



KENEDY 4B CORPORATION AGENDA
SEPTEMBER 27, 2021 – 6:00 P.M.
CITY AUDITORIUM IN THE RUHMAN C. FRANKLIN MUNICIPAL BUILDING
303 W. MAIN ST., KENEDY, TX. 78119

Notice is hereby given that the Kenedy 4B Corporation will convene to hold a regular meeting on the 27th of September 2021, at 6:00 p.m. at which time business will be conducted in accordance with Local Government Code 551 as follows:

1. Call meeting to order and announce a quorum is present.
 2. Public comments.
 3. Discussion and approval of the Joint Special Budget Workshop minutes of the July 19, 2021 meeting, regular minutes for the August 23, 2021 meeting, and Budget Workshop & Special Meeting minutes for the September 13, 2021 meeting.
 4. Discussion and possible action to approve the September 2021 Financial Report.
 5. Discussion and possible action to approve bills for September 2021 to be paid for the month.
 6. Discussion and possible action to establish a potential boundary line for the purpose of the downtown development revitalization project.
 7. Discussion and possible action to consider a part-time staff member or contract person for economic development.
 8. Items to consider for placement on future agendas.
 9. Adjourn.
-

Special Accommodations

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (830) 583-2230 or FAX (830) 583-2063 or email citysecretary@cityofkenedy.org for further information. Braille is not available.

The Kenedy 4B Corporation of the City of Kenedy reserves the right to convene in Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code: Section 551.071 (Consultations with Attorney), Section 551.072 (Deliberations about Real Property), Section 551.076 (Deliberations about Security Devices), or Section 551.087 (Deliberations Regarding Economic Development Negotiations) on any of the above items.

Certification

I, Ruby Beaven, certify that the above notice of this Kenedy 4B Corporation Meeting was posted at the front doors to the City Hall, 303 W. Main St., Kenedy, Texas on the 24th day of September, 2021 by 5:58 p.m.





Ruby Beaven, City Secretary

KENEDY 4B CORPORATION AGENDA
Regular Meeting: Monday, September 27, 2021

AGENDA ITEM: 1

Call meeting to order and announce a quorum is present.

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KENEDY 4B CORPORATION AGENDA
Regular Meeting: Monday, September 27, 2021

AGENDA ITEM: 2

Public Comments.

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KENEDY 4B CORPORATION AGENDA
Regular Meeting: Monday, September 27, 2021

AGENDA ITEM: 3

Discussion and approval of the Joint Special Budget Workshop minutes of the July 19, 2021 meeting, regular minutes for the August 23, 2021 meeting, and Budget Workshop & Special Meeting minutes for the September 13, 2021 meeting.

SUBMITTED BY: City Secretary Ruby Beaven



**JOINT SPECIAL BUDGET WORKSHOP MEETING MINUTES
OF THE
KENEDY 4B CORPORATION
AND THE
PARKS AND RECREATION BOARD
JULY 19, 2021 – 6:00 P.M.
CITY AUDITORIUM IN THE RUHMAN C. FRANKLIN MUNICIPAL BUILDING
303 W. MAIN ST., KENEDY, TX. 78119**

KENEDY 4B MEMBERS PRESENT:

Gary Richards, President
Felipe Leal, Vice President
Leslie Wynn, Treasurer
Cindy Saenz, Secretary
Walter (Trey) Hill III, Investment Officer
Don Staggs, Director

MEMBERS ABSENT:

Lajuana Kasprzyk, Director

PARKS & REC MEMBERS PRESENT:

Suzanne Nunez, President
Alicia Sandoval, Vice President
Lucille Matthews

CITY PRESENT:

City Secretary Ruby Beaven

1. Call the Kenedy 4B Corporation meeting to order and announce a quorum is present.

President Richards called the meeting to order at 6:02 p.m. and announced a quorum was present.

2. Call the Parks & Recreation Board meeting to order and announce a quorum present.

President Nunez called the meeting to order at 6:02 p.m. and announced a quorum was not present at this time but stated a Board Member was in route and will call the meeting to order upon a quorum being present.

3. Budget Workshop:

- **Discuss Estimated Revenues for the 2021-2022 Budget Year.**
- **Discuss Expenses for the 2021-2022 Budget Year.**

- **Discuss ongoing projects for the 2021-2022 Budget Year.**

Discussion was held among the Kenedy 4B Corporation and the City Secretary regarding the 2021-2022 FY Budget for estimated revenues, expenses, and ongoing projects.

Parks and Recreation Board Member Lucille Matthews joined the meeting at 6:20 p.m.

President Nunez called the Parks & Recreation Board meeting to order at 6:25 p.m. and announced a quorum was present.

Discussion was held among the Kenedy 4B Corporation and Parks and Recreation for the 2021-2022 FY Budget for estimated expenses and projects.

4. Adjourn the Kenedy 4B Corporation.

The Kenedy 4B Corporation meeting was adjourned at 7:06 p.m.

5. Adjourn the Parks & Recreation Board.

The Parks & Recreation Board meeting was adjourned at 7:06 p.m.

APPROVED:

Gary Richards, Kenedy 4B President

ATTEST:

Ruby Beaven, City Secretary

APPROVED:

Suzanne Nunez, Parks & Rec President

ATTEST:

Ruby Beaven, City Secretary



KENEDY 4B CORPORATION MINUTES
AUGUST 23, 2021 – 6:00 P.M.
CITY AUDITORIUM IN THE RUHMAN C. FRANKLIN MUNICIPAL BUILDING
303 W. MAIN ST., KENEDY, TX. 78119

MEMBERS PRESENT:

Gary Richards, President
 Felipe Leal, Vice President
 Walter (Trey) Hill III, Investment Officer
 Leslie Wynn, Treasurer
 Cindy Saenz, Secretary
 Lajuana Kasprzyk, Director
 Don Staggs, Director

MEMBERS ABSENT:

CITY PRESENT:

City Secretary Ruby Beaven

1. Call meeting to order and announce a quorum present.

President Richards called the meeting to order at 6:01 p.m. and announced a quorum was present.

2. Public comments.

Suzanne Nunez, Parks & Recreation President, addressed the Board and stated the Blue Bonnet seeds will cost \$1,600 for 40 pounds and the Glenna May plaque will cost \$69.95.

President Richards stated these items can be added to the next agenda.

3. Discussion and approval of regular minutes for the June 28, 2021 meeting.

Motion: Vice President Leal made the motion to approve the June 28, 2021 minutes as presented. The motion was seconded by Treasurer Leslie Wynn. Motion passed unanimously.

4. Discussion and possible action to approve the June 2021 Financial Report.

Motion: Director Kasprzyk made the motion to approve the June 2021 Financial Report. Investment Officer Hill seconded the motion. Motion passed unanimously.

5. Discussion and possible action to approve the July 2021 Financial Report.

Motion: Director Kasprzyk made the motion to approve the June 2021 Financial Report. Director Staggs seconded the motion. Motion passed unanimously.

6. Discussion and possible action to approve bills for June and July 2021 to be paid for the month.

Director Kasprzyk stated the bills for Marshall Company, Ltd. requires the Architect's Certificate for Payment to be certified by the architect for auditing purposes. Discussion was held among the Board about the architect firm being Hanson Professional Services and the City of Kenedy fired this firm and the firm will not sign-off on any documents. Director Kasprzyk suggested that the minutes be attached to each invoice that shows Hanson Professional Services was fired.

Motion: Treasurer Wynn made the motion to approve bills for June and July 2021 to be paid for the month with directive that the previous minutes outlining Hanson Professional Services was fired be attached to Marshall Company, Ltd. Contractors Application for Payment. Secretary Cindy Saenz seconded the motion. Motion passed unanimously.

7. Discussion and possible action to award grant(s) on applications received for the COVID-19 Small Business Assistance Grant 2020/2021 for small businesses adversely affected by COVID 19 pandemic.

The Board reviewed the grant applications.

Motion: Director Kasprzyk made the motion to award \$3,500 to Gloria's Restaurant for the COVID-19 Small Business Assistance Grant 2020/2021 for small businesses adversely affected by COVID 19 pandemic. Treasurer Wynn seconded the motion. Motion passed unanimously.

Motion: Treasurer Wynn made the motion to deny the award to Hany Panky Party House for the COVID-19 Small Business Assistance Grant 2020/2021 for small businesses adversely affected by COVID 19 pandemic for lack of information for incomplete application. Director Staggs seconded the motion. Motion passed unanimously.

Motion: Director Staggs made the motion to deny the award to Rodriguez Remodeling for the COVID-19 Small Business Assistance Grant 2020/2021 for small businesses adversely affected by COVID 19 pandemic for not meeting criteria as a qualified business. Secretary Saenz seconded the motion. Motion passed unanimously.

8. TABLED June 28, 2021. Discussion and possible action to approve a stand-alone EDC 4B website focused on attracting business and development to Kenedy.

Discussion was held among the Board about a stand-alone website. The consensus among the board is to have David Drewa with Drewa Designs, Inc. to come to a meeting and have a presentation.

Motion: Treasurer Wynn made the motion for President Gary Richards to contact Drewa Designs, Inc. to come present a presentation with an estimate. Director Kasprzyk seconded the motion. Motion passed unanimously.

9. Consideration and possible action in regard to establishing a date and time to conduct a budget workshop before the September 14, 2021 deadline.

Motion: Vice President Leal made the motion to set a budget workshop for September 02, 2021 at 6:00 p.m. Treasurer Wynn seconded the motion. Motion passed unanimously.

10. Items to consider for placement on future agendas.

President Richards recommended consideration for placement on the next agenda for downtown area and development. President Richards stated he will email maps to City Secretary Ruby for potential boundary line establishment for the purpose of downtown development revitalization.

Investment Officer Hill stated the meeting minutes from June 28, 2021 suggested a part-time economic development staff or contract person be added on a future agenda. He recommends this be placed on the next agenda for consideration to represent the City of Kenedy.

Director Kasprzyk inquired if the City owns any property to bring in business that could be developed as a “build to suit” then leased.

11. Adjourn.

Director Kasprzyk made the motion to adjourn the meeting at 7:00 p.m. Treasurer Wynn seconded the motion. Motion passed unanimously.

APPROVED:

Gary Richards, President

ATTEST:

Ruby Beaven, City Secretary



**KENEDY 4B CORPORATION WORKSHOP MEETING MINUTES
&
KENEDY 4B CORPORATION SPECIAL MEETING MINUTES**

**SEPTEMBER 13, 2021 – 6:00 P.M.
CITY AUDITORIUM IN THE RUHMAN C. FRANKLIN MUNICIPAL BUILDING
303 W. MAIN ST., KENEDY, TX. 78119**

MEMBERS PRESENT:

**Gary Richards, President
Felipe Leal, Vice President
Walter (Trey) Hill III, Investment Officer
Leslie Wynn, Treasurer
Cindy Saenz, Secretary
Lajuana Kasprzyk, Director
Don Staggs, Director**

MEMBERS ABSENT:

CITY PRESENT:

**City Manager William Linn
City Secretary Ruby Beaven
Assistant City Secretary Amy Desharnais**

Workshop

- 1. Call Kenedy 4B Corporation Workshop Meeting to order and announce a quorum present.**

President Richards called the Kenedy 4B Corporation Workshop Meeting to order at 6:00 p.m. and announced a quorum was present.

- 2. Presentation from Suzanne Nunez, Parks & Recreation President for proposed Fiscal Year 2021-2022 Budget items for consideration for Kenedy 4B Funding.**

Suzanne Nunez, Parks & Recreation President addressed the board and discussed the Fiscal Year 2021-2022 budget items for consideration for Kenedy 4B funding. In addition, provided a few estimates on projects to City Secretary Beaven.

- a) Joe Gulley Park windmill repair estimate will cost \$600 for parts and the three (3) hours of labor and mileage will be donated to the park.
- b) Joe Gulley Park asphalt repair with 2" overlay estimate will cost \$190,709.44.
- c) Joe Gulley Park gazebo/bridge repair estimate for \$2,093.28.
- d) Joe Gulley BBQ pit area lighting and Johnny Bear Field Dugouts estimate will need \$17,500 for repairs.

e) Joe Gulley Park scoreboard estimate will need \$2,000 for repairs.

3. Budget Workshop:

- **Discuss Estimated Revenues for the 2021-2022 Budget Year.**
- **Discuss Expenses for the 2021-2022 Budget Year.**
- **Discuss ongoing projects for the 2021-2022 Budget Year.**

Discussion held among the board to add the requested funds for the park's projects.

City Manager Linn addressed the Board and explained the City has two (2) projects that is requesting EDC 4B funds to contribute \$1.5M to these projects. At this time, unable to say what these projects are until tomorrow at the next City Council Meeting when the details will be released.

Director Kasprzyk stated she does not agree with approval of \$1.5M in funds without knowing what the funds are for. Treasurer Wynn stated that if the funds are earmarked economic development, then will be ok with the approval. Discussion was held among the board about the request for \$1.5M.

Closed Session:

At 6:30 p.m. President Richards convened the Kenedy 4B Corporation in to an Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code Section 551.087 (Deliberations Regarding Economic Development Negotiations).

Motion: Vice President Felipe Leal made a motion to go into closed session. Director Kasprzyk seconded the motion. Motion passed unanimously.

Open Session:

At 6:47 p.m. President Richards reconvened the Kenedy 4B Corporation into open session pursuant to the provision of Chapter 551 of Texas Government Code to take any actions necessary related to the executive session noted herein, or regular agenda items, noted above, and/or related items.

Motion: Treasurer Wynn made a motion to go into open session. Director Staggs seconded the motion. Motion passed unanimously.

No action taken.

Continued discussion held among the Board for the 2021-2022 revenues, expenses, and ongoing projects.

City Manager Linn addressed the Oil & Gas Royalties.

4. Adjourn Kenedy 4B Corporation Workshop Meeting.

Motion: Treasurer Wynn made the motion to adjourn the Kenedy 4B Corporation Workshop Meeting at 7:02 p.m. Investment Officer Hill seconded the motion. Motion passed unanimously.

Special Meeting

1. **Call Kenedy 4B Corporation Special Meeting to order and announce a quorum is present.**

President Richards called the Kenedy 4B Corporation Special Meeting to order at 7:02 p.m. and announced a quorum was present.

2. **Consideration and possible action to approve the Kenedy 4B Corporation 2021-2022 Fiscal Year Budget.**

Motion: Treasurer Wynn approved the Kenedy 4B Corporation 2021-2022 Fiscal Year Budget for \$2,388,400. Secretary Saenz seconded the motion. Motion passed unanimously.

3. **Adjourn Kenedy 4B Corporation Special Meeting.**

Motion: Vice President Leal made the motion to adjourn the Kenedy 4B Corporation Special Meeting at 7:04 p.m. Treasurer Wynn seconded the motion. Motion passed unanimously.

APPROVED:

Gary Richards, President

ATTEST:

Ruby Beaven, City Secretary

KENEDY 4B CORPORATION AGENDA
Regular Meeting: Monday, September 27, 2021

AGENDA ITEM: 4

Discussion and possible action to approve the September 2021 Financial Report.

SUBMITTED BY: City Manager William Linn

KENEDY 4B CORPORATION
MONTHLY FINANCIAL STATEMENTS
MONTH ENDED AUGUST 31, 2021

15 -KENEDY 4B CORPORATION

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE	
ASSETS			
=====			
15-00-101.01	KENEDY 4B CORP - CHECKING	547,243.96	
15-00-120.01	TEXPOOL - 4B CORPORATION	<u>4,423,905.42</u>	
			<u>4,971,149.38</u>
TOTAL ASSETS			4,971,149.38
			=====
LIABILITIES			
=====			
EQUITY			
=====			
15-00-290.01	FUND BALANCE - KENEDY 4B CORP	<u>5,019,183.56</u>	
	TOTAL BEGINNING EQUITY	5,019,183.56	
TOTAL REVENUE		862,999.86	
TOTAL EXPENSES		<u>911,034.04</u>	
TOTAL REVENUE OVER/(UNDER) EXPENSES		(48,034.18)	
TOTAL EQUITY & REV. OVER/(UNDER) EXP.			<u>4,971,149.38</u>
TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.			4,971,149.38
			=====

CITY OF KENEDY
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2021

15 -KENEDY 4B CORPORATION
FINANCIAL SUMMARY

91.67% OF YEAR COMP.

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>					
ALL REVENUE	<u>1,150,000.00</u>	<u>97,594.44</u>	<u>862,999.86</u>	<u>75.04</u>	<u>287,000.14</u>
TOTAL REVENUES	<u>1,150,000.00</u>	<u>97,594.44</u>	<u>862,999.86</u>	<u>75.04</u>	<u>287,000.14</u>
=====					
<u>EXPENDITURE SUMMARY</u>					
KENEDY 4B CORPORATION	<u>1,163,000.00</u>	<u>101,349.00</u>	<u>911,034.04</u>	<u>78.33</u>	<u>251,965.96</u>
TOTAL EXPENDITURES	<u>1,163,000.00</u>	<u>101,349.00</u>	<u>911,034.04</u>	<u>78.33</u>	<u>251,965.96</u>
=====					
REVENUES OVER/ (UNDER) EXPENDITURES	(13,000.00)	(3,754.56)	(48,034.18)		35,034.18

CITY OF KENEDY
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2021

15 -KENEDY 4B CORPORATION

91.67% OF YEAR COMP.

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>SALES TAX</u>					
15-00-303.01 SALES TAX REVENUE	600,000.00	47,980.38	486,262.31	81.04	113,737.69
TOTAL SALES TAX	600,000.00	47,980.38	486,262.31	81.04	113,737.69
<u>FINES & MISCELLANEOUS REV</u>					
15-00-305.01 OIL & GAS ROYALTIES	550,000.00	49,530.71	374,579.85	68.11	175,420.15
TOTAL FINES & MISCELLANEOUS REV	550,000.00	49,530.71	374,579.85	68.11	175,420.15
<u>OTHER REVENUE</u>					
15-00-308.05 INTEREST EARNED	0.00	83.35	2,157.70	0.00 (2,157.70)
TOTAL OTHER REVENUE	0.00	83.35	2,157.70	0.00 (2,157.70)
<hr/>					
TOTAL REVENUES	1,150,000.00	97,594.44	862,999.86	75.04	287,000.14
	=====	=====	=====	=====	=====

CITY OF KENEDY
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2021

15 -KENEDY 4B CORPORATION
KENEDY 4B CORPORATION

91.67% OF YEAR COMP.

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>SALARIES & OTHER</u>					
15-00-510.03 LEGAL FEES	3,500.00	0.00	0.00	0.00	3,500.00
15-00-510.04 BOOKKEEPING -CITY OF KENED	12,000.00	2,000.00	10,000.00	83.33	2,000.00
15-00-510.05 MISCELLANEOUS EXPENSE	0.00	0.00	15.00	0.00	(15.00)
15-00-510.09 HOLIDAY PARTY	500.00	0.00	0.00	0.00	500.00
TOTAL SALARIES & OTHER	16,000.00	2,000.00	10,015.00	62.59	5,985.00
<u>OPERATING EXPENSES</u>					
15-00-520.10 OPERATING SUPPLIES	3,000.00	0.00	201.47	6.72	2,798.53
TOTAL OPERATING EXPENSES	3,000.00	0.00	201.47	6.72	2,798.53
<u>MISCELLANEOUS SERVICES</u>					
15-00-530.05 ADVERTISING	500.00	250.00	650.00	130.00	(150.00)
15-00-530.11 UTILITIES	3,500.00	0.00	388.95	11.11	3,111.05
TOTAL MISCELLANEOUS SERVICES	4,000.00	250.00	1,038.95	25.97	2,961.05
<u>GENERAL EXPENDITURES</u>					
15-00-560.10 TRAINING	4,000.00	0.00	480.00	12.00	3,520.00
TOTAL GENERAL EXPENDITURES	4,000.00	0.00	480.00	12.00	3,520.00
<u>CAPITAL PROJECTS</u>					
15-00-570.02 COMPLEX SECURITY FENCE	61,000.00	0.00	57,375.00	94.06	3,625.00
15-00-570.03 TRASH CANS	8,000.00	0.00	5,336.28	66.70	2,663.72
15-00-570.06 COMPLEX BATRY ARCH	30,000.00	0.00	26,507.00	88.36	3,493.00
TOTAL CAPITAL PROJECTS	99,000.00	0.00	89,218.28	90.12	9,781.72
<u>BUILDING & STRUCT. EXP.</u>					
15-00-580.02 PARK SIGNAGE	2,000.00	0.00	0.00	0.00	2,000.00
15-00-580.04 BENCHES	3,000.00	0.00	1,500.00	50.00	1,500.00
TOTAL BUILDING & STRUCT. EXP.	5,000.00	0.00	1,500.00	30.00	3,500.00
<u>CAPITAL PURCHASES</u>					
15-00-590.03 TICKET BOOTH	25,000.00	0.00	0.00	0.00	25,000.00
15-00-590.04 BUILDING C - SPORTS COMPLE	300,000.00	99,099.00	286,800.00	95.60	13,200.00
15-00-590.05 BASEBALL FIELD PADS	16,000.00	0.00	14,599.50	91.25	1,400.50
TOTAL CAPITAL PURCHASES	341,000.00	99,099.00	301,399.50	88.39	39,600.50
<u>GEN FUND TRSFR & EXP</u>					
15-00-610.01 GRANT EXPENSES	176,800.00	0.00	0.00	0.00	176,800.00
15-00-610.03 HEB SALES TAX REBATE AGREE	28,000.00	0.00	20,980.84	74.93	7,019.16
15-00-610.04 SPORTS COMPLEX-BOND P & I	486,200.00	0.00	486,200.00	100.00	0.00
TOTAL GEN FUND TRSFR & EXP	691,000.00	0.00	507,180.84	73.40	183,819.16
<hr/>					
TOTAL KENEDY 4B CORPORATION	1,163,000.00	101,349.00	911,034.04	78.33	251,965.96
<hr/>					
TOTAL EXPENDITURES	1,163,000.00	101,349.00	911,034.04	78.33	251,965.96
=====					
REVENUES OVER/(UNDER) EXPENDITURES	(13,000.00)	(3,754.56)	(48,034.18)		35,034.18

*** END OF REPORT ***

KENEDY 4B CORPORATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2021

Note 1. Reporting Entity:

Kenedy 4B Corporation is a nonprofit corporation created by the City in 1998 pursuant to the provisions of the *Development Corporation Act of 1979*, as amended (which was originally enacted as Article 5190.6, V.A.T.C.S., and was subsequently codified and now appears in Chapters 501 - 505 of the Texas Local Government Code - collectively, the "Act").

Note 2. Summary of significant accounting policies:

The Kenedy 4B Corporation is governed by a board appointed by the City Council. Although they are legally separate from the City, the Kenedy 4B Corporation is reported as if they are a part of the City's primary government on its audited annual financial report because their primary purpose is to provide services to the citizens of the City. As a governmental type fund funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current asset and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balance present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash. Expenditures are recorded in the accounting period in which they related fund liability is incurred or spent.

The Kenedy 4B Corporation is used to collect sales tax monies to promote new business activity in the City.

Note 3. Capital assets

Capital (fixed) assets are recorded on the financial statements of the City of Kenedy.

Mineral Rights: The following is a list of mineral rights for the Kenedy 4B Corporation as listed at appraised value per the Karnes County Appraisal District and are 2021 Certified Values:

• Young Gas Unit 1 w No B1H	\$ 9,570
• Young Gas Unit 1 w No B2H	9,520
• Kenedy Corp Gas Unit 1w B3H	16,820
• Kenedy Corp Gas Unit 1w B4H	17,290
• Young Gas Unit 1 w No A1H	42,480
• Young Gas Unit 1w No A2H	25,790
• Young Guns Unit 1A3H	4,410
• Young Gas Unit 1w No A4H	31,080
• Young Gas Unit 1w No A5H	59,410
• Young Gas Unit 1 w No C3H	35,200
• Young Gas Unit 1 w C2H	36,420
• Young Gas Unit 1 w No C1H & C4H	<u>7,240</u>
	295,230

KENEDY 4B CORPORATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2021

Note 4. Contractual Obligations

A. Project Funding Agreement re: Financing a New Sports Activity Complex. Entered into in Connection with the issuance of City of Kenedy Combination Tax and Revenue Certificates of Obligation Series 2019: This agreement was signed and dated July 1, 2019. The bonds were issued in the name of the City of Kenedy on August 1, 2019.

Terms of Agreement. The term of this Agreement shall become effective from the date on which the City issues and delivers the City Sports Complex COs and shall terminate one business day after the Corporation has transferred to the City sufficient funds to pay the final annual debt service payment on the City Sports Complex COs (or any bonds or obligations issued in the future to refund the City's Sports Complex COs).

Fiscal Year Ended	Debt Service Requirements, Series 2019 Combination Tax and Revenue Bonds		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>30-Sep</u>			
2022	240,000.00	247,000.00	487,000.00
2023	250,000.00	237,400.00	487,400.00
2024	260,000.00	227,400.00	487,400.00
2025	270,000.00	217,000.00	487,000.00
2026	280,000.00	206,200.00	486,200.00
2027	295,000.00	195,000.00	490,000.00
2028	305,000.00	183,200.00	488,200.00
2029	315,000.00	171,000.00	486,000.00
2030	330,000.00	158,400.00	488,400.00
2031	345,000.00	145,200.00	490,200.00
2032	355,000.00	131,400.00	486,400.00
2033	370,000.00	117,200.00	487,200.00
2034	385,000.00	102,400.00	487,400.00
2035	400,000.00	87,000.00	487,000.00
2036	420,000.00	71,000.00	491,000.00
2037	435,000.00	54,200.00	489,200.00
2038	450,000.00	36,800.00	486,800.00
2038	470,000.00	18,800.00	488,800.00
	<u>6,175,000.00</u>	<u>2,606,600.00</u>	<u>8,781,600.00</u>

KENEDY 4B CORPORATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2021

Note 4. Contractual Obligations (Continued)

- B. Development Agreement – HEB Grocery Company, LP The Kenedy 4B Corporation has the following agreement to reimburse HEB Grocery Company, LP. The total Cost Reimbursement available to HEB for the Public Improvements under the terms of this Agreement shall not exceed one hundred and fifty thousand dollars (\$150,000). The 4B Corporation shall reimburse HEB for its expenses for the Public Improvements up to the Maximum Reimbursement Amount. Annually throughout the Term of this Agreement, 4B Corporation shall pay to HEB one hundred percent (100%) of the Increased Sales Tax Revenues (as defined below) generated at the Property, up to the Maximum Reimbursement Amount. For purposes of this Agreement, *“Increased Sales Tax Revenues” shall mean for any given calendar year the difference between the (x) Sales Tax Revenues minus (y) the Sales Tax Base Line Amount.* As of May 31, 2021 the 4B Corporation has paid HEB a cumulative amount of \$117,882.12 which leaves an unpaid balance of \$ 32,117.88.

KENEDY 4B CORPORATION AGENDA
Regular Meeting: Monday, September 27, 2021

AGENDA ITEM: 5

Discussion and possible action to approve bills for September 2021 to be paid for the month.

SUBMITTED BY: City Manager William Linn

[illegible]

INVOICE # 211

Kenedy 4B Corporation
303 W. Main St.
Kenedy, Tx. 78119
(830) 583-2230

FOR: August Monthly Accounting;

REMIT TO: CITY OF KENEDY
303 W. Main St.
Kenedy, Tx. 78119
phone (830) 583-2230
fax (830) 583-2063

DESCRIPTION	AMOUNT
Bookkeeping Services to the City of Kenedy Month of August 2021	\$1,000.00
	SUBTOTAL \$ 1,000.00
	SALES TAX
	OTHER
	TOTAL \$ 1,000.00

Make all checks payable to City of Kenedy
If you have any questions concerning this invoice, contact the accounting dept at (830) 583-2230,
accountspayable@cityofkenedy.org

THANK YOU !!!

Make all checks payable to City of Kenedy
If you have any questions concerning this invoice, contact the
accounting dept at (830) 583-2230,
accountspayable@cityofkenedy.org

THANK YOU !!!

S:\Accounting\KENEDY 4B CORP\INVOICE TO CITY AUG 2021.xlsx|july 2021



Accounting: 866-832-8957 • Customer Service: 800-325-3047
Fax: 314-755-1232 • Email: accountsreceivable@upbeat.com
Website: www.upbeatinc.com

INVOICE

26

INVOICE NO. 628928	CUST NO E00102762	
INVOICE TOTAL 1,696.70	PAGE 1	INVOICE DATE 9/21/2021
ORDER NO. 725351	ORDER DATE 06/30/2021	
CUSTOMER P.O. City of Kenedy Quote - Tax Exerr		FEDERAL TAX ID 43-0957292

Sold To:

CITY OF KENEDY
303 West Main Street
email invoice to: judy@cityofkenedy.org
Kenedy TX 78119
US

Ship To:

Suzanne Nunez
CITY OF KENEDY - 4 B Corporation
303 W. Main
Kenedy TX 78119
US

Fax:

Sales Rep:

Email:

Terms Net 30 Days

F.O.B. Origin

Legal Number: 628928
Line Part Number/Description
1 L1360
Rendezvous 6' Contour Bench

Quantity	Unit Price	Ext Price
1.00 EA	1,385.00000	1,385.00

Subtotal:	1,385.00
Discount:	0.00
Misc:	0.00
Freight:	31170

Thank you for your Order!
Remittance Advice
To insure proper credit to
your account, please write
your customer number on
your check. Please detach
and return this portion with
your payment.

Make checks payable and remit to:

UpBeat Inc.
P.O. Box 779134
Chicago, IL 60677-9134

CUST NO. E00102762	INVOICE NO. 628928	AMOUNT PAID 0.00	AMOUNT DUE 1,696.70
-----------------------	-----------------------	---------------------	------------------------

<input type="checkbox"/>	MC
<input type="checkbox"/>	VISA
<input type="checkbox"/>	AMEX

CREDIT CARD NO. EXPIRATION DATE

NAME AS IT APPEARS ON CARD

SIGNATURE



KENEDY 4B CORPORATION MINUTES
AUGUST 23, 2021 – 6:00 P.M.
CITY AUDITORIUM IN THE RUHMAN C. FRANKLIN MUNICIPAL BUILDING
303 W. MAIN ST., KENEDY, TX. 78119

MEMBERS PRESENT:

Gary Richards, President
 Felipe Leal, Vice President
 Walter (Trey) Hill III, Investment Officer
 Leslie Wynn, Treasurer
 Cindy Saenz, Secretary
 Lajuana Kasprzyk, Director
 Don Staggs, Director

MEMBERS ABSENT:

Proposed Draft Only

CITY PRESENT:

City Secretary Ruby Beaven

1. Call meeting to order and announce a quorum present.

President Richards called the meeting to order at 6:01 p.m. and announced a quorum was present.

2. Public comments.

Suzanne Nunez, Parks & Recreation President, addressed the Board and stated the Blue Bonnet seeds will cost \$1,600 for 40 pounds and the Glenna May plaque will cost \$69.95.

President Richards stated these items can be added to the next agenda.

3. Discussion and approval of regular minutes for the June 28, 2021 meeting.

Motion: Vice President Leal made the motion to approve the June 28, 2021 minutes as presented. The motion was seconded by Treasurer Leslie Wynn. Motion passed unanimously.

4. Discussion and possible action to approve the June 2021 Financial Report.

Motion: Director Kasprzyk made the motion to approve the June 2021 Financial Report. Investment Officer Hill seconded the motion. Motion passed unanimously.

5. Discussion and possible action to approve the July 2021 Financial Report.

Motion: Director Kasprzyk made the motion to approve the June 2021 Financial Report. Director Staggs seconded the motion. Motion passed unanimously.

6. Discussion and possible action to approve bills for June and July 2021 to be paid for the month.

Director Kasprzyk stated the bills for Marshall Company, Ltd. requires the Architect's Certificate for Payment to be certified by the architect for auditing purposes. Discussion was held among the Board about the architect firm being Hanson Professional Services and the City of Kenedy fired this firm and the firm will not sign-off on any documents. Director Kasprzyk suggested that the minutes be attached to each invoice that shows Hanson Professional Services was fired.

Motion: Treasurer Wynn made the motion to approve bills for June and July 2021 to be paid for the month with directive that the previous minutes outlining Hanson Professional Services was fired be attached to Marshall Company, Ltd. Contractors Application for Payment. Secretary Cindy Saenz seconded the motion. Motion passed unanimously.

7. Discussion and possible action to award grant(s) on applications received for the COVID-19 Small Business Assistance Grant 2020/2021 for small businesses adversely affected by COVID 19 pandemic.

The Board reviewed the grant applications.

Motion: Director Kasprzyk made the motion to award \$3,500 to Gloria's Restaurant for the COVID-19 Small Business Assistance Grant 2020/2021 for small businesses adversely affected by COVID 19 pandemic. Treasurer Wynn seconded the motion. Motion passed unanimously.

Motion: Treasurer Wynn made the motion to deny the award to Hany Panky Party House for the COVID-19 Small Business Assistance Grant 2020/2021 for small businesses adversely affected by COVID 19 pandemic for lack of information for incomplete application. Director Staggs seconded the motion. Motion passed unanimously.

Motion: Director Staggs made the motion to deny the award to Rodriguez Remodeling for the COVID-19 Small Business Assistance Grant 2020/2021 for small businesses adversely affected by COVID 19 pandemic for not meeting criteria as a qualified business. Secretary Saenz seconded the motion. Motion passed unanimously.

8. TABLED June 28, 2021. Discussion and possible action to approve a stand-alone EDC 4B website focused on attracting business and development to Kenedy.

Discussion was held among the Board about a stand-alone website. The consensus among the board is to have David Drewa with Drewa Designs, Inc. to come to a meeting and have a presentation.

Motion: Treasurer Wynn made the motion for President Gary Richards to contact Drewa Designs, Inc. to come present a presentation with an estimate. Director Kasprzyk seconded the motion. Motion passed unanimously.

Kenedy 4B Economic Development Corporation COVID-19 Small Business Assistance Grant 2020/2021

APPLICATION

Review Process

Applications will be reviewed internally by the Kenedy 4B Economic Development Corporation Board. The Board will accept applications on a rolling basis. Applications will be reviewed in the order in which they were received. All applications must include a signed W-9 form and any supporting documentation. Applicants will receive notification of their application status within 7-10 business days after the board meets and a vote is rendered. Payments will be made directly to businesses awarded grants and are to be utilized for eligible expenses. Grants awarded to businesses will not exceed \$6,500.

Applicant Information

First/Last Name of Applicant: Gloria Dela Garza
 Name of Business: Gloria's Restaurant
 Business Address: 436 N. Sunset Strip, Kenedy Tx 78119
 Phone: 583-9157 Email: 4gloriadlg@gmail.com
 Name of Business Owner(s): Gloria Dela Garza
 Number of business locations: 1
 Business Type: Restaurant - family dining NAICS Code: 722511
 Business Disaster/Interruption Insurance: Yes ☐ No ☒

Business Ownership

Number of Years in Business: 29 Tax ID # 74-2717298
 Entity Name: Gloria's Restaurant

The Request for Taxpayer Identification Number and Certification Form W-9 is required.

Completed W-9 Attached: ☒ Yes ☐ No

Personnel

Please describe how many employees you employed prior to the impact; how many you currently have and how many you anticipate in the future as a result of COVID-19.

How many employees did you have on March 1, 2020?	Full time: <u>2</u>	Part time: <u> </u>
How many do you currently have as of application date?	Full time: <u>2</u>	Part time: <u> </u>
How many do you anticipate in 30 days from application date?	Full time: <u>2</u>	Part time: <u> </u>

Please attach any supporting documentation.

Business Impacts

- | | |
|--|--|
| <input checked="" type="checkbox"/> Business closure - Temporary | <input checked="" type="checkbox"/> Inability to respond to home delivery requests |
| <input checked="" type="checkbox"/> Reduced hours of operation | <input checked="" type="checkbox"/> Interrupted supply/deliveries from vendors |
| <input type="checkbox"/> Employee layoffs/furloughs | <input checked="" type="checkbox"/> Inability to serve customers |
| <input checked="" type="checkbox"/> Revenue decline | <input checked="" type="checkbox"/> Decreased customers |
| <input type="checkbox"/> Increased operating costs (i.e. salaries, insurance, paid leave) | |
| <input checked="" type="checkbox"/> Restricted access to capital to address increased costs | |
| <input type="checkbox"/> Revenue generating events canceled (i.e. expos, classes, markets, etc.) | |

RevenueRevenue January 1, 2019 - April 30, 2019: 24,459Revenue January 1, 2020 - April 30, 2020: 21,291

If your business was not open in 2019, please put N/A. _____

Please attach supporting documentation for revenue details for January 1, 2019 - April 30, 2019 and January 1, 2020 - April 30, 2020. In addition, the Income Statements for 2019 and 2020 are required.

Income Statement for 2019 Attached:	<input checked="" type="radio"/> Yes	<input type="radio"/> No
Income Statement for 2020 Attached:	<input checked="" type="radio"/> Yes	<input type="radio"/> No

Use of Funds

How will your business use the loan funds? Please check all that apply.

- ☐ Rent/mortgage payment
- ☒ Employee support (salaries, insurance, paid leave)
- ☒ Utilities (i.e. electricity, phone, internet, etc.)
- ☒ Purchase of COVID-19 supplies for business protection/cleaning.
- ☒ Expenses associated with increased material costs from suppliers or alternate suppliers.
- ☐ Expenses associated with marketing the business (if currently open) and/or reopening the business if temporarily closed.
- ☐ Purchase of supplies to offer alternative business access (i.e. curbside pickup, delivery, website upgrades for online sales, etc.)

Financial Assistance (Currently pending or received)

Have you applied for any of the following Federal programs that are currently available?

Paycheck Protection Program (PPP)	Amount awarded	<u>2313.75</u>
Economic Injury Disaster Loan (EIDL)	Amount awarded	<u>-0- None Available</u>
Emergency Economic Injury Grant	Amount awarded	<u>-0- Not Available</u>
Small Business Debt Relief Program	Amount awarded	<u>-0- No Debt</u>
Employee Retention Tax Credit	Amount awarded	<u>-0-</u>
Other: _____	Amount awarded	_____

If not, why not? _____

Please attach any supporting documentation

Acknowledgements/Signature

Please check each statement acknowledging that you have read and affirm the information you have submitted within this application is true and accurate to the best of your knowledge.

- ☒ I affirm that my business has experienced or projected to experience a decline in employment as a result of the COVID-19 Pandemic.
- ☒ I affirm that my business has a publicly accessible location within the City of Kenedy city limits.
- ☒ I affirm that my business is a City of Kenedy utility customer (Water and/or Wastewater).
- ☒ I affirm this business is in good standing with the City of Kenedy with respect to licensing, permits and utility payments.
- ☒ I affirm this business is not in arrears on any property, sales, or hotel-motel tax payments to the City of Kenedy.
- ☒ I affirm my business is engaged in activities that are legal under city and state law.
- ☒ The Tax ID, Entity Name, File Number assigned by the Texas Secretary of State when registering my business is accurately listed on this application.
- ☒ I have attached all financial records and other relevant documents to support this grant request.
- ☒ I affirm that under the penalty of perjury any false or misleading information discovered during the initial review process or any subsequent review or audit process, will result in the application being declined or reimbursement to the Kenedy 4B Economic Development Corporation of any funds disbursed on my/my entity's behalf. (This box must be checked or the application is considered incomplete and will be automatically denied.)

Business Legal Name: Gloria's Restaurant
 Signature: Gloria de la Garza
 Title: Owner Date: 7/20/2021

KARNES INSURANCE AGENCY, INC.

P.O. Box 368, KENEDY, TX 78119-0368
TELEPHONE: 830/583-2591
FACSIMILE: 830/583-3736
Email: karnesin@sbcglobal.net

09/21/21

RECEIVED SEP 23 2021

Kenedy 4B Corporation
303 W. Main
Kenedy, TX 78119

Re: Bond #: 71697722 – PE: Blanket #3 - City

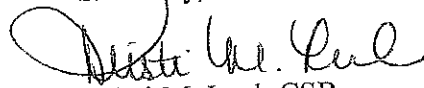
Dear Insured,

Thank you for allowing us the opportunity to service your insurance needs. Enclosed you will find your invoice for the bond mentioned above. Please make payment to our office for the amount of \$501.08.

If you do not wish to continue with this bond, please notify our office in writing so that we may cancel this bond flat.

We certainly appreciate your continued business. Please let us know if we can be of any assistance to you.

Sincerely,



Kristi M. Leal, CSR

COMMERCIAL CRIME COVERAGE PART - DECLARATIONS

34

Renewal of Number

Bond Number

71697722

Named Insured and Mailing Address
(No., Street, Town or City, County, State, Zip Code)

Kenedy 4B Corporation
303 W. Main
Kenedy, TX 78119

Policy Period: From October 1, 2015 to Until Cancelled at 12:01 a.m. standard time at your mailing address shown above

COVERAGE, LIMITS OF INSURANCE AND DEDUCTIBLE

Coverage Form(s) Forming Part of this Coverage Part	Limit of Insurance	Deductible Amount
Coverage Form 0 Blanket	\$100,000.00	None

FORMS AND ENDORSEMENTS Forms and Endorsements applicable to this Coverage Part omitted if shown elsewhere in the policy.

Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue:
CR 00 16; IL 00 17; CR 10 00; CR 10 44; CR 01 11

CANCELLATION OF PRIOR INSURANCE

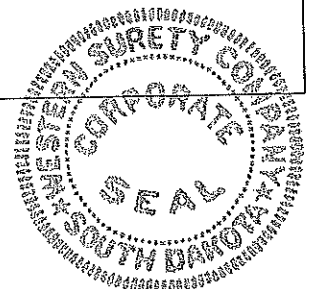
By acceptance of this policy you give us notice cancelling prior policy or bond No(s).

the cancellation to be effective at the time this policy becomes effective.

WESTERN SURETY COMPANY

BY

Paul T. Bruflat, Vice President



Date of Issue: 9 / 21 / 2015

Countersigned By NOT NEEDED
Authorized Representative

Date

CR 00 16 10 90

PUBLIC EMPLOYEE DISHONESTY COVERAGE FORM
(COVERAGE FORM O—PER LOSS)**A. COVERAGE**

We will pay for loss of, and loss from damage to, Covered Property resulting directly from the Covered Cause of Loss.

1. **Covered Property:** "Money", "securities", and "property other than money and securities".
2. **Covered Cause of Loss:** "Employee dishonesty".
3. **Coverage Extension**

Employees Temporarily Outside Coverage Territory: We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory General Condition for a period not more than 90 days.

B. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance shown in the DECLARATIONS.

C. DEDUCTIBLE

1. We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the DECLARATIONS. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.
2. You must:
 - a. Give us notice as soon as possible of any loss of the type insured under this Coverage Form even though it falls entirely within the Deductible Amount.
 - b. Upon our request, give us a statement describing the loss.

D. ADDITIONAL EXCLUSIONS, CONDITIONS AND DEFINITIONS: In addition to the provisions in the Crime General Provisions, this Coverage Form is subject to the following:

1. **Additional Exclusions:** We will not pay for loss or damages as specified below:
 - a. **Employee Cancelled Under Prior Insurance:** loss caused by any "employee" of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
 - b. **Inventory Shortages:** loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - (1) An inventory computation; or

(2) A profit and loss computation.

c. **Bonded Employee:** loss caused by any "employee" required by law to be individually bonded.

d. **Treasurer or Tax Collector:** loss caused by a treasurer or tax collector by whatever name known.

e. **Damages:** damages for which you are legally liable as a result of:

- (1) the deprivation or violation of the civil rights of any person by an "employee"; or
- (2) the tortious conduct of an "employee", except conversion of property of other parties held by you in any capacity.

2. Additional Conditions:**a. Cancellation As To Any Employee:**

This insurance is cancelled as to any "employee":

- (1) Immediately upon discovery by you or any official or employee authorized to manage, govern or control your employees, of any dishonest act committed by that "employee" whether before or after becoming employed by you.
- (2) On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing.

The mailing of notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.

b. **Sole Benefit:** This insurance is for your sole benefit. No legal proceeding of any kind to recover on account of loss under this coverage may be brought by anyone other than you.

c. **Indemnification:** We will indemnify any of your officials who are required by law to give bonds for the faithful performance of their service against loss through dishonest acts of persons who serve under them, subject to the Limit of Insurance.

3. Additional Definitions

- a. **"Employee Dishonesty"** in paragraph A.2. means only dishonest acts committed by an



(over)

IL 00 17 11 85

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. INSPECTIONS AND SURVEYS

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

E. PREMIUMS

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.



CR 10 00 10 90

CRIME GENERAL PROVISIONS

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is or is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the DECLARATIONS. The words "we", "us" and "our" refer to the Company providing this insurance.

Words and phrases in quotation marks are defined in the policy.

Unless stated otherwise in any Crime Coverage Form, DECLARATIONS or endorsement, the following General Exclusions, General Conditions and General Definitions apply to all Crime Coverage Forms forming part of this policy.

A. GENERAL EXCLUSIONS

We will not pay for loss as specified below:

1. **Acts Committed by You or Your Partners:** Loss resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.
2. **Governmental Action:** Loss resulting from seizure or destruction of property by order of governmental authority.
3. **Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Property.
 - b. Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
 - c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
4. **Legal Expenses:** Expenses related to any legal action.
5. **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.
6. **War and Similar Actions:** Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

B. GENERAL CONDITIONS

1. **Consolidation—Merger:** If through consolidation or merger with, or purchase of assets of, some other entity:
 - a. Any additional persons become "employees"; or

- b. You acquire the use and control of any additional "premises";

any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", but only if you:

- a. Give us written notice within 30 days thereafter; and
 - b. Pay us an additional premium.
2. **Coverage Extensions:** Unless stated otherwise in the Coverage Form, our liability under any Coverage Extension is part of, not in addition to, the Limit of Insurance applying to the Coverage or Coverage Section.
 3. **Discovery Period for Loss:** We will pay only for covered loss discovered no later than one year from the end of the policy period.
 4. **Duties in the Event of Loss:** After you discover a loss or a situation that may result in loss of, or loss from damage to, Covered Property you must:
 - a. Notify us as soon as possible.
 - b. Submit to examination under oath at our request and give us a signed statement of your answers.
 - c. Give us a detailed, sworn proof of loss within 120 days.
 - d. Cooperate with us in the investigation and settlement of any claim.
 5. **Joint Insured**
 - a. If more than one Insured is named in the DECLARATIONS, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named Insured ceases to be covered, then the next named Insured will become the first named Insured.
 - b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.



- c. An "employee" of any Insured is considered to be an "employee" of every Insured.
 - d. If this insurance or any of its coverages is cancelled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
 - e. We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.
- 6. Legal Action Against Us:** You may not bring any legal action against us involving loss:
- a. Unless you have complied with all the terms of this insurance; and
 - b. Until 90 days after you have filed proof of loss with us; and
 - c. Unless brought within 2 years from the date you discover the loss.
- 7. Loss Covered Under More Than One Coverage of This Insurance:** If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:
- a. The actual amount of loss; or
 - b. The sum of the limits of insurance applicable to those coverages.
- 8. Loss Sustained During Prior Insurance**
- a. If you; or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:
 - (1) This insurance became effective at the time of cancellation or termination of the prior insurance; and
 - (2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.
 - b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under:
 - (1) This insurance as of its effective date; or
 - (2) The prior insurance had it remained in effect.
- 9. Loss Covered Under This Insurance and Prior Insurance Issued by Us or Any Affiliate:** If any loss is covered:
- a. Partly by this insurance; and
 - b. Partly by any prior cancelled or terminated

insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

- 10. Non-Cumulation of Limit of Insurance:** Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- 11. Other Insurance:** This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity. However, this insurance will not apply to the amount of loss that is more than the applicable Limit of Insurance shown in the DECLARATIONS.

- 12. Ownership of Property; Interests Covered:** The property covered under this insurance is limited to property:

- a. That you own or hold; or
- b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

13. Policy Period

- a. The Policy Period is shown in the DECLARATIONS.
- b. Subject to the Loss Sustained During Prior Insurance condition, we will pay only for loss that you sustain through acts committed or events occurring during the Policy Period.

- 14. Records:** You must keep records of all Covered Property so we can verify the amount of any loss.

15. Recoveries

- a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
 - (2) Then to us, until we are reimbursed for the settlement made;
 - (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.

b. Recoveries do not include any recovery:

- (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- (2) Of original "securities" after duplicates of them have been issued.

16. Territory: This insurance covers only acts committed or events occurring within the United States of America, U.S. Virgin Islands, Puerto Rico, Canal Zone, or Canada.

17. Transfer of Your Rights of Recovery Against Others to Us: You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

18. Valuation—Settlement

a. Subject to the applicable Limit of Insurance provision we will pay for:

- (1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:

- (a) At face value in the "money" issued by that country; or

- (b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.

- (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:

- (a) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities";

- (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

- i. Value of the "securities" at the close of business on the day the loss was discovered; or

- ii. Limit of Insurance.

- (3) Loss of, or loss from damage to, "property other than money and securities" or loss from damage to the "premises" for not more than the:

- (a) Actual cash value of the property on the day the loss was discovered;

- (b) Cost of repairing the property or "premises"; or

- (c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

- b. We may, at our option, pay for loss of, or loss from damage to, property other than "money":

- (1) In the "money" of the country in which the loss occurred; or

- (2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.

- c. Any property that we pay for or replace becomes our property.

C. GENERAL DEFINITIONS

1. "Employee" means:

a. Any natural person:

- (1) While in your service (and for 30 days after termination of service); and

- (2) Whom you compensate directly by salary, wages or commissions; and

- (3) Whom you have the right to direct and control while performing services for you; or

- b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the "premises".

But "employee" does not mean any:

- (1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

- (2) Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

2. "Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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ADD FAITHFUL PERFORMANCE OF DUTY

This endorsement applies only to PUBLIC EMPLOYEE DISHONESTY COVERAGE FORM O or P.

PROVISIONS

1. The following is added as a Covered Cause of Loss:

Failure of any "employee" to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your Covered Property, including inability to faithfully perform those duties because of a criminal act committed by a person other than an "employee".

2. The following Additional Exclusion is added:

Depository Failure: loss resulting from the failure of any entity acting as a depository for your property or property for which you are responsible.

3. Part 2.a.(1) of the Coverage Form is deleted and the following substituted:

Immediately upon discovery by you or any official or employee authorized to manage, govern or control your employees of any act on the part of an "employee" whether before or after becoming employed by you which would constitute a loss covered under the terms of this Coverage Form, as amended by this endorsement.

4. Part 2.c. of the Coverage Form is deleted and the following substituted:

Indemnification: We will indemnify any of your officials who are required by law to give bonds for the faithful performance of their service against loss through the failure of any "employee" under the supervision of that official to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your Covered Property, including inability to faithfully perform those duties because of a criminal act committed by a person other than an "employee".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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TEXAS CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE PART

The following is added to the Valuation-Settlement provisions of this policy:

In the event arbitration is utilized, each party will select a competent and impartial arbitrator. The two arbitrators will select an umpire. If they cannot agree for 15 days upon such umpire, either may request that selection be made by a judge of a court having jurisdiction. The arbitrators will state separately the value of the property and amount of loss. If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen arbitrator; and
2. Bear the other expenses of the arbitration and umpire equally.

If we submit to an arbitration, we will still retain our right to deny the claim.



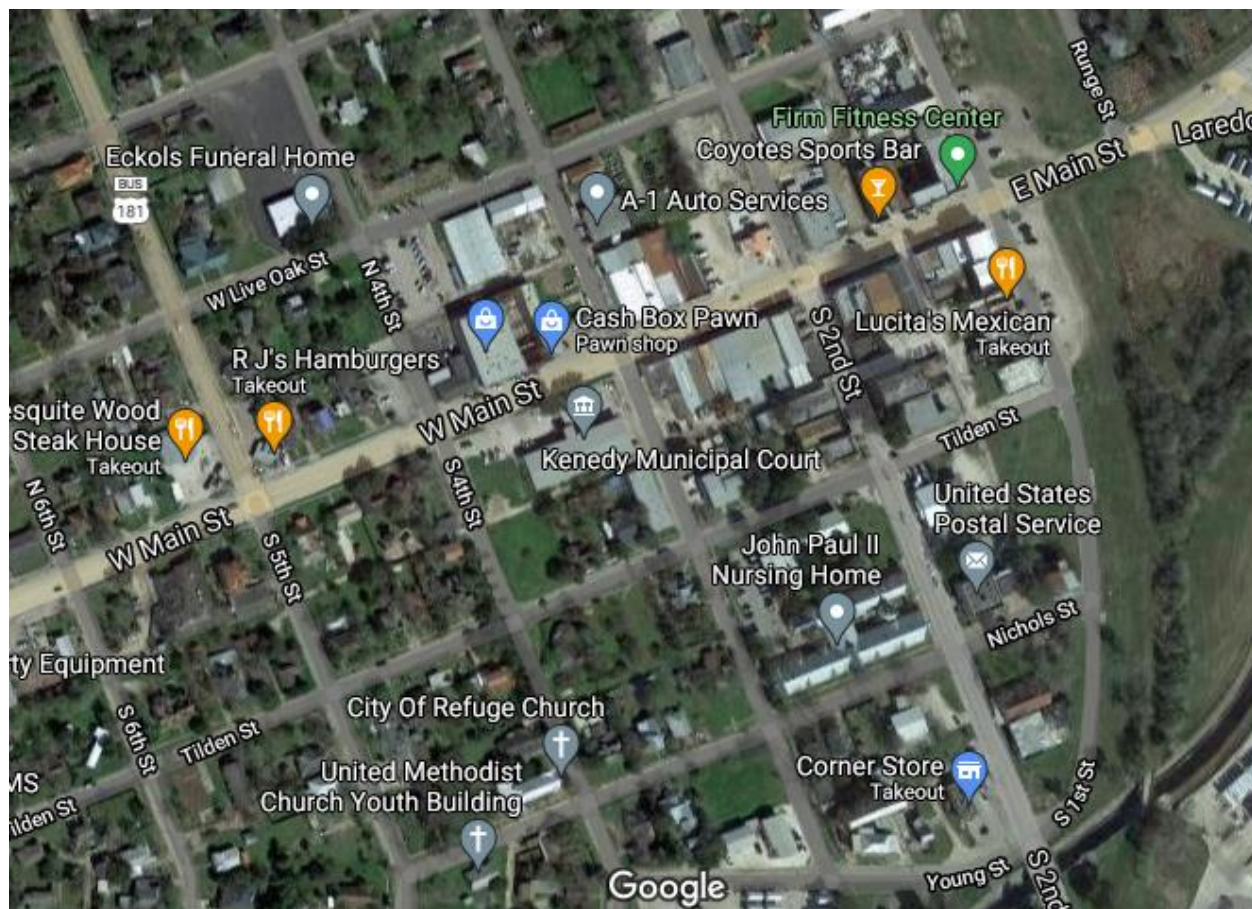
KENEDY 4B CORPORATION AGENDA
Regular Meeting: Monday, September 27, 2021

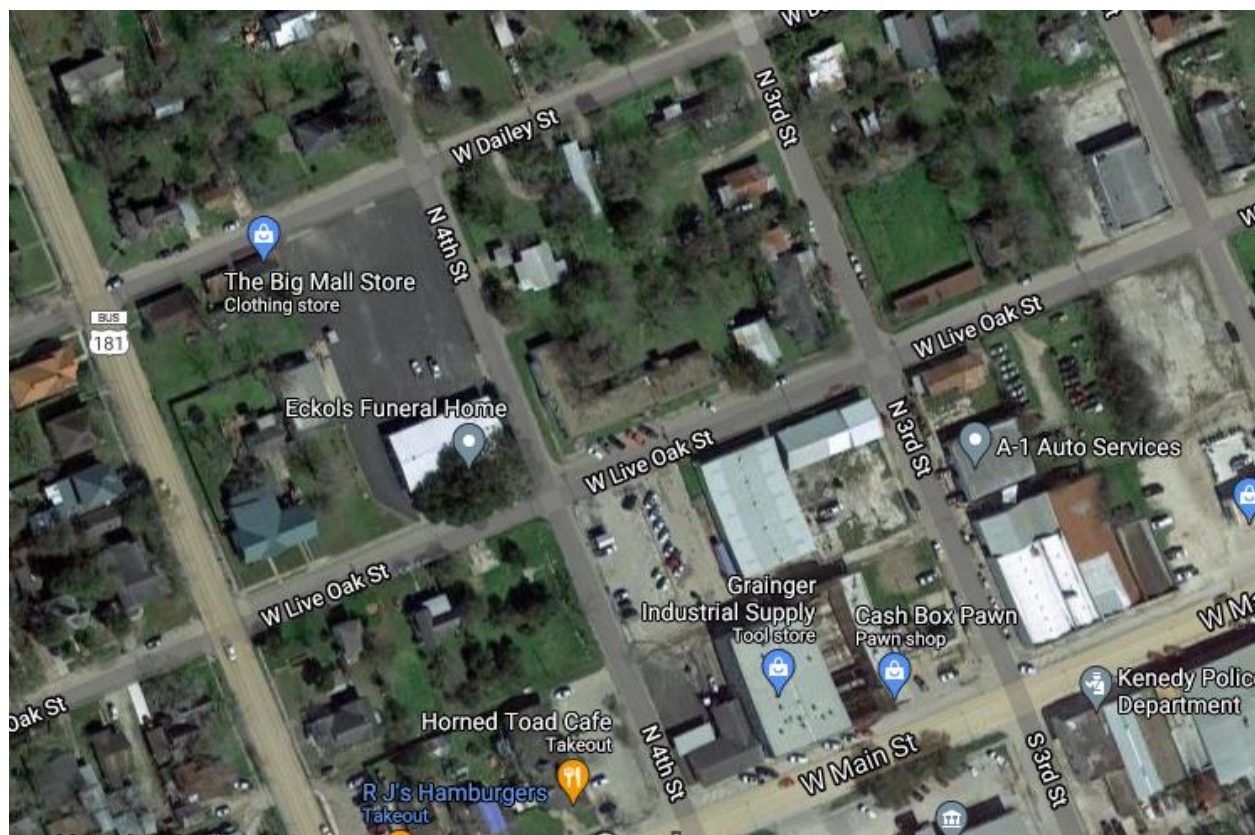
AGENDA ITEM: 6

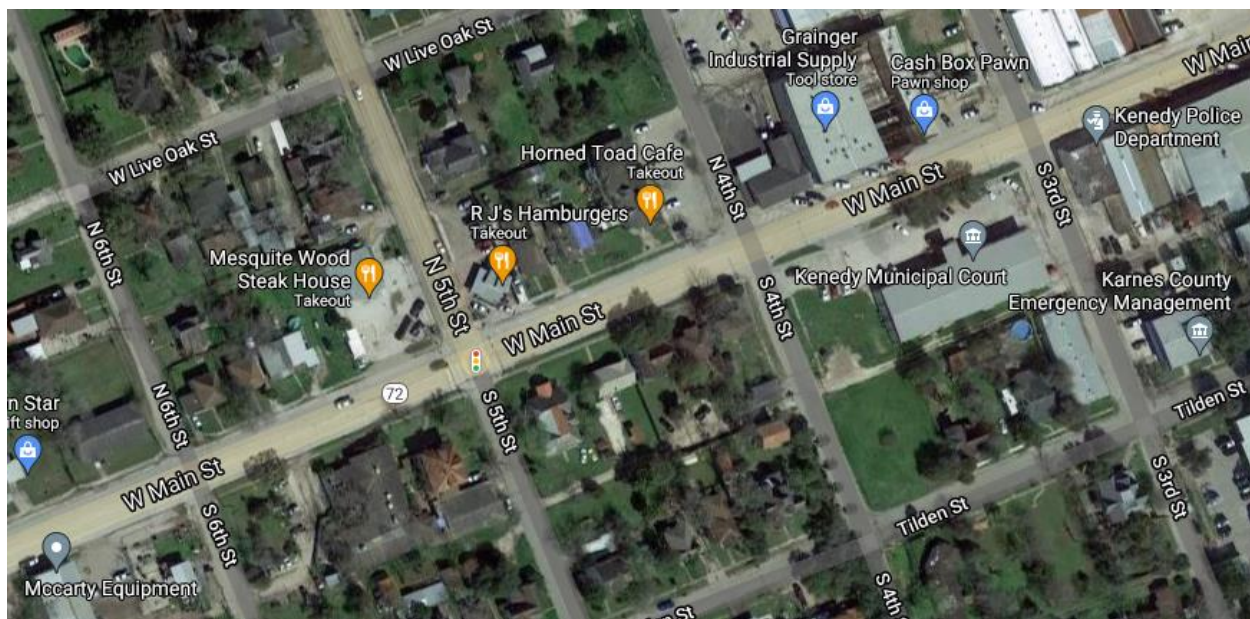
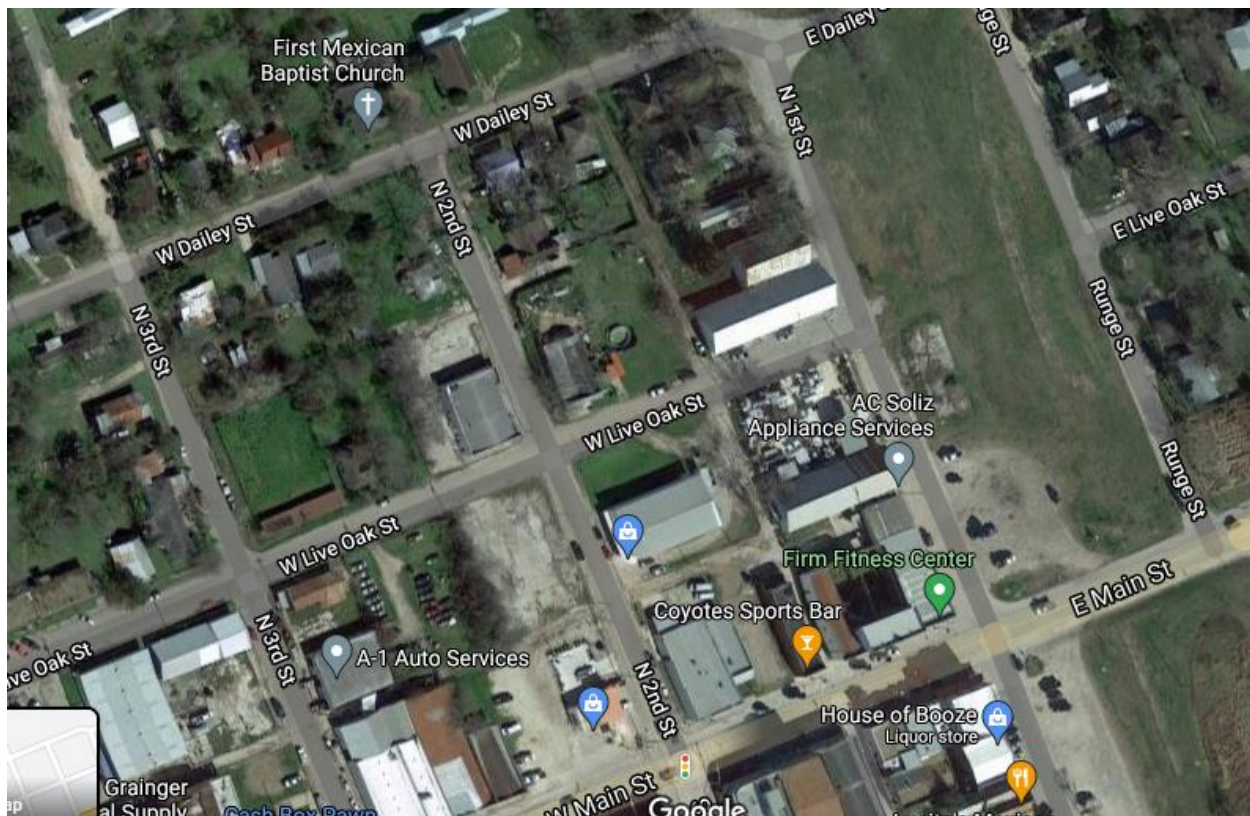
Discussion and possible action to establish a potential boundary line for the purpose of the downtown development revitalization project.

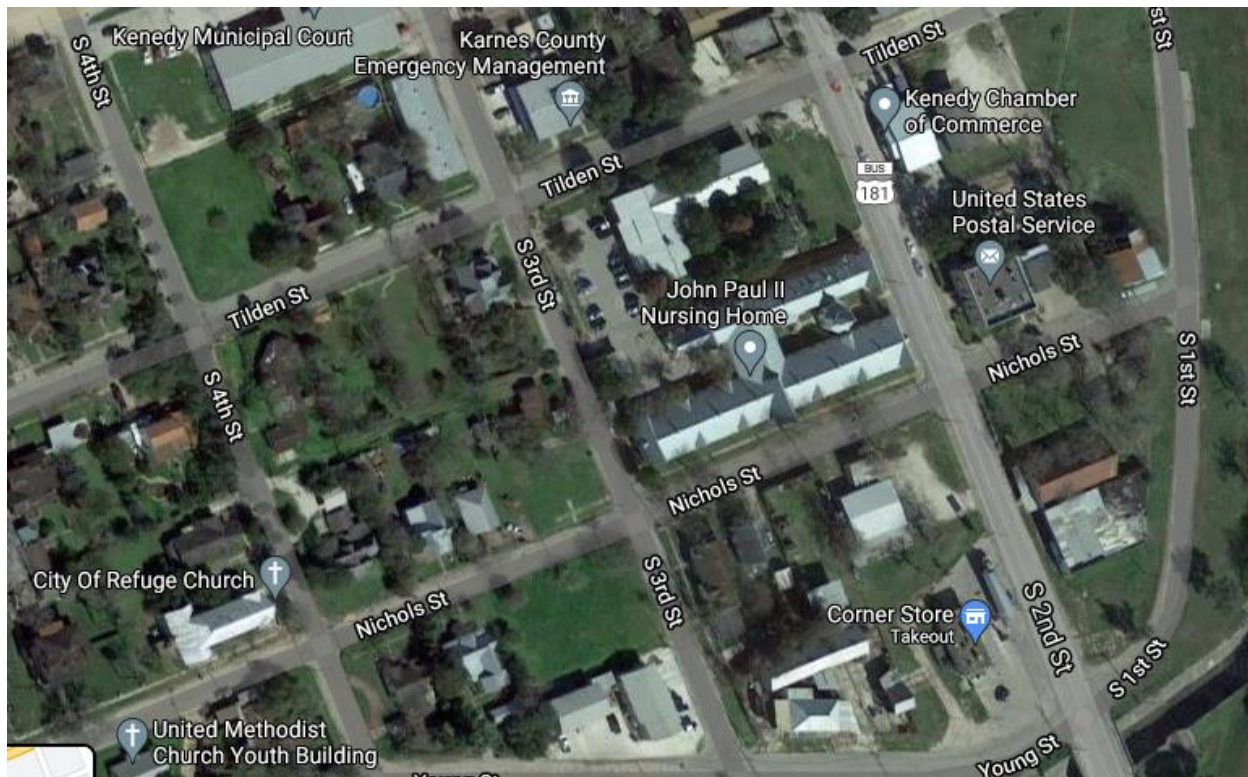
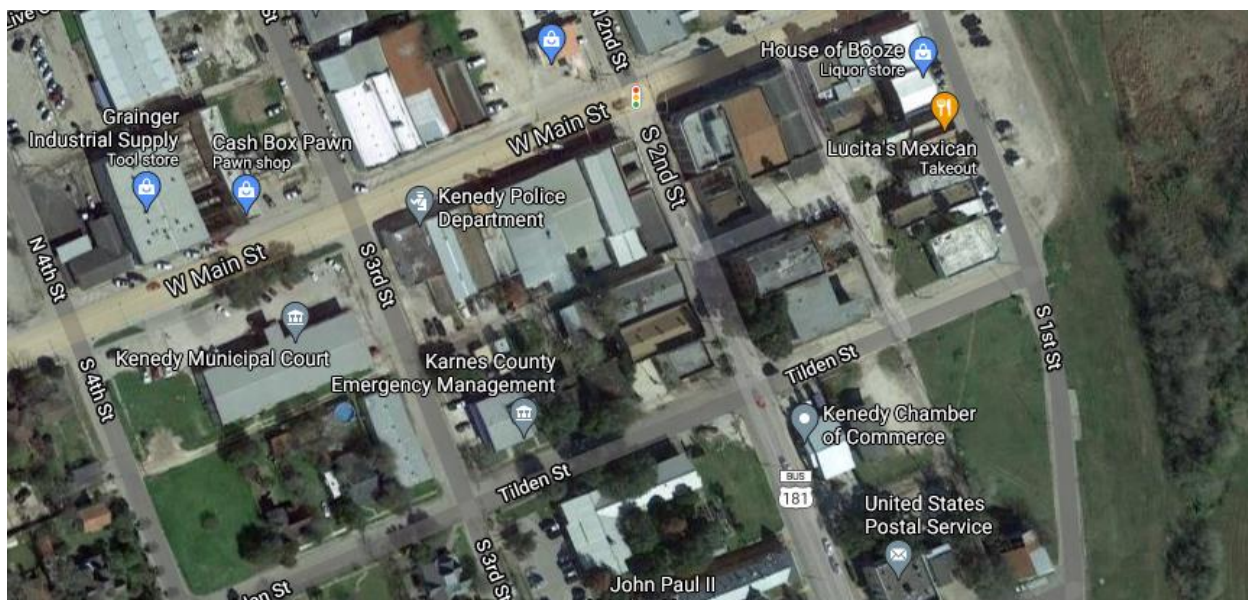
SUBMITTED BY: President Gary Richards

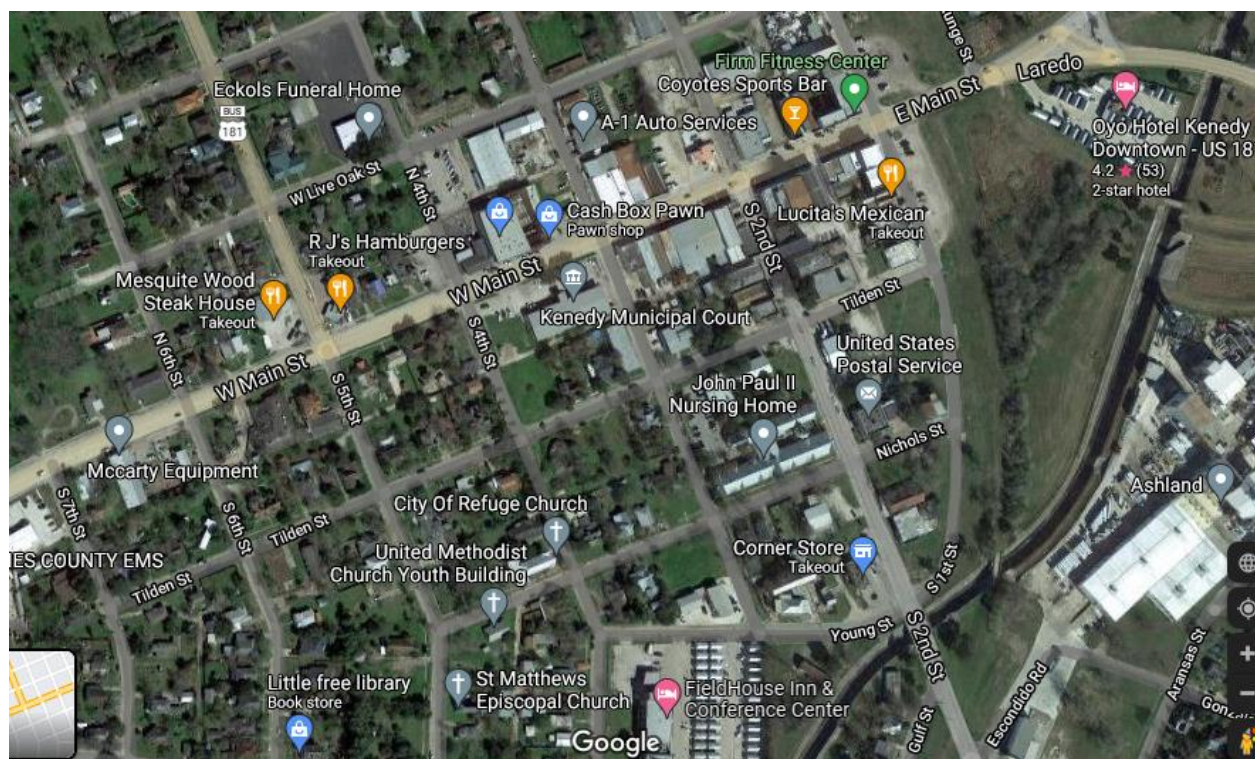
Downtown Kenedy











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AGENDA ITEM: 7

Discussion and possible action to consider a part-time staff member or contract person for economic development.

SUBMITTED BY: Director Kasprzyk and Investment Officer Hill

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AGENDA ITEM: 8

Items to consider for placement on future agendas.

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AGENDA ITEM: 9

Adjourn.

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