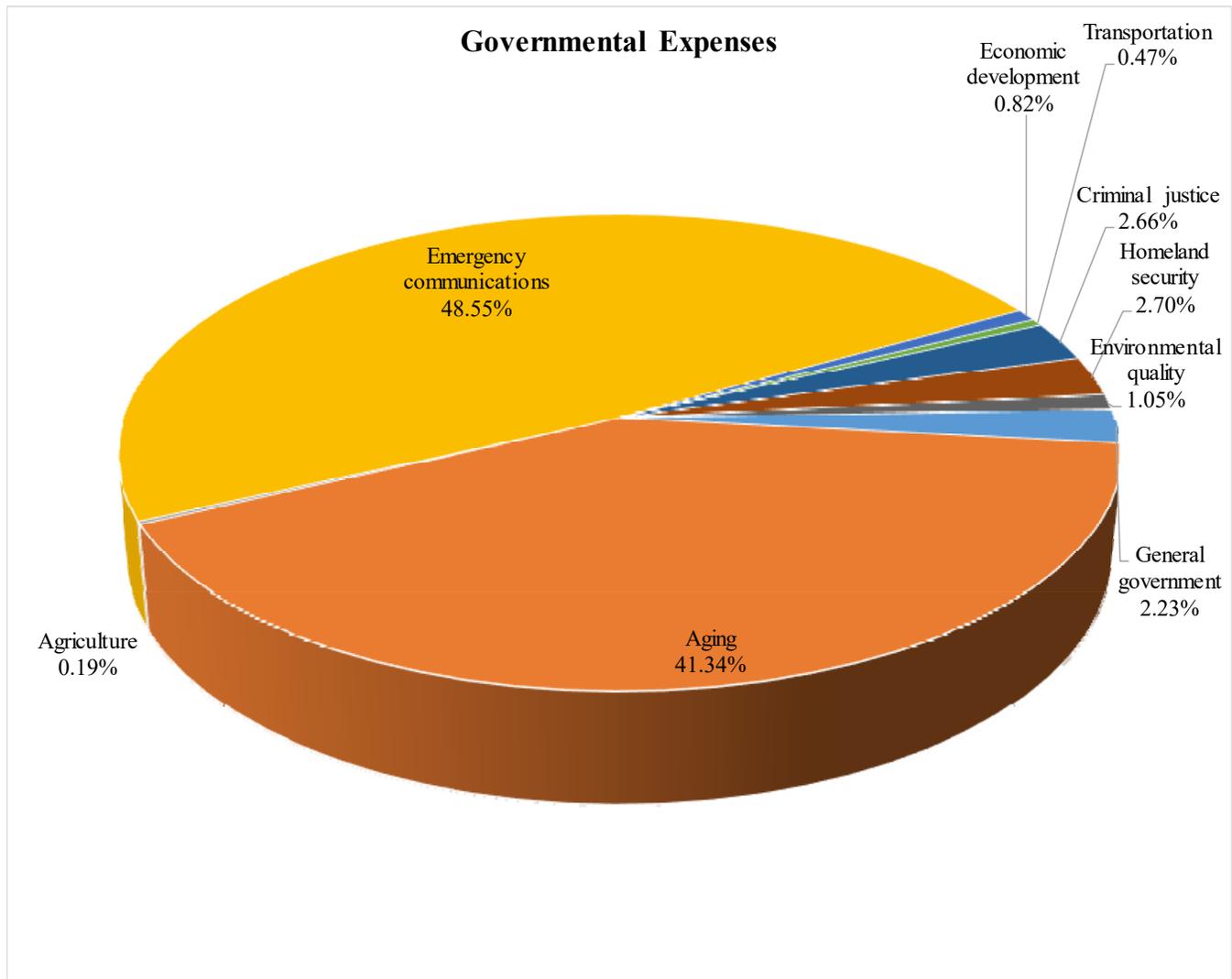
Statement of Activities

The following table provides a summary of CAPCOG's changes in net position:

	Governmental Activities		Total Dollar
	2020	2019	Change
			2020-2019
Revenues			
Program revenues:			
Charges for services	\$ 14,471,223	\$ 14,989,171	\$ (517,948)
Operating grants and contributions	11,965,521	10,481,782	1,483,739
General revenues:			
Membership dues	287,220	279,446	7,774
Contract service revenue	563,619	768,604	(204,985)
Miscellaneous	492,759	517,115	(24,356)
Interest income	232,629	570,276	(337,647)
Total Revenues	<u>28,012,971</u>	<u>27,606,394</u>	<u>406,577</u>
Expenses			
General government	564,779	968,180	(403,401)
Aging	10,475,259	9,070,313	1,404,946
Agriculture	49,306	8,391	40,915
Emergency communications	12,301,667	10,636,608	1,665,059
Economic development	206,678	238,571	(31,893)
Transportation	118,962	183,538	(64,576)
Criminal justice	674,524	653,172	21,352
Homeland security	684,098	518,669	165,429
Environmental quality	264,819	389,802	(124,983)
Total Expenses	<u>25,340,092</u>	<u>22,667,244</u>	<u>2,672,848</u>
Change in Net Position	2,672,879	4,939,150	(2,266,271)
Beginning net position	29,503,697	24,564,547	4,939,150
Prior period adjustment	3,236,784	-	3,236,784
Ending net position	<u>\$ 35,413,360</u>	<u>\$ 29,503,697</u>	<u>\$ 5,909,663</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Graphic presentations of selected data from the summary tables follow to assist in the analysis of CAPCOG's activities.



For the year ended September 30, 2020, revenues from governmental activities totaled \$28,012,971, an increase of \$406,577 over the prior year. This increase was primarily due to the increase in operating grants and contributions related to aging offset by the decrease in charges for services, contract service revenue, and interest income.

As of the end of the fiscal year, expenses for governmental activities totaled \$25,340,092, which represents an increase of \$2,672,848 over the prior year. This increase was primarily due to the increase in aging which was in line with the increase in operating grants and contributions and increase in emergency communication expenses due to the maintenance and support for the training software and replacement of equipment paid during the fiscal year.

In the current fiscal year, CAPCOG recorded a prior period adjustment in the amount of \$3,236,784 for credits that CAECD has with AT&T due to payments made in prior years for project costs that were originally capitalized and depreciated or expensed. The projects costs were not actually incurred due to newer technology being developed before the projects were started.

CAPITAL AREA COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

FINANCIAL ANALYSIS OF CAPCOG'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

CAPCOG's governmental funds reflect a combined fund balance of \$32,239,809. Of this, \$2,324,046 is unassigned, \$190,156 is nonspendable related to general fund prepaid items, and \$29,725,607 is restricted for various purposes.

The general fund reported a fund balance of \$2,514,202, an increase of \$468,724 over the prior year. In the aging fund, expenditures exceeded revenues by \$29,618 resulting in a restricted fund balance of \$121,325 at fiscal year-end. The CAECD fund reported a fund balance of \$29,270,120, which is an increase of \$4,509,018 due primarily to a prior period adjustment in the amount of \$3,236,784 related to credits with AT&T. In addition, the total revenues for CAECD exceeded expenditures by \$1,272,234.

CAPITAL ASSETS

At the end of the year, CAPCOG's governmental activities had invested \$3,442,568, in a variety of capital assets, including equipment for emergency communications net of accumulated depreciation.

More detailed information about CAPCOG's capital assets, is presented in Note 3 - C to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

CAPCOG is dependent on federal and state funding, which may vary widely from year to year. The federal economic condition and federal and state budget deficits can impact the re-authorization of funds available to local governments.

For fiscal year 2021, CAPCOG has expected revenues of \$33,323,728.

CONTACTING CAPCOG'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of CAPCOG's finances. Questions concerning this report or requests for additional financial information should be directed to Capital Area Council of Governments, 6800 Burleson Road, Building 310, Suite 165, Austin, Texas 78744.

BASIC FINANCIAL STATEMENTS



CAPITAL AREA COUNCIL OF GOVERNMENTS
STATEMENT OF NET POSITION
September 30, 2020

	Primary Government Governmental Activities
Assets	
Cash and cash equivalents	\$ 27,184,077
Receivables	1,118,435
Due from grantor agencies	2,652,067
Prepaid items	3,616,959
	<u>34,571,538</u>
Capital assets:	
Net depreciable capital assets	3,442,568
Total Assets	<u>38,014,106</u>
Liabilities	
Accounts payable	1,816,646
Employee retirement payable	217,290
Accrued compensated absences	269,017
Unearned revenue	297,793
Total Liabilities	<u>2,600,746</u>
Net Position	
Investment in capital assets	3,442,568
Restricted	29,725,607
Unrestricted	2,245,185
Total Net Position	<u>\$ 35,413,360</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
STATEMENT OF ACTIVITIES
September 30, 2020

Functions/Programs	Expenses	Indirect and Internal Cost Allocation	Expenses After Indirect and Internal Cost Allocation
Primary Government:			
Governmental Activities			
General government	\$ 2,458,591	\$ (1,893,812)	\$ 564,779
Aging	9,809,370	665,889	10,475,259
Agriculture	41,624	7,682	49,306
Emergency communication	11,381,699	919,968	12,301,667
Economic development	158,752	47,926	206,678
Transportation	113,093	5,869	118,962
Criminal justice	550,576	123,948	674,524
Homeland security	607,153	76,945	684,098
Environmental quality	219,234	45,585	264,819
Total Governmental Activities	25,340,092	-	25,340,092
Total Primary Government	\$ 25,340,092	\$ -	\$ 25,340,092

CAPITAL AREA COUNCIL OF GOVERNMENTS
STATEMENT OF ACTIVITIES
 September 30, 2020

<u>Functions/Programs</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
Primary Government:			
Governmental Activities			
General government	\$ 95	\$ -	\$ (564,684)
Aging	-	10,308,558	(166,701)
Agriculture	-	49,306	-
Emergency communication	14,263,604	-	1,961,937
Economic development	-	206,678	-
Transportation	-	118,962	-
Criminal justice	207,524	370,235	(96,765)
Homeland security	-	655,470	(28,628)
Environmental quality	-	256,312	(8,507)
Total Governmental Activities	<u>14,471,223</u>	<u>11,965,521</u>	<u>1,096,652</u>
Total Primary Government	<u>\$ 14,471,223</u>	<u>\$ 11,965,521</u>	<u>1,096,652</u>
General Revenues:			
Membership dues			287,220
Contract service revenue			563,619
Miscellaneous			492,759
Interest income			232,629
Total General Revenues			<u>1,576,227</u>
Change in Net Position			2,672,879
Beginning Net Position			29,503,697
Prior period adjustment			3,236,784
Ending Net Position			<u>\$ 35,413,360</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
BALANCE SHEET - GOVERNMENTAL FUNDS
 September 30, 2020

	<u>General</u>	<u>Aging</u>	<u>Capital Area Emergency Communication District</u>
Assets			
Cash and cash equivalents	\$ 1,228,815	\$ -	\$ 25,817,589
Receivables	66,953	50,569	981,267
Due from grantor agencies	-	2,251,328	-
Due from other funds	2,559,768	-	-
Prepaid items	190,156	-	3,426,803
Total Assets	<u>4,045,692</u>	<u>2,301,897</u>	<u>30,225,659</u>
Liabilities			
Accounts payable	1,032,462	28	784,156
Employee retirement payable	217,290	-	-
Due to other funds	218,879	2,180,544	171,383
Unearned revenue	62,859	-	-
Total Liabilities	<u>1,531,490</u>	<u>2,180,572</u>	<u>955,539</u>
Fund Balances			
Nonspendable	190,156	-	-
Restricted	-	121,325	29,270,120
Unassigned	2,324,046	-	-
Total Fund Balances	<u>2,514,202</u>	<u>121,325</u>	<u>29,270,120</u>
Total Liabilities and Fund Balances	<u>\$ 4,045,692</u>	<u>\$ 2,301,897</u>	<u>\$ 30,225,659</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
BALANCE SHEET - GOVERNMENTAL FUNDS
 September 30, 2020

	Nonmajor Special Revenue	Total Governmental Funds
	<u> </u>	<u> </u>
Assets		
Cash and cash equivalents	\$ 137,673	\$ 27,184,077
Receivables	2,200	1,100,989
Due from grantor agencies	418,185	2,669,513
Due from other funds	218,879	2,778,647
Prepaid items	-	3,616,959
Total Assets	<u>776,937</u>	<u>37,350,185</u>
Liabilities		
Accounts payable	-	1,816,646
Employee retirement payable	-	217,290
Due to other funds	207,841	2,778,647
Unearned revenue	234,934	297,793
Total Liabilities	<u>442,775</u>	<u>5,110,376</u>
Fund Balances		
Nonspendable	-	190,156
Restricted	334,162	29,725,607
Unassigned	-	2,324,046
Total Fund Balances	<u>334,162</u>	<u>32,239,809</u>
Total Liabilities and Fund Balances	<u>\$ 776,937</u>	<u>\$ 37,350,185</u>



CAPITAL AREA COUNCIL OF GOVERNMENTS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
September 30, 2020

Total fund balances - governmental funds \$ 32,239,809

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. 6,354,516

Accumulated depreciation has not been included in the fund financial statements. (2,911,948)

Accrued liabilities for compensated absences are not due and payable in the current period and have not been reflected in the fund financial statements. (269,017)

Total Net Position of Governmental Activities **\$ 35,413,360**

CAPITAL AREA COUNCIL OF GOVERNMENTS
STATEMENT REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2020

	<u>General</u>	<u>Aging</u>	<u>Capital Area Emergency Communication District</u>
Revenues			
Federal grants	\$ -	\$ 6,952,828	\$ -
State grants	-	682,541	-
Membership dues	287,220	-	-
Local match	(128,866)	-	-
Other local revenue	-	-	14,263,604
Miscellaneous	462,711	-	20,059
Interest	14,602	-	213,584
Tuition fees	95	-	-
Contract service revenue	247,271	214,613	-
Contractual local match	-	2,586,434	-
Total Revenues	<u>883,033</u>	<u>10,436,416</u>	<u>14,497,247</u>
Expenditures			
General government	414,309	-	-
Aging	-	10,466,034	-
Agriculture	-	-	-
Emergency communications	-	-	13,225,013
Economic development	-	-	-
Transportation	-	-	-
Criminal justice	-	-	-
Homeland security	-	-	-
Environmental quality	-	-	-
Total Expenditures	<u>414,309</u>	<u>10,466,034</u>	<u>13,225,013</u>
Net Change in Fund Balances	468,724	(29,618)	1,272,234
Beginning Fund Balances	2,045,478	150,943	24,761,102
Prior period adjustment	-	-	3,236,784
Ending Fund Balances	<u>\$ 2,514,202</u>	<u>\$ 121,325</u>	<u>\$ 29,270,120</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
STATEMENT REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2020

	Nonmajor Special Revenue	Total Governmental Funds
Revenues		
Federal grants	\$ 994,187	\$ 7,947,015
State grants	611,330	1,293,871
Membership dues	-	287,220
Local match	-	(128,866)
Other local revenue	-	14,263,604
Miscellaneous	-	482,770
Interest	4,443	232,629
Tuition fees	207,524	207,619
Contract service revenue	191,070	652,954
Contractual local match	48,866	2,635,300
Total Revenues	<u>2,057,420</u>	<u>27,874,116</u>
Expenditures		
General government	-	414,309
Aging	-	10,466,034
Agriculture	49,306	49,306
Emergency communications	-	13,225,013
Economic development	206,678	206,678
Transportation	118,962	118,962
Criminal justice	702,177	702,177
Homeland security	684,901	684,901
Environmental quality	260,755	260,755
Total Expenditures	<u>2,022,779</u>	<u>26,128,135</u>
Net Change in Fund Balances	34,641	1,745,981
Beginning Fund Balances	299,521	27,257,044
Prior period adjustment	-	3,236,784
Ending Fund Balances	<u>\$ 334,162</u>	<u>\$ 32,239,809</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2020

Net changes in fund balances - total governmental funds \$ 1,745,981

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

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities, the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital purchases	1,874,493
Depreciation expense	(916,071)

Some expenses reported in the Statement of Activities do not require the use of
current financial resources and , therefore, are not reported as expenditures in
governmental funds.

Compensated absences	<u>(31,524)</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 2,672,879</u></u>
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CAPITAL AREA COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

Capital Area Council of Governments (“CAPCOG”) is a voluntary association of local government units created under Chapter 391 of the Texas Local Government Code.

CAPCOG has been designated as State Planning Region 12 located in central Texas with the stated purpose of improving health, safety, and the general welfare of their citizens and to plan for the future development of the region. It does not have stockholders or equity holders and is not subject to income taxes. The region served includes Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano, Travis, and Williamson counties of Texas.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in CAPCOG's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether CAPCOG is a part of any other governmental or other type of reporting entity. The overriding elements associated with the prescribed criteria considered in determining that CAPCOG's financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The employees' pension plan is a defined contribution plan, which does not meet the Governmental Accounting Standards Board (“GASB”) criteria for inclusion. Accordingly, the employees' pension plan is not included in CAPCOG's financial statements.

Capital Area Emergency Communication District

Capital Area Emergency Communication District (“CAECD”) has been included in the reporting entity as a blended component unit. CAECD was established in 2013 by local governments in State Planning Region 12 under Chapter 772, Health and Safety Code, Subchapter G. CAECD oversees 9-1-1 services to local governments in State Planning Region 12. The 25-member Executive Committee, CAPCOG’s governing body, serves as CAECD's Board of Managers charged with determining funding sources, setting governing policy, appointing a technical advisory committee, adopting a budget, and staffing CAECD. CAECD is responsible for managing revenue collected from state set fees for land line and wireless phones. CAECD is included in CAPCOG's reporting entity because of the significance of its operational and financial relationship with CAPCOG. CAPCOG’s Executive Committee is either able to impose its will on CAECD or has a financial benefit/burden due to its existence.

Capital Area Economic Development District

Capital Area Economic Development District (“CAEDD”), a nonprofit corporation, has been included in the reporting entity as a blended component unit. CAEDD was established in 1989 by local governments in State Planning Region 12 under section 403 of the Public Works and Economic Development Act of 1965. CAEDD serves the State Planning Region 12 by providing services to promote economic growth in the region. The Board of Directors of CAEDD must be appointed by CAPCOG’s Executive Committee. CAEDD is responsible for managing revenue collected from grants and local government match dollars to promote economic growth. CAEDD is included in the CAPCOG's reporting entity because of the significance of their operational and financial relationship with CAPCOG.

CAPITAL AREA COUNCIL OF GOVERNMENTS

NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

Capital Area Initiative Foundation

Capital Area Initiatives Foundation, a nonprofit organization exempt under Internal Revenue Code Section 501(c)(3), is not financially accountable to CAPCOG and, therefore, is not considered a component unit.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of the primary government. Governmental activities are normally supported by intergovernmental revenues.

C. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about CAPCOG's funds including its blended component units. Separate statements for each governmental fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

CAPCOG reports the following governmental funds:

The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal source of revenues is intergovernmental revenues. Expenditures include general government costs. The general fund is always considered a major fund for reporting purposes.

The *special revenue funds* are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The restricted or committed proceeds of specific revenue sources comprise a substantial portion of the inflows of these special revenue funds. The special revenue funds include the aging fund, CAECD, criminal justice division fund, economic development administrative fund, Texas department of agriculture fund, homeland security division fund, Texas department of transportation fund, and Texas commission on environmental quality fund. The Aging and CAECD special revenue funds are considered major funds for reporting purposes. The remaining special revenue funds are considered nonmajor.

CAPITAL AREA COUNCIL OF GOVERNMENTS

NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

D. Basis of Presentation - Fund Financial Statements (continued)

During the course of operations, CAPCOG has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. Measurement Focus and Basis of Accounting

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, CAPCOG considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. General capital asset acquisitions are reported as expenditures in governmental funds.

Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by CAPCOG.

CAPITAL AREA COUNCIL OF GOVERNMENTS

NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

CAPCOG's cash and cash equivalents are considered to be cash on hand, demand deposits, and investment pools with original maturities of three months or less from the date of acquisition. CAPCOG maintains a pooled cash account. Each fund whose monies are deposited in the pooled cash account has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at the previous month end.

2. Investments

CAPCOG reports all investments at fair value based on quoted market prices at year-end date, except for local government investment pools. CAPCOG's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

CAPCOG categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

CAPCOG has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. CAPCOG is authorized to invest in the following types of securities, within the restrictions of the Public Funds Investment Act. CAPCOG is not required to liquidate investments that were authorized investments at the time of purchase:

- U.S. Government Obligations
- State of Texas Direct Obligations
- Certificates of Deposit
- Collateralized Mortgage Obligations (CMOs)
- Commercial Paper
- Repurchase Agreements
- Investment Pools

3. Receivables

Receivables are comprised of grants due from other governments, membership dues, tuition fees, employee travel advances, and other miscellaneous receivables. Balances in receivables accounts are expected to be collected within one year.

4. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). Certain payments to vendors reflect costs applicable to the future accounting period (prepaid expenditures) are recognized as expenditures when utilized.

CAPITAL AREA COUNCIL OF GOVERNMENTS

NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

5. Capital Assets

Capital assets, which include property, equipment, and leasehold improvements, are reported in the governmental column in the government-wide financial statements. Capital assets are defined by CAPCOG as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. CAPCOG does not capitalize net interest cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of assets are not capitalized.

Property, equipment, and leasehold improvements of the primary government are depreciated using the straight-line method over the following estimated useful years:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Furniture	3 years
Office and computer equipment	5 years
Emergency communications equipment	5 years
Leasehold improvements	10 years (lease term)

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. CAPCOG has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. CAPCOG has no items that qualify for reporting in this category.

7. Compensated Absences

It is CAPCOG's policy to permit employees in permanent, full-time positions to accumulate earned but unused vacation, sick, and compensatory time. Earned time that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay for it. Amounts of vested or accumulated leave that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

CAPITAL AREA COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

8. Net Position Flow Assumption

Sometimes CAPCOG will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is CAPCOG's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

9. Fund Balance Flow Assumptions

Sometimes CAPCOG will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is CAPCOG's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Fund Balance Policies

Fund balance classifications are nonspendable, restricted, committed, assigned, and unassigned. Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Fund balance can have different levels of constraint, such as external versus internal compliance requirements. Nonspendable includes amount that cannot be spent because they are either not in spendable form, or for legal or contractual reasons, must be kept intact. This classification includes prepaid items. Restricted fund balance includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation. This classification includes state and federal grants. Unassigned fund balance is a residual classification within the General Fund.

CAPCOG itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of CAPCOG's highest level of decision-making authority. The Executive Committee is the highest level of decision-making authority for CAPCOG that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by CAPCOG for specific purposes but do not meet the criteria to be classified as committed. The Executive Committee may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

CAPITAL AREA COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

11. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts 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/expenses during the reporting period. Actual results could differ from those estimates.

12. CAPCOG Cash Match Allocation

In accordance with terms and provisions of the various grant contracts, CAPCOG is required to provide a specific percentage of local matching funds to support some of the grant programs.

13. Local In-Kind Contributions

Personnel, goods, and services contributed by subcontractors and local governments are recorded as revenue when they serve as the matching funds required under the provisions of the grant. Offsetting charges of equal amounts are recorded as expenditures of the appropriate grant project.

The value assigned to personnel services of volunteers is based upon the rates paid for similar work in other state and local governments or on the federal minimum wage. The value assigned for use of space is based on the estimated fair market value of the space.

14. Indirect Cost Rate

Administrative costs are recorded in the general fund as indirect costs in CAPCOG's accounting system and allocated to elements of the special revenue funds based upon a calculated indirect cost rate. Indirect costs are defined as "costs (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objective specifically benefited, without effort disproportionate to the results achieved." CAPCOG's indirect cost rate is based upon prior cost experience, documented by a cost allocation plan, and is submitted to a cognizant federal agency in accordance with the provisions of OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (codified in 2 CFR Part 200). The fiscal year 2020 indirect cost rate is 27.15 percent which was calculated using a direct cost rate base type of salaries and wages.

15. Unearned Revenue

Unearned revenues arise from the receipt of grant funds and other revenues prior to the expenditure for its restricted purpose. The unearned revenue is recognized as revenue when the related expenditure is made.

G. Revenues and Expenditures/Expenses

Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment.

CAPITAL AREA COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

H. Implementation of New Accounting Standards

The following GASB pronouncements have been implemented by CAPCOG in the current fiscal year:

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This Statement was issued in March 2020. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The requirements of this Statement are effective immediately.

The effective dates of the following pronouncements are postponed by 12 months:

- Statement No. 83, *Certain Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
- Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
- Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
- Implementation Guide No. 2019-2, *Fiduciary Activities*

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*

The following GASB pronouncements have been issued but not yet implemented by CAPCOG:

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. It was issued in June 2020, but the requirements in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately. The requirements in paragraphs 6–9 of this Statement are effective for fiscal years beginning after June 15, 2021. Implementation of this Statement is planned for fiscal year 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement was issued in May 2020 and provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This statement is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Implementation of this Statement is planned for fiscal year 2023.

CAPCOG AREA COUNCIL OF GOVERNMENTS

NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Stewardship, Compliance, and Accountability

CAPCOG prepares annual operating budgets based on expected revenues from various state and federal grantor agencies. The grants relate to specific programs that contemplate revenues and expenditures over the lives of each program and generally have funding periods different from the budget year. The annual budget, which is approved by CAPCOG's Executive Committee (the "Committee"), is based on estimates of the portions of the various programs that will be completed during the fiscal year. Additionally, grants applied for may not be funded, other grants not anticipated at the time that the budget is prepared may be obtained and funded during the budget year, or supplemental funding may be received for existing grants. As a result, the actual revenues and expenditures may vary substantially from original budget estimates.

The budgets are reviewed and approved by the Committee, but are not legally adopted budgets or appropriations as defined in *Governmental Accounting and Financial Reporting Principles, Statement 1*. Accordingly, comparative budget and actual results are not presented in the basic financial statements.

Note 3 - Detailed Notes on all Funds

A. Deposits and Investments

As of September 30, 2020, CAPCOG had the following investments:

<u>Investment Type</u>	<u>Amortized Cost</u>	<u>Weighted Average Maturity (Days)</u>
Local government investment pools	\$ 24,091,223	38
Total Amortized Cost	<u>\$ 24,091,223</u>	
Portfolio weighted average maturity		38

Custodial credit risk- deposits. In the case of deposits, this is the risk that in the event of a bank failure, CAPCOG's deposits may not be returned to it. As of September 30, 2020, the primary government had bank deposits of \$3,298,442. CAECD's bank deposits represented \$2,684,154 of this balance. As of September 30, 2020, the carrying amount of the deposits of the primary government were \$3,092,854. CAECD's carrying amount of deposits represented \$2,625,824 of this balance.

CAPCOG's investment policy requires funds on deposit at the depository bank to be collateralized by securities. At year-end, market values of CAPCOG's pledged securities and Federal Deposit Insurance Corporation ("FDIC") insurance exceeded bank balances.

Credit risk. CAPCOG's investment policy limits investments to those rated as to investment quality not less than "AAA" by a nationally recognized investment rating firm. As of September 30, 2020, CAPCOG's investments in TexPool were rated "AAAm" by Standard & Poor's.

TexPool

TexPool policies require that local government deposits be used to purchase investments authorized by the Public Funds Investment Act ("PFIA") of 1987, as amended. The Texas State Comptroller of Public Accounts has oversight responsibility for TexPool. TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company ("Trust Company") to provide a safe environment for the placement of local government funds in authorized short-term, fully collateralized investments, including direct obligations of, or obligations guaranteed by, the United States or State of Texas or their agencies; federally insured certificates of deposit issued by Texas banks or savings and loans; and fully collateralized direct repurchase agreements secured by United States Government agency securities and placed through a primary government securities dealer.

CAPITAL AREA COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 3 - Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

TexPool (continued)

The Trust Company was incorporated by the State Treasurer by authority of the Texas Legislature as a special purpose trust company with direct access to the services of the Federal Reserve Bank to manage, disburse, transfer, safe keep, and invest public funds and securities more efficiently and economically. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. TexPool uses amortized cost rather than fair value to report net position to compute share prices. The fair value of the position in TexPool is the same as the value of TexPool shares. Accordingly, CAPCOG's investments in TexPool are stated at cost, which approximates fair value. TexPool is currently rated AAAM by Standard and Poor's. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss.

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, TexPool does not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

B. Receivables

Amounts are aggregated into a single accounts receivable line for certain funds and aggregated columns. Below is the detail of receivables for the general, aging, capital area emergency communication district, and nonmajor special revenue funds.

Receivables	General	Aging	Capital Area Emergency Communication District	Nonmajor Special Revenue	Total
Federal Grants	\$ -	\$ 2,070,182	\$ -	\$ 295,290	\$ 2,365,472
State Grants	-	181,146	-	122,895	304,041
Contract Revenue	41,675	50,569	-	2,200	94,444
Private Switch	-	-	6,624	-	6,624
Wireless fees	-	-	810,172	-	810,172
Wireline fees	-	-	164,471	-	164,471
Miscellaneous	25,278	-	-	-	25,278
	<u>\$ 66,953</u>	<u>\$ 2,301,897</u>	<u>\$ 981,267</u>	<u>\$ 420,385</u>	<u>\$ 3,770,502</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 3 - Detailed Notes on all Funds (continued)

C. Capital Assets

A summary of changes in capital assets at year-end is as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending Balances</u>
Governmental Activities				
Capital assets being depreciated:				
Furniture and equipment	\$ 4,993,041	\$ 1,874,493	\$ (2,261,358)	\$ 4,606,176
Leasehold improvements	1,748,340	-	-	1,748,340
Total capital assets being depreciated	<u>6,741,381</u>	<u>1,874,493</u>	<u>(2,261,358)</u>	<u>6,354,516</u>
Less accumulated depreciation for:				
Furniture and equipment	(3,762,437)	(741,237)	2,261,358	(2,242,316)
Leasehold improvements	(494,798)	(174,834)	-	(669,632)
Total accumulated depreciation	<u>(4,257,235)</u>	<u>(916,071)</u>	<u>2,261,358</u>	<u>(2,911,948)</u>
Total capital assets, net	<u>2,484,146</u>	<u>958,422</u>	<u>-</u>	<u>3,442,568</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 2,484,146</u>	<u>\$ 958,422</u>	<u>\$ -</u>	<u>\$ 3,442,568</u>

Depreciation was charged to governmental functions as follows:

General government	\$ 12,524
Emergency communications	878,794
Criminal justice	8,967
Homeland security	6,022
Environmental quality	9,764
Total	<u>\$ 916,071</u>

D. Commitments

CAPCOG leases office space and certain equipment under several long-term operating leases. CAPCOG entered into a ten-year office space lease with payments beginning April 1, 2017. At September 30, 2020, CAPCOG was committed for rental payments as follows:

<u>Fiscal Year Ended</u>	<u>Amounts</u>
2021	\$ 844,878
2022	832,716
2023	857,862
2024	880,056
2025	905,940
2026-2027	1,404,207
Total	<u>\$ 5,725,659</u>

Lease expenses for office space and office equipment was \$1,218,368 for the year ended September 30, 2020.

CAPITAL AREA COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 3 - Detailed Notes on all Funds (continued)

E. Interfund Transactions

The composition of interfund balances as of year-end was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Due From / To Other Funds</u>
General	Aging	\$ 2,180,544
General	Capital Area Emergency Communication District	171,383
General	Nonmajor funds	207,841
Nonmajor funds	General	218,879
		<u>\$ 2,778,647</u>

Amounts recorded as due to/from are considered to be temporary loans and will be repaid during the following year.

F. Accrued Compensated Absences

Employees in permanent, full-time positions earn eight hours of vacation with pay and one day of sick leave for each month of service for the first three years of employment and ten hours per month of vacation thereafter. Employees may accumulate up to 30 days of vacation and six days of sick leave (after three years of service) that are vested in the event of termination. Accrued vacation and sick leave included in accrued compensated absences was \$269,017 at September 30, 2020.

	<u>Beginning Balances</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending Balances</u>
Governmental Activities				
Compensated Absences	\$ 237,493	\$ 32,440	\$ (916)	\$ 269,017
Total	<u>\$ 237,493</u>	<u>\$ 32,440</u>	<u>\$ (916)</u>	<u>\$ 269,017</u>

G. Unearned Revenues

Amounts are aggregated into a single unearned revenues line for general and nonmajor special revenue funds. Below is the detail of unearned revenues.

<u>Unearned Revenues</u>	<u>General</u>	<u>Nonmajor Special Revenue</u>	<u>Total</u>
Membership Dues	\$ 62,859	\$ -	\$ 62,859
CJD Basic Peace Officer Course	-	44,302	44,302
TCEQ	-	190,128	190,128
Homeland Security	-	504	504
	<u>\$ 62,859</u>	<u>\$ 234,934</u>	<u>\$ 297,793</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 3 - Detailed Notes on all Funds (continued)

H. Prior Period Adjustment

In the current fiscal year, CAPCOG recorded a prior period adjustment in the amount of \$3,236,784 for credits that CAECD has with AT&T due to payments made in prior years for project costs that were originally capitalized and depreciated or expensed. The projects costs were not actually incurred due to newer technology being developed before the projects were started.

	Statement of Activities	Statement of Revenues, Expenses and Changes in Net Position
	Governmental Activities	Capital Area Emergency Communication District
Net position/Fund Balance at September 30, 2019, as previously reported	\$ 29,503,697	\$ 24,761,102
Prior Period Adjustment:		
Prepayments/credits with AT&T	<u>3,236,784</u>	<u>3,236,784</u>
Net position/Fund Balance at October 1, 2019, as restated	<u>\$ 32,740,481</u>	<u>\$ 27,997,886</u>

I. Subsequent Event

In preparing these financial statements, CAPCOG has evaluated events and transactions for potential recognition or disclosure through April 23, 2021, the date on which the financial statements were available to be issued.

COVID-19

On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. On March 13, 2020, the Governor of Texas declared a state of disaster for all counties in Texas in response to the COVID-19.

The full extent of the ongoing impact of COVID-19 on CAPCOG’s fiscal year 2021 and longer-term operational and financial performance will depend on future developments, many of which are outside of its control, including the effectiveness of the mitigation strategies related to COVID-19, the duration and spread of COVID-19, and future governmental actions, all of which are highly uncertain and cannot be predicted.

CAPITAL AREA COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS (continued)

Note 4 - Other Information

A. Risk Management

CAPCOG is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which CAPCOG participates along with 2800 other entities in the Texas Municipal League's Intergovernmental Risk Pools (the "Pool"). The Pool purchases commercial insurance at a group rate for participants in the Pool. CAPCOG has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums. CAPCOG has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Delegate Agency Costs and Contingent Liabilities

For grants classified as secondary recipient grants, CAPCOG contracts with local governments and other local delegate agencies to perform the specific services set forth in the grant agreements. CAPCOG disburses grant funds to the delegate agencies based on monthly expenditure reports received from each delegate agency.

Each delegate agency is required to comply with federal and state audit requirements. CAPCOG requires each of its delegate agencies to submit audit reports. If such audits disclose expenditures not in accordance with the terms of the grants, the grantor agency could disallow the costs and require reimbursement of the disallowed costs either from CAPCOG or the delegate agency. CAPCOG generally has the right of recovery from the delegate agency.

The amount of expenditures which may be disallowed by the grantor cannot be determined at this time although CAPCOG expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

C. Pension Plans

CAPCOG provides pension benefits for all of its full-time employees through a defined contribution plan, which qualifies as a pension plan with 401(k) profit sharing provisions (the "Plan"). In a defined contribution plan, benefits depend solely on annual contributions by CAPCOG, voluntary contributions by employees, length of time an employee participates in the Plan, and investment earnings. The Plan covers all employees of CAPCOG immediately upon beginning their first full month of service.

CAPCOG's pension plan benefits are calculated on a calendar year basis. CAPCOG's total payroll for the calendar year 2020 was \$3,347,406. During calendar year 2020, CAPCOG accrued \$258,969 (8.0 percent of total base salaries) to the Plan which was paid out in March 2021. Employees made contributions of \$226,448 (7.0 percent of eligible payroll) during calendar year 2020. If an employee terminates during the calendar year, the employee forfeits the employer contribution of 8.0 percent.

OTHER SUPPLEMENTARY INFORMATION

CAPITAL AREA COUNCIL OF GOVERNMENTS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS BY FUNDING SOURCE
September 30, 2020

	<u>Economic Development Administration</u>	<u>Texas Department of Agriculture</u>	<u>Criminal Justice Division</u>
Assets			
Cash and cash equivalents	\$ -	\$ -	\$ -
Receivables	-	-	2,200
Due from grantor agencies	37,089	8,841	114,054
Due from other funds	-	-	166,424
Total Assets	<u>\$ 37,089</u>	<u>\$ 8,841</u>	<u>\$ 282,678</u>
Liabilities			
Due to other funds	37,089	8,841	-
Unearned revenue	-	-	44,302
Total Liabilities	<u>37,089</u>	<u>8,841</u>	<u>44,302</u>
Fund Balances			
Restricted	-	-	238,376
Total Fund Balances	<u>-</u>	<u>-</u>	<u>238,376</u>
Total Liabilities and Fund Balances	<u>\$ 37,089</u>	<u>\$ 8,841</u>	<u>\$ 282,678</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS BY FUNDING SOURCE
September 30, 2020

	Homeland Security Division	Texas Commission on Environmental Quality	Texas Department of Transportation	Total Nonmajor Special Revenue Funds
Assets				
Cash and cash equivalents	\$ -	\$ 137,673	\$ -	\$ 137,673
Receivables	-	-	-	2,200
Due from grantor agencies	258,201	-	-	418,185
Due from other funds	-	52,455	-	218,879
Total Assets	\$ 258,201	\$ 190,128	\$ -	\$ 776,937
Liabilities				
Due to other funds	161,911	-	-	207,841
Unearned revenue	504	190,128	-	234,934
Total Liabilities	162,415	190,128	-	442,775
Fund Balances				
Restricted	95,786	-	-	334,162
Total Fund Balances	95,786	-	-	334,162
Total Liabilities and Fund Balances	\$ 258,201	\$ 190,128	\$ -	\$ 776,937

CAPITAL AREA COUNCIL OF GOVERNMENTS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS BY FUNDING SOURCE
For the Year Ended September 30, 2020

	Economic Development Administration	Texas Department of Agriculture	Criminal Justice Division
Revenues			
Federal grants	\$ 187,314	\$ -	\$ 58,813
State grants	-	49,306	305,712
Contract service revenue	-	-	143,573
Interest	-	-	-
Tuition fees	-	-	207,524
Contractual local match	19,364	-	5,710
Total Revenues	<u>206,678</u>	<u>49,306</u>	<u>721,332</u>
Expenditures			
Current:			
Personnel services	135,751	21,087	350,282
Contractual services	-	-	50,775
Travel	1,264	476	1,202
Supplies and materials	-	-	75,954
Office space	7,332	-	99,299
Delegate agency costs	-	-	-
Miscellaneous	13,597	20,061	717
Internal expense allocation	24,141	-	62,083
Indirect cost allocation	24,593	7,682	61,865
Total Expenditures	<u>206,678</u>	<u>49,306</u>	<u>702,177</u>
Net Change in Fund Balances	-	-	19,155
Beginning Fund Balances	<u>-</u>	<u>-</u>	<u>219,221</u>
Ending Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 238,376</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS BY FUNDING SOURCE
For the Year Ended September 30, 2020

	Homeland Security Division	Texas Commission on Environmental Quality	Texas Department of Transportation	Total Nonmajor Special Revenue Funds
Revenues				
Federal grants	\$ 652,890	\$ -	\$ 95,170	\$ 994,187
State grants	-	256,312	-	611,330
Contract service revenue	47,497	-	-	191,070
Interest	-	4,443	-	4,443
Tuition fees	-	-	-	207,524
Contractual local match	-	-	23,792	48,866
Total Revenues	700,387	260,755	118,962	2,057,420
Expenditures				
Current:				
Personnel services	218,843	126,757	19,229	871,949
Contractual services	144,827	58,854	20,000	274,456
Travel	82	680	38	3,742
Supplies and materials	186,656	8,509	8,747	279,866
Office space	33,048	20,370	-	160,049
Delegate agency costs	-	-	-	-
Miscellaneous	-	-	65,079	99,454
Internal expense allocation	62,717	-	-	148,941
Indirect cost allocation	38,728	45,585	5,869	184,322
Total Expenditures	684,901	260,755	118,962	2,022,779
Net Change in Fund Balances	15,486	-	-	34,641
Beginning Fund Balances	80,300	-	-	299,521
Ending Fund Balances	\$ 95,786	\$ -	\$ -	\$ 334,162

CAPITAL AREA COUNCIL OF GOVERNMENTS
SCHEDULE OF INDIRECT COSTS
For the Year Ended September 30, 2020

	<u>Actual</u>	<u>Budget</u>
Salaries	\$ 313,703	\$ 315,246
Benefits	147,526	168,247
	<u>461,229</u>	<u>483,493</u>
Accounting/Auditing	25,232	28,059
Communications	5,021	4,882
Insurance	9,673	10,000
Legal	-	2,500
Postage	6,923	7,000
Printing	1,263	2,000
Photocopy expense	11,750	14,000
Other expense	1,808	-
Advertising	418	500
Professional development	2,763	1,900
Subscriptions dues	35,833	39,680
Travel	3,868	13,825
Office space	99,120	99,665
Professional Services	72	-
Equipment maintenance	-	8,000
Consumable supplies	9,441	10,254
Personnel payroll services	10,485	13,078
Computer support services	41,906	44,312
Total Indirect Expenditures	<u>726,805</u>	<u>783,148</u>
Indirect carry forward	22,486	1,750
Cost recovery CAECD	(234,285)	(234,285)
Total Indirect Costs Allocated	<u>\$ 515,006</u>	<u>\$ 550,613</u>
Indirect Cost Allocation Base	<u>\$ 1,833,365</u>	<u>\$ 2,027,826</u>
Indirect Rate	<u>28.09%</u>	<u>27.15%</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
SCHEDULE OF FRINGE BENEFITS
For the Year Ended September 30, 2020

	<u>Actual</u>	<u>Budget</u>
Payroll taxes	\$ 281,708	\$ 309,781
Group insurance	594,373	728,082
Workers' compensation insurance	11,226	13,731
Unemployment insurance	10,798	16,198
Retirement contribution	270,877	275,361
Professional Services	28,009	-
Other	27,288	67,808
Release time	456,289	475,028
Fringe Benefit Expenditures	\$ 1,680,568	\$ 1,885,989
Fringe carry forward	80,760	40,000
Total Fringe Benefits Allocated	\$ 1,761,328	\$ 1,925,989
Total wages	\$ 3,852,097	\$ 4,049,420
Release time	(456,289)	(475,028)
Basis for Allocation	\$ 3,395,808	\$ 3,574,392
Employee Benefit Rate	51.87%	53.88%



FEDERAL AND STATE AWARDS



REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Executive Committee Members of
Capital Area Council of Governments
Austin, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Capital Area Council of Governments (the “CAPCOG”), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise CAPCOG’s basic financial statements, and have issued our report thereon dated April 23, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

To the Executive Committee Members of
Capital Area Council of Governments

Purpose of this Report

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

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, professional style.

Austin, Texas
April 23, 2021

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE OF TEXAS
*UNIFORM GRANT MANAGEMENT STANDARDS***

To the Executive Committee Members of
Capital Area Council of Governments

Report on Compliance for Each Major Federal and State Program

We have audited Capital Area Council of Governments' (the "CAPCOG") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the State of Texas *Uniform Grant Management Standards* that could have a direct and material effect on each of CAPCOG's major federal and state programs for the year ended September 30, 2020. CAPCOG's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of CAPCOG's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of Texas *Uniform Grant Management Standards*. Those standards, the Uniform Guidance and the State of Texas *Uniform Grant Management Standards* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about CAPCOG's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of CAPCOG's compliance.

Opinion on Each Major Federal and State Program

In our opinion, CAPCOG complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2020.

To the Executive Committee Members of
Capital Area Council of Governments

Report on Internal Control Over Compliance

Management of CAPCOG is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered CAPCOG's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State of Texas *Uniform Grant Management Standards*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CAPCOG's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the State of Texas *Uniform Grant Management Standards*. Accordingly, this report is not suitable for any other purpose.



Austin, Texas
April 23, 2021

CAPITAL AREA COUNCIL OF GOVERNMENTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2020

A. SUMMARY OF AUDIT RESULTS

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	None

Identification of major programs:

Name of Federal Programs or Cluster	CFDA Numbers
--	---------------------

Aging Cluster

Title III, Part B Grants for Supportive Services and Senior Centers and Title III, Part B Grants for Supportive Services and Senior Centers – CARES Act	93.044
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Title III, Part C Nutrition Services, Title III, Part C Nutrition Services-Cares Act, Title III, Part C Disaster Flex, Title III, Part C Nutrition Services-COVID 19	93.045
--	--------

Nutrition Services Incentive Program (NSIP)	93.053
---	--------

Title III, Part E, National Family Caregiver Support and Title III, Part E, Grandparent and Older Elderly Caregivers Serving Children (GOECSC)

93.052

- | | |
|---|-----------|
| 1. Dollar Threshold Considered Between Type A and Type B Federal Programs | \$750,000 |
| 2. Federal Single Audit - Auditee qualified as low-risk auditee? | Yes |

CAPITAL AREA COUNCIL OF GOVERNMENTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended September 30, 2020

I. Summary of Auditors' Results (continued)

State Awards:

Internal control over major programs:

Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major state programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with State of Texas <i>Uniform Grant Management Standards</i> Section 510(a)?	None

Identification of major programs:

Name of State Programs	Grant/Contract Numbers
Texas Health and Human Services Commission	
State General Revenue – Other, OMB ALF Services, HDM Rate Increase, and Housing Bond	539-16-0024-00001
State General Revenue – ADRC Respite, Promoting Independence, and Operations	HHS000270200014
Office of the Governor Criminal Justice Division	
Regional Training Academy 2020-2021	1544416
1. Dollar Threshold Considered Between Type A and Type B Programs	\$300,000
2. State Single Audit - Auditee qualified as low-risk auditee?	Yes

II. Financial Statement Findings

There were no current year findings.

III. Federal and State Award Findings and Questioned Costs.

There were no current year findings or questioned costs.

CAPITAL AREA COUNCIL OF GOVERNMENTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2020

Grantor/Pass-through Grantor/Program Title	CFDA Number	Pass Through Grant/Contract Number	Expenditures	Pass Through To Sub Recipients
U.S. Department of Health and Human Services				
Pass-through Texas Health and Human Services Commission				
		<u>HHSC Contract No. 539-16-0024-00001:</u>		
<i>Title III, Part B Grants for Supportive Services and Senior Centers</i>	93.044	Title III-B	\$ 1,219,629	\$ 135,587
<i>Title III, Part B Grants for Supportive Services and Senior Centers - CARES Act</i>	93.044	CARES Title III-B	2,728	-
<i>Title III, Part C Nutrition Services</i>	93.045	Title III-C1	759,916	411,234
<i>Title III, Part C Nutrition Services</i>	93.045	Title III-C2	935,715	868,813
<i>Title III, Part C Nutrition Services-Cares Act</i>	93.045	CARES Title III-C2	1,638,279	1,638,279
<i>Title III, Part C Disaster Flex</i>	93.045	Disaster Flex Title III-C1	380,390	-
<i>Title III, Part C Nutrition Services-COVID 19</i>	93.045	COVID-19 Title III-C2	908,059	908,059
<i>Nutrition Services Incentive Program (NSIP)</i>	93.053	NSIP	77,910	77,910
Total Aging Cluster CFDA # 93.044, 93.045, 93.053			<u>5,922,626</u>	<u>4,039,882</u>
<i>Title III, Part D Disease Prevention and Health Promotion Services</i>	93.043	Title III-D Evidence Based-Intervention	100,460	-
<i>Title III, Part E, National Family Caregiver Support</i>	93.052	Title III-E	686,678	-
<i>Title III, Part E, Grandparent and Older Elderly Caregivers Serving Children (GOECSC)</i>	93.052	Title III-E ORC	7,131	-
<i>Total CFDA # 93.052</i>			<u>693,809</u>	<u>-</u>
<i>Title VII, Chapter 3 Programs for Prevention of Elder Abuse, Neglect, and Exploitation (EAP)</i>	93.041	Title VII-EAP	16,533	-
<i>Title VII, Chapter 2 Long-Term Care Ombudsman Services for Older Individuals (OAM)</i>	93.042	Title VII-OAM	63,816	-
<i>HICAP Health Insurance Counseling Advocacy Program</i>	93.324	HICAP	65,319	-
<i>Medicare Improvements for Patients and Providers ACT (MIPPA)</i>	93.071	539-16-0024-00001 - MIPPA Priority Area 2 HHS000270200014 - ADRC-MIPPA	11,116	-
<i>Medicare Enrollment Assistance Program</i>	93.071		9,875	-
<i>Total CFDA # 93.071</i>			<u>20,991</u>	<u>-</u>
<i>Older Adult Opioid Grant Program</i>	93.788	HHS000733800001 Opioid Reduction	25,045	-
<i>Money Follows the Person Local Contact Agency Demonstration</i>	93.791	HHS000270200014 ADRC-Local Contact Agency	17,960	-
<i>Money Follows the Person Housing Navigator Demonstration</i>	93.791		25,188	-
<i>Total CFDA # 93.791</i>			<u>43,148</u>	<u>-</u>
<i>No Wrong Door: Critical Relief Funds for COVID-19 Pandemic Response</i>	93.048	ADRC-NWD COVID-19	1,080	-
Total U.S. Department of Health and Human Services			<u>6,952,827</u>	<u>4,039,882</u>
U.S. Department of Commerce				
Direct Award				
<i>District Partnership Planning for the Capital Region of Texas</i>	11.302	ED18AUS3020022	90,853	-
<i>Capital Area Disaster Recovery and Resiliency Program</i>	11.307	08-79-05235	59,372	-
<i>C19 Economic Disaster Recovery Support for Texas Capital Area</i>	11.307	ED20AUS3070077	37,089	-
Total Economic Development Cluster CFDA # 11.307			<u>96,461</u>	<u>-</u>
Total U.S. Department of Commerce			<u>187,314</u>	<u>-</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2020

Grantor/Pass-through Grantor/Program Title	CFDA Number	Pass Through Grant/Contract Number	Expenditures	Pass Through To Sub Recipients
U.S. Department of Homeland Security				
Pass-through Office of the Governor - Homeland Security Grant Division				
2017 State Homeland Security Program WarnCentralTexas Website	97.067	3295801	\$ 45,676	\$ -
2018 State Homeland Security Program Training and Exercise	97.067	2956803	84,732	-
2018 State Homeland Security Program Austin-CAPCOG-WebEOC	97.067	3709201	24,500	-
2019 State Homeland Security Program Recovery & Resiliency Project	97.067	3759101	23,922	-
2019 State Homeland Security Program Warn Central Texas PSAs	97.067	3562302	15,000	-
2019 State Homeland Security Program Training and Exercise	97.067	2956804	83,726	-
2019 State Homeland Security Program Regional Planning	97.067	2956905	316,761	-
2019 State Homeland Security Program PEAC Analysis and Modeling	97.067	3757801	34,015	-
2020 State Homeland Security Program Regional Planning	97.067	2956906	24,557	-
Total CFDA # 97.067			<u>652,889</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>652,889</u>	<u>-</u>
U.S Department of Justice				
Pass-through Office of the Governor - Criminal Justice Division				
Violence Against Women Act (VAWA) Justice and Training Program - Law Enforcement	16.588	3547902	13,980	-
DJ-Edward Byrne Memorial Justice Assistance Grant Program - Mobile De-escalation Training Simulator	16.738	3822701	44,833	-
Total U.S. Department Justice			<u>58,813</u>	<u>-</u>
U.S Department of Transportation				
Pass-through Texas Department of Transportation				
Commuter Solutions	20.205	CSJ 0914-00-423	95,170	-
Total U.S. Department of Transportation			<u>95,170</u>	<u>-</u>
Total Federal Awards			<u>\$ 7,947,013</u>	<u>\$ 4,039,882</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended September 30, 2020

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Grant/Contract Number</u>	<u>Expenditures</u>	<u>Pass Through To Sub Recipients</u>
Texas Health and Human Services Commission			
<i>State General Revenue Title III E Match</i>	539-16-0024-00001	\$ 181,007	\$ -
<i>State General Revenue - Other</i>	539-16-0024-00001	55,219	-
<i>State General Revenue - OMB ALF Services</i>	539-16-0024-00001	160,796	-
<i>State General Revenue - HDM Rate Increase</i>	539-16-0024-00001	25,022	25,022
<i>State General Revenue - Housing Bond</i>	539-16-0024-00001	13,152	-
<i>State General Revenue - ADRC Respite</i>	HHS000270200014	28,264	-
<i>State General Revenue - ADRC Promoting Independence</i>	HHS000270200014	11,887	-
<i>State General Revenue - ADRC Operations</i>	HHS000270200014	207,193	-
Total Texas Health and Human Services Commission		<u>682,540</u>	<u>25,022</u>
Office of the Governor Criminal Justice Division			
<i>Regional Training Academy 2020-21</i>	1544416	305,712	-
Total Office of the Governor Criminal Justice Division		<u>305,712</u>	<u>-</u>
Texas Commission on Environmental Quality			
<i>Regional Solid Waste Management 2020-21</i>	582-20-10206	178,229	-
<i>Rider 7 Local Air Quality Planning Grant</i>	582-20-11982	78,083	-
Total Texas Commission on Environmental Quality		<u>256,312</u>	<u>-</u>
Texas Department of Agriculture			
<i>Consumer Protection Project</i>	TDA-19-ARED-04	49,306	-
Total Texas Department of Agriculture		<u>49,306</u>	<u>-</u>
Total State Awards		<u>\$ 1,293,870</u>	<u>\$ 25,022</u>

CAPITAL AREA COUNCIL OF GOVERNMENTS

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year Ended September 30, 2020

1. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (the “Schedules”) includes the federal and state grant activity of CAPCOG under programs of the federal and state government for the year ended September 30, 2020. The information in these Schedules is presented in accordance with the requirements of Office of Management and Budget (OMB) Uniform Guidance and the State of Texas *Uniform Grant Management Standards*. Because these Schedules present only a selected portion of the operations of CAPCOG, they are not intended to and do not present the financial position and changes in net position of CAPCOG.

2. Summary of Significant Accounting Policies

CAPCOG accounts for all federal and state awards under programs of the federal and state governments in special revenue funds. These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

Expenditures reported on this schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards* (Uniform Guidance). This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e. both measurable and available, and expenditures in the accounting period in which the liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal and state grant funds for governmental funds are considered to be earned to the extent of expenditures made under the provisions of the grant. When such funds are advanced to CAPCOG, they are recorded as unearned revenues until earned. Otherwise, federal and state grant funds are received on a reimbursement basis from the respective federal or state program agencies. Generally, unused balances are returned to the grantor at the close of specified project periods. CAPCOG has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CAPITAL AREA COUNCIL OF GOVERNMENTS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended September 30, 2020

Federal regulations, Title 2 U.S. Code of Federal Regulations Section 200.511 states, “The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings.” The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit’s schedule of findings and questioned costs and
- All audit findings reported in the prior audit’s summary schedule of prior audit findings except audit findings listed as corrected.

I. Prior Audit Findings

None Noted

CAPITAL AREA COUNCIL OF GOVERNMENTS

CORRECTIVE ACTION PLAN

For the Year Ended September 30, 2020

Federal regulations, Title 2 U.S. Code of Federal Regulations §200.511 states, “At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports.”

I. Corrective Action Plan

Not Applicable

EXECUTIVE COMMITTEE MEETING

MEETING DATE: May 12, 2021

AGENDA ITEM: #4 Accept the Quarterly Investment Report

GENERAL DESCRIPTION OF ITEM:

The Public Funds Investment Act and the CAPCOG Investment Policy require that a quarterly investment report be prepared for the Executive Committee. This report is for the quarter ending March 31, 2021. All of CAPCOG's investments are in the Texas Local Government Investment Pool (TexPool).

The beginning and ending balances for each fund reflect the operating needs of the organization and not the performance of the investments. CAPCOG's use of TexPool as our investment pool is to provide ready access to idle funds for operating purposes while still earning a market interest rate for short term investments.

During the quarter the market interest rate earned was approximately 0.05%.

Total interest earnings for the quarter were \$3,257.42

THIS ITEM REPRESENTS A:

- New issue, project, or purchase
- Routine, regularly scheduled item
- Follow-up to a previously discussed item
- Special item requested by board member
- Other

PRIMARY CONTACT/STAFF MEMBER: Lisa Bowman, Director of Finance

BUDGETARY IMPACT:

Total estimated cost: N/A

Source of Funds: N/A

Is item already included in fiscal year budget? Yes No

Does item represent a new expenditure? Yes No

Does item represent a pass-through purchase? Yes No

If so, for what city/county/etc.? _____

PROCUREMENT:

N/A

ACTION REQUESTED:

Accept the Quarterly Investment Report

BACK-UP DOCUMENTS ATTACHED:

1. Quarterly Investment Report (5 pages)

BACK-UP DOCUMENTS NOT ATTACHED (to be sent prior to meeting or will be a handout at the meeting): **None**



Capital Area Council of Governments

Quarterly Investment Report Summary January 1, 2021 - March 31, 2021

All Investments are held in the Texas Local Government Investment Pool (TexPool)

	<u>Book Value Beginning</u>	<u>Book Value Ending</u>	<u>Market Value Beginning</u>	<u>Market Value Ending</u>	<u>Interest Earnings</u>
General Fund - Operating Fund	1,149,601.18	608,721.69	1,149,601.18	608,721.69	147.08
Solid Waste - TCEQ Grant Advances	407,771.58	407,818.99	407,771.58	407,818.99	47.41
Air Quality - Local Funds for Monitoring	122,737.65	122,751.87	122,737.65	122,751.87	14.22
CAECD 911 Funds	25,788,715.39	27,582,790.67	25,788,715.39	27,582,790.67	3,048.71
Total All Investments	27,468,825.80	28,722,083.22	27,468,825.80	28,722,083.22	3,257.42

Average Daily Balance 28,306,925.71

Average Yield 0.05%

At March 31, 2021:

TexPool Average Weighted Average Maturity	30 Days
TexPool Average Daily Net Yield	0.0187%
6 Month US Treasury Bill Rate	0.0500%

TexPool's S&P Global Pool Rating is AAAM. The AAAM is the highest principal stability fund rating assigned by S&P Global. A fund rated AAAM demonstrates extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk.

Book Value Equals Market Value because TexPool seeks to maintain a \$1.00 value per share as required by the Texas Public Funds Investment Act.

This quarterly report has been prepared in compliance with the investment policy and strategy as established for the Capital Area Council of Governments and the Public Funds Investment Act (Chapter 2256, Government Code).

Prepared by:



Lisa Byrd Bowman
Director of Finance
Investment Officer

CAPITAL AREA COUNCIL OF GOVERNMENTS
General Fund
 Quarterly Investment Report
 January 1, 2021 - March 31, 2021

<i>TexPool Investment</i>	<u>Interest</u>	<u>Net Transactions</u>	<u>Account Balance</u>
Beginning Balance			1,149,601.18
January		148,532.58	1,298,133.76
Monthly interest	88.66		1,298,222.42
February		0.00	1,298,222.42
Monthly interest	42.87		1,298,265.29
March		(689,559.15)	608,706.14
Monthly interest	15.55		608,721.69
Activity for the Quarter	147.08	(541,026.57)	
Ending Balance			608,721.69

Average Daily Balance	January	1,327,837.30
	February	1,298,227.01
	March	919,517.95
Average Daily Balance for the Quarter		1,181,860.75
Average Annual Interest Rate		0.050%

CAPITAL AREA COUNCIL OF GOVERNMENTS
Solid Waste
 Quarterly Investment Report
 January 1, 2021 - March 31, 2021

<i>TexPool Investment</i>	<u>Interest</u>	<u>Net Transactions</u>	<u>Account Balance</u>
Beginning Balance			407,771.58
January		0.00	407,771.58
Monthly interest	27.44		407,799.02
February		0.00	407,799.02
Monthly interest	13.50		407,812.52
March		0.00	407,812.52
Monthly interest	6.47		407,818.99
Activity for the Quarter	47.41	0.00	
Ending Balance			407,818.99

Average Daily Balance	January	407,774.24
	February	407,800.47
	March	407,812.73
Average Daily Balance for the Quarter		407,795.81
Average Annual Interest Rate		0.047%

CAPITAL AREA COUNCIL OF GOVERNMENTS

Air Quality

Quarterly Investment Report

January 1, 2021 - March 31, 2021

<i>TexPool Investment</i>	<u>Interest</u>	<u>Net Transactions</u>	<u>Account Balance</u>
Beginning Balance			122,737.65
January		0.00	122,737.65
Monthly interest	8.24		122,745.89
February		0.00	122,745.89
Monthly interest	4.05		122,749.94
March		0.00	122,749.94
Monthly interest	1.93		122,751.87
Activity for the Quarter	14.22	0.00	
Ending Balance			122,751.87

Average Daily Balance	January	122,738.45
	February	122,746.32
	March	122,750.00
Average Daily Balance for the	Quarter	122,744.92
Average Annual Interest Rate		0.046%

CAPITAL AREA COUNCIL OF GOVERNMENTS
CAECD 911 Fund
 Quarterly Investment Report
 January 1, 2021 - March 31, 2021

<i>TexPool Investment</i>	<u>Interest</u>	<u>Net Transactions</u>	<u>Account Balance</u>
Beginning Balance			25,788,715.39
January		51,467.42	25,840,182.81
Monthly interest	1,749.05		25,841,931.86
February		1,400,000.00	27,241,931.86
Monthly interest	865.47		27,242,797.33
March		339,559.15	27,582,356.48
Monthly interest	434.19		27,582,790.67
Activity for the Quarter	3,048.71	1,791,026.57	
Ending Balance			27,582,790.67

Average Daily Balance	January	25,978,399.04
	February	26,388,453.16
	March	27,416,720.47
Average Daily Balance for the Quarter		26,594,524.22
Average Annual Interest Rate		0.046%

EXECUTIVE COMMITTEE MEETING

MEETING DATE: May 12, 2021

AGENDA ITEM: #5 Report on Mid-Year Budgeted Revenues for FY 2021

GENERAL DESCRIPTION OF ITEM:

As a part of preparing for next year's CAPCOG Budget, which the officers have already begun discussing, staff has prepared an update on revenue for the current year, FY 2021, for the Executive Committee. CAPCOG is on the October 1-September 30 fiscal year, so the information represents a mid-year update. Attached is a brief memo and related table which covers additions to revenue and other changes since the adoption of the FY 2021 budget in September.

THIS ITEM REPRESENTS A:

- New issue, project, or purchase
- Routine, regularly scheduled item
- Follow-up to a previously discussed item
- Special item requested by board member
- Other

PRIMARY CONTACT/STAFF MEMBER: **Sheila Jennings, Director of Administration**

BUDGETARY IMPACT:

Total estimated cost: N/A

Source of Funds: _____

Is item already included in fiscal year budget? Yes No

Does item represent a new expenditure? Yes No

Does item represent a pass-through purchase? Yes No

If so, for what city/county/etc.? _____

PROCUREMENT: N/A

ACTION REQUESTED:

No action required.

BACK-UP DOCUMENTS ATTACHED:

Memorandum

Table of Adjustments to Revenues for FY 2021, by CAPCOG Division

BACK-UP DOCUMENTS NOT ATTACHED (to be sent prior to meeting or will be a handout at the meeting): **None**



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BASTROP BLANCO BURNET CALDWELL FAYETTE HAYS LEE LLANO TRAVIS WILLIAMSON

MEMORANDUM

DATE: April 23, 2021
TO: Executive Committee
FROM: Sheila Jennings, Director of Administration
RE: Mid-Year Update on FY 2021 CAPCOG Budget

CAPCOG's individual grant budgets are prepared on the timeline of our funding agencies and only a few of these coincide with the CAPCOG budget. This means that at the time that the current FY 2021 budget was adopted by the General Assembly on September 9, 2020, there were a few unknowns for programs which are awarded on a different timeline (Aging Services, for example). CAPCOG also has opportunities in the course of the year to seek additional grants or funds, or partner with other agencies, that can result in totally new sources of funding that were not anticipated at budget time.

This memo provides a mid-year update for funding sources that were awarded after the budget's adoption for FY 2021. We may yet have some differences that come up before the closeout of this fiscal year, such as a delay in expenditures, a revision in a grant's performance measures, or even a reduction in funds, but this mid-year report will provide a reasonable picture of how our available revenues and planned operations are at this point in time, and how they compare to what we expected at the start of the year. There is an attached table identifying the individual CAPCOG Divisions with initial budgeted revenues and mid-year adjusted revenues for your information.

CHANGES TO REVENUE BY DIVISION

- **Aging Services** – Older Americans Act funding distributions are not determined until after the start of our fiscal year, therefore we started FY 2021 with a best estimate for most of our Aging Services. CAPCOG submitted a Planning Budget for the Area Agency on Aging in November, 2020 which included \$5.6 million in carryover, \$1.9 million of which was from the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. Our estimate of the carryover, primarily in meals, was within \$200,000 of what we had anticipated and as we presented in the budget as of October.

The FY 2021 budget for Older Americans Act services has increased in revenues from \$11,364,320 to \$11,538,678.

We also had supplemental funding appropriated to the Aging and Disability Resource Center related to COVID-19 funds, and this money was more than we expected. We received notifications of additional funding up to March of this year, resulting in \$209,238 in Covid-19 funds added to the

ADRC programs for FY 2021. Specific projects related to technology access and social isolation are underway.

- **Community and Economic Development** – There are four programs to note in this division regarding changes to revenue since budget adoption.
 - Activity for the EDA CARES Act Recovery grant is now picking up, so we expect to spend more this year than initially budgeted. This is a two year grant (until 6/30/22).
 - Delays from COVID impacted the Regional Review process in the Community Development Block Grant (TxCDBG) Program for non-entitlement areas. The state extended our 2020 contract until 12/31, and then started our current year with a little less funding.
 - This is the second year of our biennial grant for the Regional Solid Waste Planning program. We have adjusted the budget to reflect additional funds that were available from the first year and can now be used in the second. Local solid waste implementation projects will also be finishing and being paid in this fiscal year.
 - CAPCOG staff initiated third-party grant administration services in FY 2021 to administer CDBG and EDA related local government grants. There are four jurisdictions that have worked with CAPCOG and been awarded grants – two (2) FAST grants and two (2) EDA Disaster Recovery grants. The revenue has been adjusted to what we are more likely to receive in this fiscal year.
- **Regional Planning and Services** – Available revenues to the Air Quality program increased by a small amount due to actual carryover from funds in the year prior. In total, the FY 2021 budget for Regional Planning and Services has increased from \$953,921 to \$967,088.
- **Regional Law Enforcement Academy** – There are no mid-year adjustments to the budget for the academy’s classes, although we can report that revenues from the Basic Peace Officer Courses are up so we hope that we will not need local revenues to support the academy this year. RLEA also closed out its one-time grant from the Texas Department of Agriculture for training on gas pump skimmer detection. COVID-19 affected the ability of local law enforcement agencies to conduct surveillance projects, so we were unable to spend \$90,000 of this grant, most of which was to be passed-through to local programs.
- **Homeland Security** – There are no mid-year adjustments to the budgeted revenues for the Homeland Security division’s FY 2021 budget.
- **Emergency Communications** – The FY 2021 budget for Emergency Communications programs has increased from \$14,672,207 to \$19,378,781 due to budget adjustments approved by the CAECD Board of Managers in October 2020 to move some project expenses from FY 2020 into FY 2021.

At mid-year, the total budgeted revenues for FY 2021 have increased by just over \$5 million, from \$34,124,059 to \$39,150,525. Of the total increase, \$4.7 million was due to the transfer funds for delayed CAECD projects into this fiscal year.

If you have any questions, please email or call me at sjennings@capcog.org or 512-916-6006.

**CAPITAL AREA COUNCIL OF GOVERNMENTS
FY 2021 Budget**

	Initial Budget 10/1/2020	Adjusted Budget 3/31/2021
AGING SERVICES		
Area Agency on Aging - Program Operations	11,364,320	11,538,678
Aging & Disability Resource Center (ADRC)	322,941	555,658
Aging Program Third party Match	3,183,251	3,183,251
	\$ 14,870,512	\$ 15,277,587
COMMUNITY & ECONOMIC DEVELOPMENT		
EDA Planning	140,000	140,000
EDA CARES Act Recovery Funds	175,000	200,000
Third Party Grant Administration	65,000	30,000
Criminal Justice Planning	132,440	132,440
TDA Community Development	11,262	8,135
Other Planning Projects	20,301	20,301
Transportation Planning and Collaboration	45,000	45,000
Housing Navigator	15,200	2,350
Regional Solid Waste Planning	211,836	227,402
Solid Waste Local Projects	224,000	224,000
Regional Transit Coordination Committee	35,000	35,000
	\$ 1,075,039	\$ 1,064,628
REGIONAL PLANNING AND SERVICES		
CAMPO Outreach	30,000	30,000
GIS Services	388,921	388,921
Air Quality Programs	500,000	513,167
Other Planning Projects	35,000	35,000
	\$ 953,921	\$ 967,088
REGIONAL LAW ENFORCEMENT ACADEMY		
Basic Peace Officer Courses and In-Service	515,359	515,359
Fuel Pump Skimmers Detection	102,000	12,061
	\$ 617,359	\$ 527,420
HOMELAND SECURITY		
Homeland Security Planning, Training and Mgmt	620,876	620,876
Pass-through Interoperability Grant (1st year)	538,992	538,992
WebEOC Administration	179,011	179,011
Regional Notification Systems Administration	577,042	577,042
	\$ 1,915,921	\$ 1,915,921
EMERGENCY COMMUNICATIONS		
9-1-1 District Operations	\$ 14,672,207	\$ 19,378,781
	\$ 14,672,207	\$ 19,378,781
OTHER: Local Expenses		
Less interdepartmental transfer for GIS	57,000	57,000
	(37,900)	(37,900)
	\$ 34,124,059	\$ 39,150,525
TOTAL ALL PROGRAMS		

EXECUTIVE COMMITTEE MEETING

MEETING DATE: May 12, 2021

AGENDA ITEM: #6 Adopt Resolution for Prioritized List of General Victim Assistance Direct Services Program Projects for Plan Year 2022 Funding Consideration through the Office of the Governor, Public Safety Office's Criminal Justice Division

GENERAL DESCRIPTION OF ITEM:

Applications for the General Victim Assistance Direct Services Program (VOCA) projects for 2022 funding were received on March 12, 2021. These projects represent programs that provide services and assistance directly to victims of crime to speed their recovery and aid them through the criminal justice process.

CAPCOG's Criminal Justice Advisory Committee (CJAC) met to review and prioritize applications on April 14 and 15, 2021, for the submission of funding recommendations to the Office of the Governor, Criminal Justice Division (CJD) for consideration. As required by CJD, the CJAC reviews and scores each application based on the Plan Year 2022 CJAC Policy Statement, prioritizes the list of scored applications and presents a list of funding recommendations to the CAPCOG Executive Committee for approval of submission to CJD. CJD funds this program through federal pass-through funds and makes all final decisions about which projects are funded.

THIS ITEM REPRESENTS A:

- New issue, project, or purchase
- Routine, regularly scheduled item
- Follow-up to a previously discussed item
- Special item requested by board member
- Other

PRIMARY CONTACT/STAFF MEMBER: **Matt Holderread, Regional Research Coordinator**

BUDGETARY IMPACT:

Total estimated cost: \$0

Source of Funds: N/A

Is item already included in fiscal year budget? Yes No

Does item represent a new expenditure? Yes No

Does item represent a pass-through purchase? Yes No

If so, for what city/county/etc.? _____

PROCUREMENT: N/A

ACTION REQUESTED:

Adopt the Resolution Recommending General Victim Assistance Direct Services Program Prioritized Project List for Plan Year 2022 Funding Consideration through CJD.

BACK-UP DOCUMENTS ATTACHED:

1. PY 2022 CJAC VOCA Funding Recommendations to CJD
2. Resolution Recommending Prioritized List of VOCA Projects for Plan Year 2022
3. Plan Year 2022 CJAC Policy Statement (applies to subsequent Criminal Justice agenda item)

BACK-UP DOCUMENTS NOT ATTACHED (to be sent prior to meeting or will be a handout at the meeting): **None**

**Capital Area Council of Governments - Criminal Justice Advisory Committee
 General Victim Assistance Direct Services Program
 Funding Recommendations to the Office of the Governor, Public Safety Office's
 Criminal Justice Division**

Rank	Grant ID	Applicant	Project Title	Requested Amount	Recommended Amount
1	1366420	Hays County Women's Center	Safety and Healing for Victims of Abuse	\$1,312,186.00	\$1,312,186.00
2	2884904	Williamson County Crisis Center dba Hope Alliance	Services for Victims of Domestic and Sexual Violence	\$320,483.44	\$320,483.44
3	1400521	The SAFE Alliance	Comprehensive Services for Family and Sexual Violence Victims	\$1,878,648.00	\$1,878,648.00
4	1366820	Highland Lakes Family Crisis Center	Family Violence/Sexual Assault Services	\$413,583.15	\$413,583.15
5	2903004	Bastrop County Women's Shelter	Comprehensive Victim Services	\$335,297.00	\$335,297.00
6	3600203	Volunteer Legal Services of Central Texas	Pro Bono Legal Services for Victims/Survivors of Domestic Violence	\$127,712.45	\$127,712.45
7	2551009	SAHELI dba Asian Family Support Services of Austin	Regional Domestic & Sexual Violence Support for Asian/Immigrant Survivors in Central TX	\$1,270,511.67	\$1,270,511.67
8	3947602	The Settlement Home for Children	Trauma-informed Residential Care for Children Who Are Survivors of Abuse and Neglect	\$515,674.96	\$515,674.96
9	3073004	Burnet County Ecumenical Center	Victim Coordinator and Liaison	\$54,910.00	\$54,910.00
10	4228001	Lakeway, City of	Hill Country Counseling Program	\$84,331.00	\$84,331.00
11	3791703	Helping Hand Home for Children	Victim Services Project	\$28,000.00	\$28,000.00
12	3633303	County of, Hays	Trauma-informed Residential Treatment for Abused and Neglected Children	\$352,986.00	\$352,986.00
13	3607603	American Gateways	Victim Assistance Coordinator	\$43,894.99	\$43,894.99
14	1511520	American Gateways	Comprehensive Culturally Appropriate Direct Victim Services Project	\$444,146.00	\$308,732.49 ¹

Rank	Grant ID	Applicant	Project Title	Requested Amount	Recommended Amount
15	2786906	Cedar Park, City of	Victims Services Program	\$60,913.90	\$0.00 ²
16	3074905	Austin Child Guidance Center	Bilingual Family Crime Victims' Recovery Project	\$358,413.00	\$0.00 ²
17	3097705	YWCA Greater Austin	YW Counseling and Referral Center (YWCRC) Survivor Services	\$150,000.00	\$0.00 ²
18	2827406	Austin, City of	APD Victim Crisis Intervention Project	\$796,206.00	\$0.00 ²
19	3589103	Interagency Support Council of Eastern Williamson	Rural School-based Mental Health Program	\$322,880.00	\$0.00 ²
20	4028002	County of, Hays	Victim Assistance for the Family Justice Center	\$46,308.26	\$0.00 ²
21	3734803	Pflugerville, City of	Victim Services Program Enhancement	\$62,681.46	\$0.00 ²
22	2759505	Leander, City of	Leander Police Department Victim Services Program	\$83,662.88	\$0.00 ²
23	4314101	Brave Alliance Mission	Forensic Nurse Program	\$232,790.00	\$0.00 ²
24	3756803	Round Rock, City of	General Victim Assistance Direct Services Program	\$121,223.20	\$0.00 ²
25	3325704	Taylor, City of	Victim Direct Services Program	\$65,775.36	\$0.00 ²
26	3329704	Austin Independent School District	Healing Victims Through School-Based Mental Health Centers	\$439,807.24	\$0.00 ²
27	3606503	University of Texas at Austin	College Campus Initiative	\$221,644.00	\$0.00 ²
28	4253701	Seek Institute	Project REACH (Restoring Equity & Access to Care and Healing)	\$120,000.00	\$0.00 ²
29	3817703	Del Valle ISD	Campus Victim Assistance Program K-12	\$400,000.00	\$0.00 ²

¹ This project is recommended all remaining funding budgeted to the CAPCOG region after fully funding the projects ranked above it. If additional funds are made available full funding of this project is recommended.

² This project is deemed a quality project by the CAPCOG CJAC. If additional funds are available after fully funding the projects ranked above the CJAC recommends funding for this project.

Total Requested:	\$10,664,669.96	Average Request:	\$367,747.24
Regional Budget Estimate:	\$7,046,951.15	Requested Above RBE:	\$3,617,718.81

RESOLUTION

A RESOLUTION AUTHORIZING THE SUBMISSION OF LOCAL AND REGIONAL PLAN YEAR 2022 GENERAL VICTIM ASSISTANCE DIRECT SERVICES PROGRAM APPLICATIONS TO THE OFFICE OF THE GOVERNOR, PUBLIC SAFETY OFFICE'S CRIMINAL JUSTICE DIVISION FOR FUNDING CONSIDERATION

WHEREAS, the Office of the Governor, Public Safety Office's Criminal Justice Division, has authorized the allocation of funds under the General Victim Assistance Direct Services Program opportunity; and,

WHEREAS, the applications for these grant funds have been reviewed by the Capital Area Council of Governments' Criminal Justice Advisory Committee (CJAC) and have been prioritized for submission to the Office of the Governor, Public Safety Office's Criminal Justice Division,

THEREFORE, BE IT RESOLVED, that the Executive Committee of the Capital Area Council of Governments hereby approves and authorizes submission of the prioritized General Victim Assistance Direct Services Program application list of recommended funding order and amounts to the Office of the Governor, Public Safety Office's Criminal Justice Division for final funding consideration.

Resolution adopted by the Capital Area Council of Governments Executive Committee on this 12th day of May, 2021.

Judge Paul Pape, Chair
Executive Committee
Capital Area Council of Governments

Mayor Lew White, Secretary
Executive Committee
Capital Area Council of Governments



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BASTROP BLANCO BURNET CALDWELL FAYETTE HAYS LEE LLANO TRAVIS WILLIAMSON

Capital Area Council of Governments Criminal Justice Advisory Committee (CJAC) PY 2022 Policy Statement

The following policies and procedures are established for the purpose of defining the rules and regulations that will govern the Capital Area Council of Government's (CAPCOG's) Criminal Justice Advisory Committee (CJAC) application review and prioritization process for designated funding streams controlled by the Public Safety Office's Criminal Justice Division (PSO/CJD) of the Office of the Governor. In addition, these policies and procedures govern the operation of CAPCOG's Criminal Justice Planning as outlined in the Interagency Cooperation Agreement between the PSO/CJD and CAPCOG as it relates to CAPCOG's CJAC.

COMPLIANCE WITH ADMINISTRATIVE RULES AND REGULATIONS

All policies, rules, and regulations outlined in this document comply with the Texas Administrative Code (TAC), Title 1, Part 1, Chapter 3, and the state and federal statutes, rules, and regulations adopted by reference in Texas Administrative Code.

1 TAC Part 1, Chapter 3; Applicability, Subchapters A, B, D, E, and F of this chapter applies to all applications for funding and grants submitted to the PSO/CJD Office of the Governor. Subchapter A covers the general provisions for grant funding. Subchapter B addresses general eligibility and budget rules for grant funding. Subchapter D provides rules detailing the conditions PSO/CJD may place on grants. Subchapter E sets out the rules related to administering grants. Subchapter F specifies rules regarding program monitoring and audits. Information regarding the TAC and the Office of the Governor' rules can be viewed on the website of the Texas Secretary of State, at:

[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=3&ti=1&pt=1](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=3&ti=1&pt=1)

All meetings of the CJAC will be held in compliance with the general provisions of the Government Code, Chapter 551. Texas Open Meetings Act, which can be viewed online at:

<http://www.sos.state.tx.us/texreg/index.shtml>

CRIMINAL JUSTICE-RELATED STRATEGIC PLANNING

CAPCOG's Criminal Justice Strategic Plan includes priorities identified by stakeholders, communities, and agencies in the CAPCOG region, including, non-profit organizations, municipalities, counties, citizens or parents, substance abuse prevention, law enforcement, mental health, prosecution or courts, juvenile justice, education, and/or victim services. While forming this plan, participants identify: community problems and resource needs; develop realistic goals, strategies, tasks, and performance measures; collect relevant supporting data; describe potential

implementation plans; and, identify existing efforts and resources. Priorities are established based on this information.

GRANT APPLICANT ELIGIBILITY

Criminal justice-related grant solicitations include eligibility requirements set by the Office of the Governor, PSO/CJD. Please refer to the eGrants website at the following link to review applicant eligibility requirements:

<https://egrants.gov.texas.gov/>

OFFICIAL GRANT APPLICATION SUBMISSION

- A. Grant applications must be submitted directly to the PSO/CJD via the online eGrants web-based system by the PSO/CJD designated deadline.
- B. The eGrants system will not accept late application submissions.

CAPCOG ELIGIBILITY REQUIREMENTS FOR APPLICANT PARTICIPATION IN THE CJAC APPLICATION REVIEW AND PRIORITIZATION PROCESS

- A. To be considered for participation in CAPCOG's CJAC application review and prioritization process, applications must be certified and submitted through eGrants by the PSO/CJD designated deadline.
- B. To be eligible to participate in CAPCOG's CJAC application review and prioritization process, the applicant must provide services within: Bastrop; Blanco; Burnet; Caldwell; Fayette; Hays; Lee; Llano; Travis; or, Williamson counties. The 10-county CAPCOG area known as Region 12.
 - 1. Agencies within the CAPCOG region may expand their service area outside of the CAPCOG 10-county region. However, the CJAC will only consider applications for funding that will provide services within Region 12.
 - 2. Funding for areas outside of Region 12 must coordinate with the appropriate COG.
 - 3. Agencies headquartered outside of the CAPCOG 10-county area may submit a grant application for CJAC review and prioritization if the requested funding will be used to provide services within Region 12.
- C. Agencies that receive funds directly from their state association or directly from PSO/CJD for basic service programs, must apply directly through their state association or PSO/CJD and may not apply for funds that are prioritized by CAPCOG. (Examples include but are not limited to: *Mothers Against Drunk Driving; Crime Stoppers; Children's Advocacy Centers; and, Court Appointed Special Advocates.*)
- D. PSO/CJD will make the final determination as to which funding source is most appropriate for each application.

PROJECT AND APPLICANT/GRANTEE STATUS DEFINITIONS

- A. A current grantee is an agency/organization that is receiving funding through the Office of the Governor, PSO/CJD, and implementing a program during the current Plan Year of September 1st through August 31st.
- B. A new applicant is defined as any agency/organization that has never been funded through any funding source or has not been funded through the CAPCOG regional PSO/CJD allocation within the past five years for the project for which funding is currently being requested.

- C. A new project is defined as any project that has never been funded through any funding source, has not been funded through the CAPCOG regional PSO/CJD allocation within the past five years, or is a currently funded project that has significantly changed the scope of work or target group of the project.
- D. A continuation project is defined as any project that is currently ongoing where the applicant is requesting funds from the same fund source to continue the project for an additional funding cycle.

FUND SOURCE INFORMATION

- A. The grant applications that will be reviewed by the CJAC include, but are not limited to the following funding sources from the Office of the Governor, PSO/CJD:
 - 1. Criminal Justice Program (JAG);
 - 2. General Victim Assistance Direct Services Program (VOCA);
 - 3. Juvenile Justice and Truancy Prevention Grant Programs – Juvenile Justice Projects (JJ);
 - 4. Juvenile Justice and Truancy Prevention Grant Programs – Truancy Prevention Projects (TP);
 - 5. Residential and Community-Based Services for Victims of the Commercial Sexual Exploitation of Youth (CSEY);
 - 6. Sexual Assault Forensic Exam (SAFE) - Ready Facilities Program (SAFE);
 - 7. Violent Crimes Against Women Criminal Justice and Training Program (VAWA); and,
 - 8. Any additional or unique fund sources that PSO/CJD determines appropriate
- B. Requirements for CAPCOG recommended projects:
 - 1. Agencies may submit a maximum of 3 applications per fund source.
 - a) Applications will be grouped into three tiers. All applications in Tier 1 will be recommended for funding before any applications in Tier 2 are recommended for funding. All applications in Tier 2 will be recommended for funding before any applications in Tier 3 are recommended for funding.
 - b) All applicants will be allowed one Tier 1 application, one Tier 2 application, and one Tier 3 application.
 - c) Applicants will self-select their Tier 1, Tier 2, and Tier 3 applications at submittal and prior to applications being reviewed by the CJAC.
 - 3. Applications must receive a minimum score of 70 to be recommended as a Quality Project for funding consideration by PSO/CJD.
 - 4. For each application, an applicant is required to provide CAPCOG the minimum funding amount required to conduct the proposed project before being reviewed by the CJAC.

FUND SPECIFIC REQUIREMENTS

A. Criminal Justice Program (JAG)

- 1. This is a competitive grant that requires the submission of a new application to the Office of the Governor, PSO/CJD through the eGrants web-based system each year funding is desired.

2. A three-year funding maximum, provided that funding is available, and the third year funding request amount does not fall below \$10,000.
3. Decreasing Fund Ratio: The first year's award is the 100% mark, with a second-year's request eligible for 80% of the first year's award amount, and a third-year's request eligible for 60% of the first year's award amount.
4. Required Match: None
5. **Equipment Only Funding Requests**: Applicants requesting funding only for equipment and no programmatic services, will be considered a "one-time" only applicant and will not be eligible for the Decreasing Fund Ratio for subsequent years.
6. CAPCOG priorities for Criminal Justice Program funded projects are as follows:
 - i. Multi-jurisdictional/multi-county projects with a focus on regional impact; and,
 - ii. Existing projects that can be completed with a one-time grant.

B. General Victim Assistance Direct Services Program (VOCA)

1. This is a competitive grant that requires the submission of a new application to the Office of the Governor, PSO/CJD through the eGrants web-based system annually for the first two years funding is desired and biennially after that.
2. Required Match: Grantees, other than Native American Tribes, may be required to provide matching funds of at least twenty percent (20%) of total project expenditures. This requirement may be met through cash and/or in-kind contributions.
3. An exception will be made for agencies providing domestic violence, sexual assault, and children's advocacy services. These agencies will be allowed to submit 3 applications to provide services to adults and 3 applications to provide services to children for a maximum of 6 applications. These agencies may designate one application to provide services to adults and one application to provide services for children to each funding tier identified in Fund Source Information (C).
4. Total agency/applicant requests cannot equal more than 50% of the applicant/agency's current total operating budget.
5. First-time VOCA applicants (an agency/applicant that has never been awarded VOCA funding before, OR, have not received VOCA funding within the last five years) are limited to submitting one application.
6. Agencies that receive VOCA grant money from their statewide affiliate agencies are not eligible to apply for VOCA funding that is allocated to Region 12 through the CAPCOG CJAC Application Review Process. These agencies include, but are not limited to: Texas Children's Advocacy Centers; Mother Against Drunk Driving; Legal Aid Society; Court Appointed Special Advocates (CASA); and, Texas Department of Public Safety.

C. Juvenile Justice and Truancy Prevention Grant Programs – Juvenile Justice Projects (JJ)

1. This is a competitive grant that requires the submission of a new application to the Office of the Governor, PSO/CJD through the eGrants web-based system each year funding is desired.
2. A three-year funding maximum, provided that funding is available, and the third year funding request amount does not fall below \$10,000.

3. Decreasing Fund Ratio: The first year's award is the 100% mark, with a second-year's request eligible for 80% of the first year's award amount, and a third-year's request eligible for 60% of the first year's award amount.
4. Required Match: None

D. Juvenile Justice and Truancy Prevention Grant Programs – Truancy Prevention Projects (TP)

1. This is a competitive grant that requires the submission of a new application to the Office of the Governor, PSO/CJD through the eGrants web-based system each year funding is desired.
2. Required Match: None

E. Residential and Community-Based Services for Victims of the Commercial Sexual Exploitation of Youth (CESY)

1. This is a competitive grant that requires the submission of a new application to the Office of the Governor, PSO/CJD through the eGrants web-based system each year funding is desired.
2. Required Match: Grantees, other than Native American Tribes, may be required to provide matching funds of at least twenty percent (20%) of total project expenditures. This requirement may be met through cash and/or in-kind contributions.
3. CJAC scoring criteria for applications to this program will be provided by PSO/CJD.

F. Sexual Assault Forensic Exam (SAFE)- Ready Facilities Program (SAFE)

1. This is a competitive grant that requires the submission of a new application to the Office of the Governor, PSO/CJD through the eGrants web-based system each year funding is desired.
2. Required Match: None

G. Violence Against Women Criminal Justice and Training Program (VAWA)

1. This is a competitive grant that requires the submission of a new application to the Office of the Governor, PSO/CJD through the eGrants web-based system each year funding is desired.
2. There is no limit to the number of years of funding, provided funds are available and an application receives qualifying scores from the CJAC
3. Required Match: Grantees, other than Native American tribes and non-profit, non-governmental victim service providers, must provide matching funds of at least thirty percent (30%) of total project expenditures. This requirement may be met through cash and/or in-kind contributions.

H. Any additional or unique fund sources that PSO/CJD determines appropriate

1. Information for fund sources not listed above will be posted on the CAPCOG website:
www.capcog.org/what-we-do/funding-grants/criminal-justice/
1. **Requirements for the fund sources listed above are subject to change at any time per instruction from the Office of the Governor, PSO/CJD. Grant applicants will be notified of any fund source changes via email notification and postings on the CAPCOG website:**
www.capcog.org/what-we-do/funding-grants/criminal-justice/

CAPCOG APPLICATION WORKSHOPS, TECHNICAL ASSISTANCE, AND REVIEW

- A. CAPCOG may schedule and hold grant application workshops to review grant application requests for applications developed by the Office of the Governor, PSO/CJD.
- B. CAPCOG staff will provide current grantees, potential applicants, and others with CAPCOG’s criminal justice priorities, a copy of the CJAC application review and prioritization scoring instrument, the criteria used in the scoring of applications, and other relevant materials, including relevant policies, procedures, and bylaws, during the grant application workshop or by request.
- C. In addition to the CAPCOG-facilitated grant application workshops, applicants may request grant-related technical assistance before the applicant’s submission of the certified application to PSO/CJD.
- D. CAPCOG staff will answer questions for both current grantees and new applicants via email consultation as much as is practical, as well as in-person upon request.
- E. The Office of the Governor, PSO/CJD staff will provide technical assistance on the operation of the eGrants web-based application.
- F. CAPCOG requires applications to be submitted for review by CAPCOG staff at least one week before the application deadline set by PSO/CJD. Applicants must receive confirmation from CAPCOG of a completed review before submitting and certifying an application. During this review CAPCOG will check:
 - a. Identifying Information;
 - b. Target Areas Information; and,
 - c. Other areas of the application identified by PSO/CJD or CAPCOG.

ATTENDANCE REQUIREMENTS FOR CJAC REVIEW AND PRIORITIZATION MEETINGS

- A. Attendance at CJAC application review and prioritization meetings is always mandatory for both new and current grant applicants.
 - 1. A representative from each applicant organization shall attend the prioritization meeting.
 - 2. A representative of the applicant agency/organization will be allowed a five (5) minute presentation of the application and shall have the opportunity to answer any questions posed by the CJAC members.
- B. Failure of an applicant agency/organization to attend the CJAC application review and prioritization meeting will deem the application ineligible for CJAC review and prioritization, which will result in a score of “0” and no recommendation for funding consideration.

CRIMINAL JUSTICE ADVISORY COMMITTEE (CJAC)

- A. The CJAC is a volunteer committee comprised of a multi-disciplinary representation of members from the region per the requirements of the Office of the Governor, PSO/CJD. These discipline areas include non-profit organizations, municipalities, counties, citizens or parents, substance abuse prevention, education, juvenile justice, law enforcement, mental health, prosecution or courts, and victim services. CJAC members are appointed by CAPCOG’s Executive Committee.
- B. The primary responsibility of the CJAC is to review criminal justice-related grant applications from throughout the region, score and prioritize applications, and provide funding recommendations, based on a standardized application review and prioritization process and a standardized score sheet, to CAPCOG’s Executive Committee for approval to submit the prioritization lists to the Office of the Governor, PSO/CJD.

- C. To avoid a conflict of interest, members of the CAPCOG’s governing body, CJAC members and CAPCOG staff must abstain from voting and leave the room for any application during the prioritization process if the member, planner, or an individual related to the member or planner within the third degree of consanguinity or within the second degree by affinity:
 - 1. is employed by the applicant agency and works for the unit or division that would administer the grant, if awarded; or,
 - 2. serves on any board that oversees the unit or division that would administer the grant if awarded; or,
 - 3. owns or controls any interest in a business entity or other non-governmental organization that benefits, directly or indirectly, from activities with the applicant agency; or,
 - 4. receives any funds, or a substantial amount of tangible goods or services, from the applicant agency as a result of the grant, if awarded.
- D. At the beginning of each prioritization meeting, the CJAC Chair shall request members to identify any possible conflict of interest when scoring applications.
 - 1. If a member must abstain from reviewing, voting, commenting, or taking any action on any grant application, the member must also abstain from voting, on any competing applications within that funding source during the prioritization process.
 - 2. Members will clearly state their abstention from voting on certain applications and will not speak on behalf of or in support of an applicant.
 - 3. Members shall write, “ABSTAIN” on each score sheet of each application they do not score due to a conflict of interest.

CJAC APPLICATION REVIEW AND PRIORITIZATION PROCESS

- A. CJAC Application Review
 - 1. The CJAC will review and score eligible applications at the CJAC application review and prioritization meeting for each of the PSO/CJD designated fund sources.
 - 2. An approved application score sheet will be used to evaluate each application submitted for review. This score sheet is the product of a cumulative effort of the Office of the Governor, PSO/CJD, and CAPCOG.
 - a. A minimum score benchmark may be imposed during the application scoring process.
 - b. Applications that do not meet an imposed minimum score will not be recommended for funding consideration.
 - 3. The CJAC **must** consider the following factors when scoring and prioritizing applications:
 - a. Any state strategies identified by PSO/CJD;
 - b. Priorities identified within the region resulting from the strategic planning process;
 - c. Eligibility, reasonableness, and cost-effectiveness of the proposed project; and,
 - d. Current CAPCOG policies and bylaws.
 - 4. The CJAC **may** consider estimated funding levels when scoring and prioritizing applications.

5. CAPCOG staff will tabulate all applicant scores and create a prioritization list ranking each application from highest to lowest score.
 - a. The highest and lowest score of each application will be eliminated, and an average of the remaining scores will serve as the score of record.
 - b. The tabulation of scores for an application is based on the number of members eligible to vote.
 - c. In the event of a tie score when the projects are totaled, staff will delete the next highest and lowest scores until the tie is broken.
 - d. Projects will be placed on the priority list in the order of the tiebreaker score.
 6. The proposed prioritization list will be provided to the CJAC for review, comment, and possible changes to the list order.
 7. Post-CJAC review, the proposed prioritization list will be sent out to the applicants.
 8. CAPCOG staff will then submit the proposed prioritization list to the CAPCOG Executive Committee.
- B. Application Recommendations Submitted to the Office of the Governor, PSO/CJD for Funding Consideration
1. CAPCOG's governing board, the Executive Committee, must review and approve the CJAC prioritization list of applications recommended for funding consideration before it is submitted to the Office of the Governor, PSO/CJD.
 2. There is no commitment or obligation on the part of CAPCOG, the CJAC, or CAPCOG's Executive Committee to recommend any application for funding consideration.
 3. All funding decisions are made at the sole discretion of the Office of the Governor, PSO/CJD.

CAPCOG APPEALS PROCESS FOR GRANT APPLICANTS

- A. The only cause for an appeal that CAPCOG will consider is an alleged scoring error made during the prioritization process that prevents the applicant from achieving a score that allows their application to be submitted to the Office of the Governor, PSO/CJD for funding consideration.
 1. Applicants wishing to appeal an alleged scoring error must complete the following:
 - a. Applicants must submit written notification, signed by the applicant's authorized official, of their intent to appeal, to CAPCOG's Executive Director and the sitting CJAC Chair at least 24-hours before the CAPCOG Executive Committee's scheduled meeting where the CJAC priority list of applications recommended for funding consideration will be approved.
 - b. The Appellant must demonstrate that the error caused the application (or a portion of the application) to receive a low score that prevented the application from being recommended to PSO/CJD for funding consideration.
 2. Letters and phone calls of support will NOT be considered as part of the official appeal process.
 3. Upon receipt of all requested documentation supporting the appeal, the Executive Director may place the appeal on the agenda for the next available meeting of the Executive Committee.
 4. The Chair, Vice Chair, or designated representative from the CJAC will be present at the Executive Committee meeting that includes the appeal agenda item.
 5. The decision of the Executive Committee will be the final action concerning all appeals.

6. The CJAC members will receive a copy of the written appeal, notification of the Executive Committee meeting of which the appeal has been placed on the agenda, and will be notified of the action taken by the Executive Committee regarding the appeal.
- B. The Office of the Governor, PSO/CJD does not have an appeals process for grant applicants. All PSO/CJD funding decisions are made at the sole discretion of the Office of the Governor and are final.

Revised by Vote October 14, 2020

Revised by Vote October 9, 2019

Revised By Vote October 10, 2018

Revised By Vote December 13, 2017

Revised By Resolution November 9, 2016

Revised By Resolution December 9, 2015

Revised By Resolution February 11, 2015

Revised By Resolution October 8, 2014

Revised By Resolution December 11, 2013

Revised By Resolution December 9, 2012

Revised By Resolution November 9, 2011

Revised By Resolution November 10, 2010

Revised By Resolution December 9, 2009

Revised By Resolution June 10, 2009

Revised By Resolution January 14, 2009

Revised By Resolution November 12, 2008

Revised By Resolution December 12, 2007

Revised By Resolution March 14, 2007

Revised By Resolution November 9, 2005

Revised By Resolution on December 8, 2004

Revised by Resolution on November 10, 2004

Revised by Resolution on November 12, 2003

Revised by Resolution on September 26, 2002

Revised by Resolution on March 23, 2000

Revised by Resolution on September 19, 2000

Adopted by Resolution on October 19, 1999

EXECUTIVE COMMITTEE MEETING

MEETING DATE: May 12, 2021

AGENDA ITEM: #7 Consider Adopting a Resolution for Prioritized List of Violence Against Women Justice and Training Program Projects for Plan Year 2022 Funding Consideration through the Office of the Governor, Public Safety Office's Criminal Justice Division

GENERAL DESCRIPTION OF ITEM:

Application for the Violence Against Women Justice and Training Program (VAWA) projects for 2022 funding were received on March 12, 2021. These projects are aimed at promoting a coordinated multidisciplinary approach to improving the criminal justice system's response to violent crimes against women, including domestic violence, commercial sex trafficking, sexual assault, dating violence, and stalking.

CAPCOG's Criminal Justice Advisory Committee (CJAC) met to review and prioritize applications on April 14, 2021, for the submission of funding recommendations to the Office of the Governor, Public Safety Office's Criminal Justice Division (CJD) for consideration. As required by CJD, the CJAC reviews and scores each application based on the PY 2022 CJAC Policy Statement, prioritizes the list of scored applications and presents a list of funding recommendations to the CAPCOG Executive Committee for approval of submission to CJD. CJD funds these programs through federal pass-through funds and makes all final decisions about which projects are funded.

THIS ITEM REPRESENTS A:

- New issue, project, or purchase
- Routine, regularly scheduled item
- Follow-up to a previously discussed item
- Special item requested by board member
- Other

PRIMARY CONTACT/STAFF MEMBER: **Matt Holderread, Regional Research Coordinator**

BUDGETARY IMPACT:

Total estimated cost: \$0

Source of Funds: N/A

Is item already included in fiscal year budget? Yes No

Does item represent a new expenditure? Yes No

Does item represent a pass-through purchase? Yes No

If so, for what city/county/etc.? _____

PROCUREMENT: N/A

ACTION REQUESTED:

Adopt the Resolution Recommending Violence Against Women Justice and Training Program Prioritized Project List for Plan Year 2022 Funding Consideration through CJD.

BACK-UP DOCUMENTS ATTACHED:

1. PY 2022 CJAC VAWA Funding Recommendations to CJD
2. Resolution Recommending Prioritized List of VAWA Projects for Plan Year 2022

BACK-UP DOCUMENTS NOT ATTACHED (to be sent prior to meeting or will be a handout at the meeting): **None**

**Capital Area Council of Governments - Criminal Justice Advisory Committee
Violence Against Women Justice and Training Program
Funding Recommendations to the Office of the Governor, Public Safety Office's
Criminal Justice Division**

Rank	Grant ID	Applicant	Project Title	Requested Amount	Recommended Amount
1	4219101	Williamson County, Texas	Special Victims Unit Felony Prosecutor	\$95,669.35	\$95,669.35
2	4233901	Saheli dba Asian Family Support Services of Austin	Regional Culturally Responsive Justice Services for Asian/Immigrant Victims	\$450,000.00	\$237,704.13 ¹
3	4277401	Highland Lakes Family Crisis Center	Community Coordination and Training Program	\$105,914.23	\$0.00 ²
4	3599504	Austin, City of	APD Violence Against Women Investigative Project	\$273,710.00	\$0.00 ²
5	2810608	Cedar Park, City of	Cedar Park Police Department Training Project	\$9,412.37	\$0.00 ²

¹ This project is recommended all remaining funding budgeted to the CAPCOG region after fully funding the projects ranked above it. If additional funds are made available full funding of this project is recommended.

² This project is deemed a quality project by the CAPCOG CJAC. If additional funds are available after fully funding the projects ranked above the CJAC recommends funding for this project.

Total Requested:	\$934,705.95	Average Request:	\$186,941.19
Regional Budget Estimate:	\$333,373.48	Requested Above RBE:	\$601,332.47

RESOLUTION

A RESOLUTION AUTHORIZING THE SUBMISSION OF LOCAL AND REGIONAL PLAN YEAR 2022 VIOLENCE AGAINST WOMEN JUSTICE AND TRAINING PROGRAM APPLICATIONS TO THE OFFICE OF THE GOVERNOR, PUBLIC SAFETY OFFICE'S CRIMINAL JUSTICE DIVISION FOR FUNDING CONSIDERATION

WHEREAS, the Office of the Governor, Public Safety Office's Criminal Justice Division, has authorized the allocation of funds under the Violence Against Women Justice and Training Program opportunity; and,

WHEREAS, the applications for these grant funds have been reviewed by the Capital Area Council of Governments' Criminal Justice Advisory Committee (CJAC) and have been prioritized for submission to the Office of the Governor, Public Safety Office's Criminal Justice Division,

THEREFORE, BE IT RESOLVED, that the Executive Committee of the Capital Area Council of Governments hereby approves and authorizes submission of the prioritized Violence Against Women Justice and Training Program application list of recommended funding order and amounts to the Office of the Governor, Public Safety Office's Criminal Justice Division for final funding consideration.

Resolution adopted by the Capital Area Council of Governments Executive Committee on this 12th day of May, 2021.

Judge Paul Pape, Chair
Executive Committee
Capital Area Council of Governments

Mayor Lew White, Secretary
Executive Committee
Capital Area Council of Governments

EXECUTIVE COMMITTEE MEETING

MEETING DATE: May 13, 2021

AGENDA ITEM: #8 Consider Adoption of a Resolution Declaring May 9 – 15, 2021 as Hurricane Preparedness Week

GENERAL DESCRIPTION OF ITEM:

Hurricanes are a major threat to the State of Texas and the CAPCOG Region. We have seen many large-scale Hurricanes that have caused major disruptions, damage and loss of life. Only a *whole community* approach to preparedness is capable of lessening the impacts of such events. CAPCOG Homeland Security has prepared a regional campaign around *WarnCentralTexas.org* to encourage residents to sign up to receive emergency alerts and take steps to prepare for hurricane season. Materials for the public will be posted online and distributed through CAPCOG stakeholders.

THIS ITEM REPRESENTS A:

- New issue, project, or purchase
- Routine, regularly scheduled item
- Follow-up to previously discussed item
- Special item requested by board member
- Other

PRIMARY CONTACT/STAFF MEMBER: **Martin Ritchey, Director Homeland Security**

BUDGETARY IMPACT:

Total estimated cost: N/A

Source of Funds: N/A

Is item already included in fiscal year budget? Yes No

Does item represent a new expenditure? Yes No

Does item represent a pass-through purchase? Yes No

If so, for what city/county/etc.? _____

PROCUREMENT: N/A

ACTION REQUESTED:

Adopt Resolution Declaring May 9 – 15, 2021 as Hurricane Preparedness Week

BACK-UP DOCUMENTS ATTACHED:

1. May 9 – 15, 2021 as Hurricane Preparedness Week

BACK-UP DOCUMENTS NOT ATTACHED (to be sent prior to meeting or will be a handout at the meeting): None

RESOLUTION

A RESOLUTION DECLARING MAY 9 – 15 AS HURRICANE PREPAREDNESS WEEK

WHEREAS, the Capital Area Council of Governments (CAPCOG) is a political subdivision of the State serving Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano, Travis and Williamson counties, and

WHEREAS, CAPCOG is committed to supporting a strong framework for the sharing of critical resources among CAPCOG jurisdictions in responding to natural or man-made emergencies, and

WHEREAS, "Hurricane Preparedness Week" creates an opportunity for the residents and businesses in the CAPCOG region to prepare their homes, establishments, and communities for the upcoming hurricane season; and

WHEREAS, investing in the preparedness of ourselves, our families, businesses, and communities can reduce fatalities and economic devastation throughout our nation; and

WHEREAS, emergency preparedness is the responsibility of every resident of the CAPCOG ten-county region and all residents are encouraged to make preparedness a priority; and

WHEREAS, the CAPCOG Executive Committee, along with other regional, state and national partners, support the *WarnCentralTexas.org* campaign to increase public readiness in preparing for hurricanes, emergencies and educating residents on how to take action; and

WHEREAS, preparedness is an ongoing effort of all residents in the CAPCOG region, including youth, older adults, and people with access and functional needs; and

WHEREAS, the CAPCOG Executive Committee encourages all residents to participate in preparedness activities and are asked to review preparedness information such as those on the website Ready.gov, and to sign up to receive emergency alerts on the *WarnCentralTexas.org* website to become more prepared;

THEREFORE, BE IT RESOLVED, that, on behalf of the members of CAPCOG, the Capital Area Council of Governments Executive Committee hereby declares May 9 – 15, 2021, as Hurricane Preparedness Week and encourages all residents and businesses to develop their own emergency preparedness plan, go to *WarnCentralTexas.org* to register to receive emergency alerts, and work as a team towards that end.

Resolution adopted by the Capital Area Council of Governments Executive Committee this 12th day of May, 2021.

Judge Paul Pape, Chair
Executive Committee
Capital Area Council of Governments

Mayor Lew White, Secretary
Executive Committee
Capital Area Council of Governments

EXECUTIVE COMMITTEE MEETING

MEETING DATE: May 12, 2021

AGENDA ITEM: #9 Consider Approving Appointments to Advisory Committees

GENERAL DESCRIPTION OF ITEM:

This is the monthly item for filling positions on our Advisory Committees; please let us know if our staff can assist in identifying interested persons to serve. It is presumed that both city and county representatives will collaborate when making appointments.

THIS ITEM REPRESENTS A:

- New issue, project, or purchase
- Routine, regularly scheduled item
- Follow-up to a previously discussed item
- Special item requested by board member
- Other

PRIMARY CONTACT/STAFF MEMBER: **Deborah Brea, Executive Assistant**

BUDGETARY IMPACT:

Total estimated cost: N/A

Source of Funds: N/A

Is item already included in fiscal year budget? Yes No

Does item represent a new expenditure? Yes No

Does item represent a pass-through purchase? Yes No

If so, for what city/county/etc.? _____

PROCUREMENT: N/A

ACTION REQUESTED:

Approve any advisory committee recommendations.

BACK-UP DOCUMENTS ATTACHED:

Summary memo with recommended appointments and vacancies.

BACK-UP DOCUMENTS NOT ATTACHED (to be sent prior to meeting or will be a handout at the meeting):

Executive Committee attendance roster

Advisory Committee attendance rosters



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Austin, Texas 78744-2306
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BASTROP BLANCO BURNET CALDWELL FAYETTE HAYS LEE LLANO TRAVIS WILLIAMSON

MEMORANDUM

April 26, 2021

TO: Executive Committee Members

FROM: Deborah Brea, Executive Assistant

RE: Advisory Committee Recommendations

This memo identifies current recommendations to CAPCOG Advisory Committees and serves as a reminder of vacancies that still need to be filled. Please see the Attendance Rosters for the Requirements & Responsibilities. For questions, please contact the Advisory Committee staff liaison.

Bastrop County

- The Solid Waste Advisory Committee (SWAC) has a representative vacancy.

Burnet County

- The Geographic Information Systems Planning Council (GISPC) has a representative vacancy.

City of Austin

- The Aging Advisory Council (AAC) has a representative vacancy.
- The Geographic Information Systems Planning Council (GISPC) has a representative vacancy.
- The CAECD Strategic Advisory Committee (SAC) has two representative vacancies.

Fayette County

- The Solid Waste Advisory Committee (SWAC) has a representative vacancy.

Lee County

- The Aging Advisory Council (AAC) has a representative vacancy.
- The Geographic Information Systems Planning Council (GISPC) has a representative vacancy.

Williamson County

- The Aging Advisory Council (AAC) has two representative vacancies.