

VILLAGE FIRE DEPARTMENT
REGULAR MONTHLY BOARD MEETING AGENDA
Wednesday, October 28, 2026, 6:00 P.M

Notice is hereby given of a regular monthly meeting of the Fire Commission of the Village Fire Department, to be held on **Wednesday, October 28, 2026, at 6:00 P.M.**, 901 Corbindale Road, Hedwig Village, Texas 77024. Commissioners and/or employees may attend this meeting via videoconference as allowed by the Texas Government Code; however, there will be a quorum present at the same location.

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE/PRAYER**
- 3. COMMENTS FROM THE PUBLIC** – Comments are limited to 3 minutes each.
- 4. CONSENT AGENDA** – All Consent Agenda items listed are considered to be routine by the Board of Commissioners and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.
 - A.** Approval of Minutes – Regular Monthly Board Meeting Minutes – September 2026
 - B.** Approval of Expense Report – September 2026
- 5. REPORTS**
 - A.** Administrator’s Report – September 2026 (Buckert)
 1. Financial Report
 2. Investment Report
 3. Next Meeting Date: **November 18**
 - B.** Fire Chief’s Report – September 2026 (Croft)
- 6. DISCUSSION OF AND POSSIBLE ACTION REGARDING INSURANCE FIGURES FOR INFORMATIONAL AND FUTURE BUDGETARY PURPOSES ONLY (Stuart)**
- 7. DISCUSSION OF AND POSSIBLE ACTION REGARDING UPDATED FINANCIAL POLICIES (Buckert)**
 - A.** Investment Policy
 - B.** Financial Policy
 - C.** Credit Card Policy
 - D.** Credit Card Agreement
- 8. DISCUSSION OF AND POSSIBLE ACTION REGARDING 2026 ENGAGEMENT LETTER WITH BROOKSWATSON FOR AUDIT SERVICES (Buckert)**

I certify that the agenda for the 28th of October 2026 Regular Monthly Board Meeting was posted at the fire department this the 22nd day of October 2026, at 2:00 P.M. – Amy Buckert, Administrator/Finance Director.

The facility is wheelchair-accessible and accessible parking is available. Requests for accommodations or interpretive services must be made at least forty-eight (48) hours prior to this meeting. Please contact the Fire Chief’s Office at (713) 468-7941 for further information.

9. **DISCUSSION OF AND POSSIBLE ACTION REGARDING FUEL PURCHASING OPTIONS (Buckert/Cameron)**
10. **FUTURE AGENDA ITEMS**
11. **ADJOURNMENT**

I certify that the agenda for the 28th of October 2026 Regular Monthly Board Meeting was posted at the fire department this the 22nd day of October 2026, at 2:00 P.M. – Amy Buckert, Administrator/Finance Director.

The facility is wheelchair-accessible and accessible parking is available. Requests for accommodations or interpretive services must be made at least forty-eight (48) hours prior to this meeting. Please contact the Fire Chief's Office at (713) 468-7941 for further information.

**VILLAGE FIRE DEPARTMENT
REGULAR MONTHLY BOARD MEETING MINUTES**

Wednesday, September 23, 2026, 6:00 P.M.

1. CALL TO ORDER

A regular meeting of the Village Fire Department Fire Commission was held on Wednesday, September 23, 2026, at 901 Corbindale Road, Hedwig Village, Texas 77024. The meeting was called to order at 6:02 pm and was presided over by Chair John Lisenby. Roll was called.

Present & Voting Were:

City of Spring Valley Village
City of Hunters Creek Village
City of Hilshire Village
City of Piney Point Village
City of Bunker Hill Village
City of Hedwig Village

Commissioner John Lisenby, Chair
Commissioner Rob Adams, Vice Chair
Commissioner Michael Autenreith, Treasurer
Commissioner Dan Ramey
Commissioner Hunter Cameron
Alternate Patrick Breckon

Also Present Were:

City of Hunters Creek Village
City of Piney Point Village
City of Bunker Hill Village
Village Fire Department
Administrative Staff

Alternate John DeWitt
Alternate Henry Kollenberg
Alternate Michelle Belco
Fire Chief Brian Croft
Amy Buckert, Administrator/Finance Director
Katherine Stuart, Administrative Specialist
Tim Kirwin

Department Attorney

City of Hedwig Village
City of Hilshire Village

Mayor Tom Jinks
Mayor Bob Buesinger

Absent Were:

City of Hedwig Village
City of Hilshire Village
City of Spring Valley Village

Commissioner Matt Woodruff, Secretary
Alternate VACANT
Alternate Steve Bass

Chair Lisenby recognized Mayor Tom Jinks of Hedwig Village and newly appointed Hilshire Village Commissioner and Board Treasurer Michael Autenreith. He also noted that attorney Tim Kirwin was present for the Department Attorney agenda item.

2. PLEDGE OF ALLEGIANCE/PRAYER

An opening prayer was offered by Mayor Jinks, followed by the Pledge of Allegiance.

3. COMMENTS FROM THE PUBLIC – Comments are limited to 3 minutes each.

There were no formal comments from the public. Chief Croft recognized outgoing Hilshire Village Commissioner and Mayor Bob Buesinger for his years of service and support of the Department. Chief Croft presented Buesinger with a token of appreciation, and Chair Lisenby thanked him for serving as a steady voice during challenging periods for the Department.

4. DISCUSSION OF AND POSSIBLE ACTION REGARDING ENTERING INTO A CONTRACT FOR DEPARTMENT ATTORNEY (Lisenby)

Chair Lisenby reported that the proposed contract with Tim Kirwin had been reviewed by Board members and that only minor clarifying changes had been made. He noted that the agreement was at will and could be changed or terminated as appropriate. Following brief discussion, there was a motion to approve the contract and appoint Tim Kirwin as Department Attorney.

Motion: Breckon

Second: Autenreith

The motion passed unanimously.

5. **DISCUSSION OF AND POSSIBLE ACTION REGARDING PROPERTY, CASUALTY, AND ASSOCIATED INSURANCE PROPOSALS**

Frank Comiskey and Jenifer Knickerbocker of Frank Comiskey Insurance Agency presented the Department's property and casualty insurance renewal. Comiskey noted that the agency has handled VFD's insurance program for approximately 30 years and that the current coverage renews at the end of September.

The account remains primarily with Texas Municipal League Intergovernmental Risk Pool (TMLIRP/TML). The agency again marketed the account to other carriers. Staff reported that several markets were unavailable because of underwriting restrictions, geographic limitations, coverage gaps, or VFD's prior loss history. AIG was not interested in quoting the account this year because the prior large apparatus loss continues to affect the Department's loss ratio. The presenters indicated that additional markets may become available over the next one to two years as that loss ages.

TML applied a 10% rate increase to property and equipment coverage across its pool, while portions of the automobile coverage increased by approximately 10% to 17%. Some lines, including professional liability, decreased slightly. TML also applies an annual 5% increase to building and contents values. The proposed renewal premium increased by approximately \$10,000, from roughly \$122,000 to \$132,000. Deductibles and coverage limits otherwise remained substantially unchanged, apart from updated property values.

The Board discussed whether apparatus values should be reviewed more closely because replacement costs for fire apparatus have risen significantly. Chief Croft stated that the Department would review the insured values of the apparatus, including the new ladder truck, to ensure the values remain appropriate. The presenters clarified that the automatic 5% valuation increase applies to buildings and contents, not vehicles, and noted that apparatus values can be adjusted as needed.

Administrator/Finance Director Buckert advised the Board that the proposed renewal is within the FY 2026 budget; the Department had budgeted for an increase of approximately 18%.

There was a motion to approve the insurance renewal as presented, with staff retaining the ability to adjust apparatus values after review if needed.

Motion: Adams

Second: Ramey

The motion passed unanimously.

6. **CONSENT AGENDA**

A. Approval of Minutes – Regular Monthly Board Meeting Minutes – August 2026

B. Approval of Bills Paid – August 2026

There was a motion to approve the Consent Agenda as presented.

Motion: Autenreith

Second: Adams

The motion passed unanimously.

7. **REPORTS**

A. Financial Report – August 2026 (Buckert)

- B. Administrator's Report – August 2026 (Buckert)
- C. Investment Report – August 2026 (Buckert)
- D. VMIG Insurance Update – (Stuart)
- E. Fire Chief's Report – (Croft)

Financial, Administrator's, and Investment Reports

Administrator/Finance Director Amy Buckert reported that operating expenditures remained significantly below straight-line budget projections and referred Commissioners to the explanations included with the budget dashboard.

Buckert reported that there were no administrative or policy updates requiring action at the September meeting. She plans to bring a consolidated package of financial policy updates to the Board in October, including the credit card agreement, credit card policy, general financial policies, and investment policy. An Investment Committee meeting was scheduled for early October. The goal is to align existing policies and guidelines and have the Department's documentation in order before year-end audit work begins.

Because of a change in Board membership, new bank signature cards are required for the Department's three bank accounts. Buckert explained that signature cards must be updated when standing Commissioners change and again when Board officer positions rotate. Most signatures had been obtained, with one remaining Commissioner to be coordinated separately.

Buckert has requested clarification from the Department's accountants regarding year-end purchasing and the timing of expenditures that may be charged to FY 2026. She stated that clearer direction would be provided to staff and that she hoped to reduce last-minute year-end purchasing, improve vendor invoice timing, and minimize unnecessary accruals between fiscal years.

Budget and Audit Committees will also need to be organized for the upcoming year. Buckert reminded the Board that the November meeting date had previously been moved to November 18, 2026, the Wednesday before Thanksgiving week, rather than the regular fourth-Wednesday date.

The Board discussed the maintenance budget, which was materially under budget at the time of the report. Chief Croft explained that the Department intentionally budgets a substantial amount for vehicle maintenance because a single major apparatus repair can be costly; a recent Engine 1 shop visit was approximately \$30,000. Approximately \$250,000 is budgeted for vehicle maintenance, with the majority intended for the larger apparatus. The FY 2027 budget was reduced because the Department will have newer apparatus, including the new ladder truck and engine, with portions of those vehicles covered by manufacturer warranties. Maintenance needs are expected to increase again as the fleet ages.

VMIG Insurance Update

Administrative Specialist Katherine Stuart reported that VMIG did not meet in September. The next VMIG Board meeting is scheduled for October 15, 2026, at 11:00 a.m. Gallagher is expected to present renewal quotes for medical, dental, vision, life, and related products. The meeting will offer both in-person and virtual participation.

Fire Chief's Report

Chief Croft reported on community engagement, CPR training, Ladder 1, incident response, the Department's partnership with Belong Kitchen HTX, and upcoming community events.

Community Engagement and CPR Training

The Department reached approximately 96 people through community engagement activities during the reporting period, including four public-relations events and six station walk-ins. The

Department certified 122 people in CPR during the month, which Chief Croft described as a monthly record, bringing the year-to-date total to approximately 371 certifications. He credited Firefighter Montalvo's outreach efforts and noted growing participation from small businesses, community groups, and neighborhood organizations.

Ladder 1

Chief Croft reported that the latest delivery estimate for Ladder 1 had moved from late October toward mid-November because of the volume of apparatus being completed by Metro Fire Apparatus and delays in final upfitting and fabrication. The Department continues to extend the current ladder-truck rental on a month-to-month basis.

Incident Response

The Department had responded to approximately 1,556 incidents year to date. EMS calls continued to represent approximately half of call volume, accounting for about 50% of the most recent month. The average response time across the six Villages was approximately 4 minutes, 20 seconds.

Belong Kitchen HTX Partnership and Upcoming Events

Chief Croft provided an update on the Department's partnership with Belong Kitchen HTX, an organization that provides employment and kitchen-skills development for adults with intellectual and developmental disabilities. VFD's three shifts participated in a cooking competition, and the selected dish was a beef short-rib shepherd's pie created by a firefighter who had previously worked as a chef.

On October 7, Chief Croft, Deputy Fire Marshal Keith Guillory, and the firefighter who created the winning dish planned to work with Belong Kitchen staff to prepare the meal. Sales were scheduled to begin October 8, with VFD personnel assisting at the counter and promoting the event. Chief Croft encouraged Commissioners to share the event with residents and community groups. Chief Croft also reminded the Board that National Night Out is scheduled for October 6 from 6:00 to 8:00 pm. The Department planned to visit participating neighborhood events throughout the Villages.

No formal action was taken on the reports.

8. DISCUSSION OF AND POSSIBLE ACTION REGARDING PAST FINANCIAL MATTERS (Morris)

The Board asked whether there had been any new information regarding the forensic audit or related legal matter. No new information was reported during the meeting. In response to the Board's request from the prior month, Buckert prepared an updated breakdown showing amounts spent, amounts received or reimbursed, and the remaining outstanding financial impact. The Board requested that the information be provided to Department Attorney Tim Kirwin. No formal action was taken.

9. DISCUSSION OF AND POSSIBLE ACTION REGARDING FUEL PURCHASE OPTIONS (Buckert)

Buckert reported that she and Commissioner Hunter Cameron had exchanged information regarding fuel purchasing options but needed additional time to complete the review. The discussion indicated that the potential dollar difference among options appears relatively small and that purchasing fuel at market or rack-based pricing without entering into a long-term contract may ultimately be appropriate. Staff and Commissioner Cameron will complete additional due diligence and return with a full review at a future meeting. No formal action was taken.

10. EXECUTIVE SESSION (Lisenby)

Chair Lisenby read the Executive Session authorization under Chapter 551 of the Texas Government Code, Section 551.074, for deliberation regarding personnel matters, including the

Fire Chief. The Board recessed from Open Session and entered Executive Session at approximately 6:36 pm

11. RECONVENE OPEN SESSION

The Commission reconvened in open session at 6:51 pm. A motion was made to raise Chief's salary as discussed.

Motion: Ramey

Second: Autenreith

The motion passed unanimously.

12. FUTURE TOPICS

- Fuel Purchase Options
- Financial Policies

13. NEXT MEETING DATE

October 28, 2026

14. ADJOURNMENT

There was a motion to adjourn made at 6:52 pm.

Motion: Breckon

Second: Ramey

The motion passed unanimously.



Village Fire Department

Expense Report - Prior Month
September 2026

Transaction date	Transaction type	Location	Distribution account	Vendor	Amount
09/01/2026	Expense	General Fund	11010 GENERAL FUND (2634)	VMIG	-83,358.10
09/01/2026	Expense	General Fund	12200 Supp. Life Ins. W/H	VMIG	-1,429.47
09/01/2026	Expense	General Fund	16040 Basic Life, ADD, LTD Insurance	VMIG	1,744.46
09/01/2026	Expense	General Fund	12130 Employee Medical Plan 125	VMIG	-10,008.20
09/01/2026	Expense	General Fund	16060 Health Insurance	VMIG	70,175.97
09/01/2026	Expense	General Fund	12035 12035 MILLER, TIMOTHY (2075) - 2	Amazon	52.55
09/01/2026	Expense	General Fund	17030 Building Maintenance	Amazon	52.55
09/03/2026	Expense	General Fund	11010 GENERAL FUND (2634)	PS Lightwave	-1,016.08
09/03/2026	Expense	General Fund	17040 IP Address VPN (PS Lightwave)	PS Lightwave	1,016.08
09/03/2026	Expense	General Fund	12050 STUART, KATHERINE (6240) - 2	Namecheap	9.88
09/03/2026	Expense	General Fund	17225 Office Software	Namecheap	9.88
09/04/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Tipalti	-79,526.92
09/04/2026	Expense	General Fund	Tipalti Clearing Account	Tipalti	79,526.92
09/04/2026	Expense	VMIG	99103 VMIG (7773)	TX Health Benefits Pool	-
09/04/2026	Expense	VMIG	99510 Insurance Premium Distributed	TX Health Benefits Pool	185,735.26
09/08/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Child Support	-2,287.43
09/08/2026	Expense	General Fund	12190 Special Employee W/H Payable	Child Support	-2,287.43
09/08/2026	Expense	General Fund	11010 GENERAL FUND (2634)		-11,869.00
09/08/2026	Expense	General Fund	11320 Prepaid Insurance		11,869.00
09/08/2026	Expense	General Fund	11010 GENERAL FUND (2634)	QuickBooks Payments	-362.44
09/08/2026	Expense	General Fund	17223 Accounting (QuickBooks)	QuickBooks Payments	362.44
09/08/2026	Expense	VMIG	99103 VMIG (7773)	Gallagher	-3,633.33
09/08/2026	Expense	VMIG	99510 Insurance Premium Distributed	Gallagher	3,633.33
09/09/2026	Expense	General Fund	12030 MARSHAL, FIRE (5283) - 2		1.75
09/09/2026	Expense	General Fund	17207 Bank Service Charges		1.75
09/09/2026	Expense	General Fund	12035 12035 MILLER, TIMOTHY (2075) - 2		1.75
09/09/2026	Expense	General Fund	17207 Bank Service Charges		1.75
09/09/2026	Expense	General Fund	11010 GENERAL FUND (2634)	ENGIE	-3,790.48
09/09/2026	Expense	General Fund	17140 Utilities	ENGIE	3,790.48
09/09/2026	Expense	General Fund	11010 GENERAL FUND (2634)	FirstNet	-287.80
09/09/2026	Expense	General Fund	17042 Mobile Device Services	FirstNet	287.80
09/09/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Starlink	-55.00
09/09/2026	Expense	General Fund	17041 Internet & TV (Comcast & Starlink)	Starlink	55.00
09/10/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Employee Reimbursement	-261.39
09/10/2026	Expense	General Fund	17160 Fire Certification Fees	Employee Reimbursement	261.39
09/10/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Employee Reimbursement	-360.00
09/10/2026	Expense	General Fund	17160 Fire Certification Fees	Employee Reimbursement	360.00
09/10/2026	Expense	General Fund	11010 GENERAL FUND (2634)		-35.00
09/10/2026	Expense	General Fund	17313 Other Professional and/or Miscellaneous Services		35.00



Village Fire Department

Expense Report - Prior Month
September 2026

Transaction date	Transaction type	Location	Distribution account	Vendor	Amount
09/11/2026	Expense	General Fund	11010 GENERAL FUND (2634)	MVWA	-238.17
09/11/2026	Expense	General Fund	17140 Utilities	MVWA	238.17
09/11/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Home Depot	-74.91
09/11/2026	Expense	General Fund	11710 Due to/from Capital Replacement Fund	Home Depot	32.89
09/11/2026	Expense	General Fund	17035 Station Supplies	Home Depot	42.02
09/11/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Kotapay/Village WIRE	-
					177,213.37
09/11/2026	Expense	General Fund	11080 Payroll Clearing	Kotapay/Village WIRE	177,213.37
09/14/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Tipalti	-6,069.31
09/14/2026	Expense	General Fund	Tipalti Card Clearing - Village Fire Department - USD	Tipalti	-6,069.31
09/14/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Americhex, Inc.	-905.24
09/14/2026	Expense	General Fund	17221 HRIS (UKG Workforce Ready/Americhex)	Americhex, Inc.	905.24
09/14/2026	Expense	VMIG	99103 VMIG (7773)	Humana	-8,487.11
09/14/2026	Expense	VMIG	99510 Insurance Premium Distributed	Humana	8,487.11
09/14/2026	Expense	VMIG	99103 VMIG (7773)	Gallagher	-3,633.33
09/14/2026	Expense	VMIG	99510 Insurance Premium Distributed	Gallagher	3,333.33
09/14/2026	Expense	VMIG	99510 Insurance Premium Distributed	Gallagher	300.00
09/15/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Nationwide	-2,512.00
09/15/2026	Expense	General Fund	12140 Deferred Compensation	Nationwide	-2,512.00
09/15/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Nationwide	-7,864.00
09/15/2026	Expense	General Fund	12140 Deferred Compensation	Nationwide	-7,864.00
09/15/2026	Expense	General Fund	11010 GENERAL FUND (2634)		-975.00
09/15/2026	Expense	General Fund	12160 Firefighters Dues		-975.00
09/15/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Valic	-175.00
09/15/2026	Expense	General Fund	12140 Deferred Compensation	Valic	-175.00
09/15/2026	Expense	General Fund	11010 GENERAL FUND (2634)		-154.11
09/15/2026	Expense	General Fund	11090 Cash Transfers		154.11
09/15/2026	Expense	General Fund	11010 GENERAL FUND (2634)	O'Reilly Auto Parts	-760.06
09/15/2026	Expense	General Fund	17110 Maint. - Other	O'Reilly Auto Parts	760.06
09/16/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Jon's Fire Apparatus, LLC	-27,780.00
09/16/2026	Expense	General Fund	11090 Cash Transfers	Jon's Fire Apparatus, LLC	27,780.00
09/16/2026	Expense	Capital Replacement Fund	21055 CAPITAL REPLACEMENT (2709)		-65,000.00
09/16/2026	Expense	Capital Replacement Fund	21070 Texas Class - Capital Replacement		65,000.00
09/16/2026	Expense	Ambulance Billing Fund	31010 AMBULANCE (Stellar - 2840)		-30,000.00
09/16/2026	Expense	Ambulance Billing Fund	31070 Texas Class - Ambulance		30,000.00
09/16/2026	Expense	General Fund	11010 GENERAL FUND (2634)		-
					800,000.00
09/16/2026	Expense	General Fund	11070 Texas Class - General Fund		800,000.00
09/16/2026	Expense	General Fund	12050 STUART, KATHERINE (6240) - 2	Signup Genius	107.89
09/16/2026	Expense	General Fund	17405 CPR Supplies, Cards, & Equipment	Signup Genius	107.89
09/18/2026	Expense	General Fund	11010 GENERAL FUND (2634)	T-Mobile	-571.46



Village Fire Department

Expense Report - Prior Month
September 2026

Transaction date	Transaction type	Location	Distribution account	Vendor	Amount
09/18/2026	Expense	General Fund	17042 Mobile Device Services	T-Mobile	571.46
09/21/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Tipalti	-51,208.79
09/21/2026	Expense	General Fund	Tipalti Clearing Account	Tipalti	51,208.79
09/22/2026	Expense	VMIG	99103 VMIG (7773)	The Hartford	-8,188.46
09/22/2026	Expense	VMIG	99510 Insurance Premium Distributed	The Hartford	8,188.46
09/22/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Pitney Bowes	-230.82
09/22/2026	Expense	General Fund	17213 Postage Meter Rental	Pitney Bowes	230.82
09/22/2026	Expense	General Fund	12030 MARSHAL, FIRE (5283) - 2	Adobe	46.53
09/22/2026	Expense	General Fund	17211 Adobe	Adobe	46.53
09/23/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Child Support	-2,287.43
09/23/2026	Expense	General Fund	12190 Special Employee W/H Payable	Child Support	-2,287.43
09/23/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Texas Pride Disposal	-198.58
09/23/2026	Expense	General Fund	17140 Utilities	Texas Pride Disposal	198.58
09/23/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Comcast	-616.78
09/23/2026	Expense	General Fund	17041 Internet & TV (Comcast & Starlink)	Comcast	616.78
09/28/2026	Expense	General Fund	11010 GENERAL FUND (2634)		-3,833.31
09/28/2026	Expense	General Fund	16100 Meal Allowance		3,833.31
09/28/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Employee Reimbursement	-350.00
09/28/2026	Expense	General Fund	17173 EMS Certification Fees	Employee Reimbursement	350.00
09/28/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Employee Reimbursement	-329.82
09/28/2026	Expense	General Fund	15030 Protective & Bunker Gear	Employee Reimbursement	329.82
09/28/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Employee Reimbursement	-240.00
09/28/2026	Expense	General Fund	17170 Fire Training	Employee Reimbursement	240.00
09/28/2026	Expense	General Fund	11010 GENERAL FUND (2634)		-2,267.88
09/28/2026	Expense	General Fund	11080 Payroll Clearing		2,267.88
09/28/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Kotapay/Village WIRE	-
09/28/2026	Expense	General Fund	11080 Payroll Clearing	Kotapay/Village WIRE	156,724.08
09/29/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Center Point Energy	-173.85
09/29/2026	Expense	General Fund	17140 Utilities	Center Point Energy	173.85
09/29/2026	Expense	General Fund	11010 GENERAL FUND (2634)		-1,500.00
09/29/2026	Expense	General Fund	17309 Medical Director Services		1,500.00
09/30/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Nationwide	-2,512.00
09/30/2026	Expense	General Fund	12140 Deferred Compensation	Nationwide	-2,512.00
09/30/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Nationwide	-7,864.00
09/30/2026	Expense	General Fund	12140 Deferred Compensation	Nationwide	-7,864.00
09/30/2026	Expense	General Fund	11010 GENERAL FUND (2634)		-975.00
09/30/2026	Expense	General Fund	12160 Firefighters Dues		-975.00
09/30/2026	Expense	General Fund	11010 GENERAL FUND (2634)	Valic	-175.00



Village Fire Department

Expense Report - Prior Month
September 2026

Transaction date	Transaction type	Location	Distribution account	Vendor	Amount
09/30/2026	Expense	General Fund	12140 Deferred Compensation	Valic	-175.00
09/30/2026	Expense	Capital Replacement Fund	21055 CAPITAL REPLACEMENT (2709)		-12,497.89
09/30/2026	Expense	Capital Replacement Fund	21710 Due to/from General Fund (CRF)		12,497.89



Village Fire Department

901 Corbindale Road
Houston, Texas 77024
(713) 468-7941

To: Village Fire Department Fire Commission
From: Amy Buckert, Administrator/Finance Director
CC: Brian Croft, Fire Chief
Date: **October 21, 2026**

Re: September Administrator's Report

Percentages reflect Board packet financial presentation, excluding designated pass-through and non-operating accounts.

1. Budget Dashboard (September)

At-a-glance indicators for month-end budget performance:

Category	Status	% of Budget	Notes / Driver
Revenue (assessments) 14000	✓ Green (On track)	75.0%	75.0% of Budget year
Personnel (incl. OT) 16000	✓ Green (On track)	64.0%	75.0% of Budget year
Operations 17000	✓ Green (On track)	54.0%	75.0% of Budget year

Status Legend:

GREEN = On track / within expected range

YELLOW = Watch item / trending concern

RED = Action needed / significant variance

2. Variance Explanations

- **17043 City of Houston Radio System** – 1% of budget expended; annual billing is typically received in fall.
- **17155 Training** – 42% of the overall training budget expended, with several major training activities scheduled for October and November. Administrative Training (17185) is at 140% of its individual budget due to unbudgeted but approved HR Training.
- **17313 Other Professional and/or Miscellaneous Services** – 122% of budget expended, including \$7,250 in annual audit services (for 2025) and approximately \$5,700 in unanticipated HR consulting expenses. These expenditures account for a substantial portion of the variance.

3. Items for Board Review / Action

- State-mandated AI/Cybersecurity Training Completed
- Bank Signature Cards Updated



Village Fire Department

901 Corbindale Road
Houston, Texas 77024
(713) 468-7941

- Tipalti Approvals Updated

4. Administrative / Policy Updates

- Agenda item 7: Financial Policy Review
 - Financial Management Policy
 - Investment Policy
 - Credit Card Policy
 - Cardholder User Agreement
- Agenda item 8: BrooksWatson Engagement Letter

5. Next Steps / Upcoming Work

- Key work items anticipated before the next reporting period:
 - Drafting FY2028 Budget
 - Continuing pre-work for FY2026 Audit
 - Monitor Purchasing for FY 2026 Close Out
 - Contact Vendors for late invoices

Village Fire Department

Budget vs. Actuals: Budget 2026-02 - FY26 P&L

January - September, 2026

	TOTAL					
	ACTUAL	BUDGET	OVER BUDGET	REMAINING	% OF BUDGET	% REMAINING
Income						
14000 City Assessments General Fund						
14010 Bunker Hill Village	1,508,762	2,011,682	-502,920	502,920	75.00 %	25.00 %
14020 Hedwig Village	1,469,057	1,958,743	-489,686	489,686	75.00 %	25.00 %
14030 Hilshire Village	238,229	317,634	-79,405	79,405	75.00 %	25.00 %
14040 Hunter's Creek Village	1,766,840	2,355,786	-588,946	588,946	75.00 %	25.00 %
14050 Piney Point Village	1,667,579	2,223,438	-555,859	555,859	75.00 %	25.00 %
14060 Spring Valley Village	1,290,388	1,720,518	-430,130	430,130	75.00 %	25.00 %
14070 Prior Year GF Fund Balance Contribution		477,712	-477,712	477,712		100.00 %
Total 14000 City Assessments General Fund	7,940,855	11,065,513	-3,124,658	3,124,658	72.00 %	28.00 %
14200 Fuel Cost Reimbursements	47,809		47,809	-47,809		
14275 Fuel Admin Fee	438		438	-438		
14290 Workers Comp Reimbursement	5,189		5,189	-5,189		
14400 Medical Standby Event Income	3,475		3,475	-3,475		
14500 CPR Income	13,945		13,945	-13,945		
14600 COBRA Income	7,837		7,837	-7,837		
14700 Donations	100	50,000	-49,900	49,900	0.00 %	100.00 %
14910 Interest Income	46,440		46,440	-46,440		
14930 Miscellaneous Income	3,973		3,973	-3,973		
14940 Transfer from Facility Fund	13,454		13,454	-13,454		
24910 Interest Income (CRF)	89,415		89,415	-89,415		
24915 Insurance Payout - Ladder Truck (CRF)	0		0	0		
24950 Transfer from Ambulance Fund	488,884		488,884	-488,884		
34000 Emergency Medical Services Revenue (ABF)	287,487		287,487	-287,487		
34910 Interest Income (ABF)	10,987		10,987	-10,987		
54910 Interest/Dividend Income (FF)	172		172	-172		
99410 Insurance Premiums Collected	1,904,637		1,904,637	-1,904,637		
Surcharge Income	13		13	-13		
Total Income	\$10,865,109	\$11,115,513	\$ -250,404	\$250,404	98.00 %	2.00 %
GROSS PROFIT	\$10,865,109	\$11,115,513	\$ -250,404	\$250,404	98.00 %	2.00 %
Expenses						
15000 Capital						
15015 Contingency - Physical Plant	10,815	0	10,815	-10,815		
15020 Misc. Tools & Equip. - Fire	37,550	45,000	-7,450	7,450	83.00 %	17.00 %
15025 Misc. Tools & Equip. - EMS	87,323	90,210	-2,887	2,887	97.00 %	3.00 %
15030 Protective & Bunker Gear	36,326	60,000	-23,674	23,674	61.00 %	39.00 %
15035 Apparatus Computers	7,887	12,000	-4,113	4,113	66.00 %	34.00 %
15045 SCBA		0	0	0		
15050 Office Computers	2,957	4,000	-1,043	1,043	74.00 %	26.00 %
15055 Radios	25,352	45,000	-19,648	19,648	56.00 %	44.00 %
15065 Gym Equipment		0	0	0		
Total 15000 Capital	208,210	256,210	-48,000	48,000	81.00 %	19.00 %

Village Fire Department

Budget vs. Actuals: Budget 2026-02 - FY26 P&L

January - September, 2026

	ACTUAL	BUDGET	TOTAL		% OF BUDGET	% REMAINING
			OVER BUDGET	REMAINING		
16000 Personnel						
16001 PAYROLL						
16002 OVERTIME						
16011 Overtime - Regular	266,746	372,000	-105,254	105,254	72.00 %	28.00 %
16012 Overtime - Medical Standby Events	606	0	606	-606		
16013 Overtime - Training		0	0	0		
16014 Overtime - CPR	4,883	0	4,883	-4,883		
Total 16002 OVERTIME	272,234	372,000	-99,766	99,766	73.00 %	27.00 %
16010 Base Pay	4,110,623	6,028,475	-1,917,852	1,917,852	68.00 %	32.00 %
16015 Longevity Pay	17,934	25,100	-7,166	7,166	71.00 %	29.00 %
16016 Higher Class Pay	22,207	28,111	-5,904	5,904	79.00 %	21.00 %
16018 Professional Certification Pay	45,947	76,402	-30,455	30,455	60.00 %	40.00 %
16020 457 Plan Contribution (Nationwide)		242,492	-242,492	242,492		100.00 %
16030 FICA Tax	333,791	546,666	-212,875	212,875	61.00 %	39.00 %
Total 16001 PAYROLL	4,802,737	7,319,246	-2,516,509	2,516,509	66.00 %	34.00 %
16003 BENEFITS						
16040 Basic Life, ADD, LTD Insurance	15,718	25,540	-9,822	9,822	62.00 %	38.00 %
16050 Employee Retirement (TMRS)	257,504	425,375	-167,871	167,871	61.00 %	39.00 %
16060 Health Insurance	635,651	1,081,050	-445,399	445,399	59.00 %	41.00 %
16070 Worker's Compensation Insurance	105,438	185,562	-80,124	80,124	57.00 %	43.00 %
16080 Cancer Screenings (HB 198)		27,000	-27,000	27,000		100.00 %
16090 Unemployment Claim Payment	1,064	0	1,064	-1,064		
16100 Meal Allowance	34,500	46,000	-11,500	11,500	75.00 %	25.00 %
Total 16003 BENEFITS	1,049,875	1,790,527	-740,652	740,652	59.00 %	41.00 %
Total 16000 Personnel	5,852,612	9,109,773	-3,257,161	3,257,161	64.00 %	36.00 %
17000 Operating						
17005 RED TRUCKS & SAVING LIVES						
17010 Ambulance Medical Supplies	43,781	70,000	-26,219	26,219	63.00 %	37.00 %
17020 Dues & Subscriptions	1,604	4,850	-3,246	3,246	33.00 %	67.00 %
17040 IP Address VPN (PS Lightwave)	9,141	13,000	-3,859	3,859	70.00 %	30.00 %
17041 Internet & TV (Comcast & Starlink)	5,776	10,000	-4,224	4,224	58.00 %	42.00 %
17042 Mobile Device Services	6,167	6,600	-433	433	93.00 %	7.00 %
17043 City of Houston Radio System	255	19,680	-19,425	19,425	1.00 %	99.00 %
17044 Communications (Motorola 47 & NICE)	44,241	45,000	-759	759	98.00 %	2.00 %
17045 Incident Records & CAD (Propheonix)	26,355	28,810	-2,455	2,455	91.00 %	9.00 %
17046 Training Software & Vehicle Checks (Vector Solutions)	8,758	8,600	158	-158	102.00 %	-2.00 %
17047 EMS Protocol App (Handtevy)	5,357	6,300	-944	944	85.00 %	15.00 %
17048 EMS Equipment Maintenance (ProCare/Stryker)	25,107	23,594	1,513	-1,513	106.00 %	-6.00 %
17085 Fuel (for VFD vehicles - Fuelman, Gas Stations)	53	55,000	-54,947	54,947	0.00 %	100.00 %

Village Fire Department

Budget vs. Actuals: Budget 2026-02 - FY26 P&L

January - September, 2026

	TOTAL					
	ACTUAL	BUDGET	OVER BUDGET	REMAINING	% OF BUDGET	% REMAINING
17136 Vehicle Licenses & Permits	83	5,000	-4,917	4,917	2.00 %	98.00 %
17190 Uniforms	26,078	68,000	-41,922	41,922	38.00 %	62.00 %
Total 17005 RED TRUCKS & SAVING LIVES	202,756	364,434	-161,678	161,678	56.00 %	44.00 %
17025 FIRE STATION	28		28	-28		
17030 Building Maintenance	18,959	52,300	-33,341	33,341	36.00 %	64.00 %
17035 Station Supplies	14,038	18,000	-3,962	3,962	78.00 %	22.00 %
17086 Rent		10	-10	10		100.00 %
17090 Property & Casualty Insurance	85,386	130,000	-44,614	44,614	66.00 %	34.00 %
17140 Utilities	31,273	55,000	-23,727	23,727	57.00 %	43.00 %
Total 17025 FIRE STATION	149,684	255,310	-105,626	105,626	59.00 %	41.00 %
17069 FIRE PREVENTION - FIRE MARSHAL'S OFFICE						
17070 Public Education, Relations, Promotions	3,869	5,000	-1,131	1,131	77.00 %	23.00 %
17072 Fire Investigations		0	0	0		
17073 Law Enforcement Equipment		0	0	0		
Total 17069 FIRE PREVENTION - FIRE MARSHAL'S OFFICE	3,869	5,000	-1,131	1,131	77.00 %	23.00 %
17098 MAINTENANCE						
17100 VEHICLE MAINTENANCE	24		24	-24		
17101 Maint. - Chief's Truck	6,488	16,000	-9,512	9,512	41.00 %	59.00 %
17102 Maint. - Fire Marshal's Car	1,012	16,000	-14,988	14,988	6.00 %	94.00 %
17103 Maint. - Utility Truck	184	16,000	-15,816	15,816	1.00 %	99.00 %
17105 Maint. - Pumper (E1)	53,866	34,000	19,866	-19,866	158.00 %	-58.00 %
17107 Maint. - Ladder (L1)	6,847	34,000	-27,153	27,153	20.00 %	80.00 %
17108 Maint. - Ambulance (M1)	12,910	34,000	-21,090	21,090	38.00 %	62.00 %
17109 Maint. - Ambulance (M2)	2,200	25,000	-22,800	22,800	9.00 %	91.00 %
17112 Maint. - Pumper (E2)	32,523	34,000	-1,477	1,477	96.00 %	4.00 %
17113 Maint. - Ambulance (M3)	1,883	25,000	-23,117	23,117	8.00 %	92.00 %
17115 Maint. - Deputy Chief's Car (D1)	185	16,000	-15,815	15,815	1.00 %	99.00 %
Total 17100 VEHICLE MAINTENANCE	118,122	250,000	-131,878	131,878	47.00 %	53.00 %
17123 EQUIPMENT & SUPPLIES MAINTENANCE						
17099 Maintenance of Equipment	19,056	40,000	-20,944	20,944	48.00 %	52.00 %
17110 Maint. - Other	1,872	0	1,872	-1,872		
17111 Maint. - Contracts	3,572	0	3,572	-3,572		
Total 17123 EQUIPMENT & SUPPLIES MAINTENANCE	24,499	40,000	-15,501	15,501	61.00 %	39.00 %
17127 Knox Contract		600	-600	600		100.00 %
17131 Bunker Gear Maintenance	16,021	28,600	-12,579	12,579	56.00 %	44.00 %
17133 SCBA Maintenance	6,395	15,000	-8,605	8,605	43.00 %	57.00 %
17135 Fuel System Maintenance		5,000	-5,000	5,000		100.00 %
Total 17098 MAINTENANCE	165,038	339,200	-174,162	174,162	49.00 %	51.00 %
17155 TRAINING						

Village Fire Department

Budget vs. Actuals: Budget 2026-02 - FY26 P&L

January - September, 2026

	ACTUAL	BUDGET	TOTAL			
			OVER BUDGET	REMAINING	% OF BUDGET	% REMAINING
17160 Fire Certification Fees	1,430	6,539	-5,109	5,109	22.00 %	78.00 %
17170 Fire Training	9,049	29,830	-20,781	20,781	30.00 %	70.00 %
17171 EMS Training	3,092	18,000	-14,908	14,908	17.00 %	83.00 %
17173 EMS Certification Fees	3,514	6,000	-2,486	2,486	59.00 %	41.00 %
17175 Emergency Management Training (TDEM)	3,473	6,000	-2,527	2,527	58.00 %	42.00 %
17177 Fire Marshal Training & Certification Fees	4,971	8,600	-3,629	3,629	58.00 %	42.00 %
17183 Dispatch Training & Certification Fees	-824	9,000	-9,824	9,824	-9.00 %	109.00 %
17185 Admin. Training & Certification Fees	13,300	9,500	3,800	-3,800	140.00 %	-40.00 %
17187 General Supplies for Training	1,394	0	1,394	-1,394		
Total 17155 TRAINING	39,400	93,469	-54,069	54,069	42.00 %	58.00 %
17200 OFFICE						
17202 OFFICE SOFTWARE	8,848		8,848	-8,848		
17211 Adobe	678	0	678	-678		
17219 Office Phones (8x8)	3,615	0	3,615	-3,615		
17221 HRIS (UKG Workforce Ready/Americhex)	8,282	0	8,282	-8,282		
17223 Accounting (QuickBooks)	2,789	0	2,789	-2,789		
17224 AP & Payment Automation (Tipalti)	12,523	0	12,523	-12,523		
17225 Office Software	5,017	63,300	-58,283	58,283	8.00 %	92.00 %
Total 17202 OFFICE SOFTWARE	41,753	63,300	-21,547	21,547	66.00 %	34.00 %
17204 OFFICE SUPPLIES	18		18	-18		
17203 Shipping	178	0	178	-178		
17205 Office Supplies	6,879	32,900	-26,021	26,021	21.00 %	79.00 %
17213 Postage Meter Rental	727	0	727	-727		
17217 VFD Branded Stationary	284	0	284	-284		
Total 17204 OFFICE SUPPLIES	8,085	32,900	-24,815	24,815	25.00 %	75.00 %
17207 Bank Service Charges	250	2,000	-1,750	1,750	12.00 %	88.00 %
Total 17200 OFFICE	50,088	98,200	-48,112	48,112	51.00 %	49.00 %
17229 DISPATCH						
17230 Dispatch Alerting System (US Designs)		12,500	-12,500	12,500		100.00 %
17240 Electronic Protocol Cards (Pro QA)		350	-350	350		100.00 %
17250 Translation Service (Language Line)		100	-100	100		100.00 %
Total 17229 DISPATCH		12,950	-12,950	12,950		100.00 %
17300 PROFESSIONAL SERVICES						
17302 Legal Services	12,430	36,000	-23,570	23,570	35.00 %	65.00 %
17304 Accounting Services	14,660	20,000	-5,340	5,340	73.00 %	27.00 %
17306 IT Services	24,044	44,000	-19,956	19,956	55.00 %	45.00 %
17308 Health Insurance Consulting Services	10,496	13,622	-3,127	3,127	77.00 %	23.00 %
17309 Medical Director Services	18,896	25,000	-6,104	6,104	76.00 %	24.00 %
17310 Salary/Benefit Survey Services		0	0	0		
17311 Legal Notices & Advertising		10,000	-10,000	10,000		100.00 %
17313 Other Professional and/or Miscellaneous Services	29,358	24,000	5,358	-5,358	122.00 %	-22.00 %

Village Fire Department

Budget vs. Actuals: Budget 2026-02 - FY26 P&L

January - September, 2026

	TOTAL					
	ACTUAL	BUDGET	OVER BUDGET	REMAINING	% OF BUDGET	% REMAINING
Total 17300 PROFESSIONAL SERVICES	109,884	172,622	-62,738	62,738	64.00 %	36.00 %
17400 EVENTS & OTHER						
17401 VFD Fire Commission & Meeting Expenses	3,153	7,500	-4,347	4,347	42.00 %	58.00 %
17403 VFD Employee Appreciation & Events	3,759	10,000	-6,241	6,241	38.00 %	62.00 %
17405 CPR Supplies, Cards, & Equipment	8,908	7,100	1,808	-1,808	125.00 %	-25.00 %
17407 Emergency Contingency	5,500	20,000	-14,500	14,500	28.00 %	73.00 %
Total 17400 EVENTS & OTHER	21,320	44,600	-23,280	23,280	48.00 %	52.00 %
Total 17000 Operating	742,039	1,385,785	-643,746	643,746	54.00 %	46.00 %
17080 Gas & Oil Inventory	85,812		85,812	-85,812		
19000 Assessment Reimbursements	258,545	258,545	0	0	100.00 %	0.00 %
27140 CR - Capital Expenditure (CRF)	411,041	85,000	326,041	-326,041	484.00 %	-384.00 %
27170 Truck Rental	37,920		37,920	-37,920		
37160 Transfer to Capital Replacement Fund	488,884		488,884	-488,884		
57150 Transfer to General Fund	13,454		13,454	-13,454		
99510 Insurance Premium Distributed	1,863,684		1,863,684	-1,863,684		
Total Expenses	\$9,962,200	\$11,095,313	\$ - 1,133,113	\$1,133,113	90.00 %	10.00 %
NET OPERATING INCOME	\$902,908	\$20,200	\$882,708	\$ -882,708	4,470.00 %	-4,370.00 %
NET INCOME	\$902,908	\$20,200	\$882,708	\$ -882,708	4,470.00 %	-4,370.00 %

September 2026 Investment Report

Account Type	Purchase Date	Maturity Date	Interest (Yield)	EOM Balance	Interest Earned	Total Fund Balance
General Fund (Stellar)	N/A	On Demand	2.60%	411,092.12	1,202.59	
General Fund (TX Class)	N/A	On Demand	3.91%	1,426,483.88	4,686.15	
General Fund (Total)	N/A	On Demand				\$1,837,576.00
Capital Fund (Stellar)	N/A	On Demand	2.61%	118,004.13	314.68	
Capital Fund (TX Class)	N/A	On Demand	3.91%	3,225,589.36	10,239.80	
Capital Fund (Total)	N/A	On Demand				\$3,343,593.49
Ambulance Fund (Stellar)	N/A	On Demand	2.61%	52,175.38	127.37	
Ambulance Fund (TX Class)	N/A	On Demand	3.91%	168,546.08	492.99	
Ambulance Fund (Total)	N/A	On Demand				220,721.46
VMIG	N/A	On Demand	0%	58,353.58	-	\$58,353.58
Totals:				\$5,460,244.53	\$17,063.58	\$5,460,244.53

This report complies with the requirements of the Public Funds Investment Act and covers all the funds of the Village Fire Department that are subject to that law.



Amy Buckert, Administrator/Finance Director

VMIG UPDATE – 2027 BENEFITS RENEWAL

VFD Board of Commissioners Meeting October 28, 2026

EXECUTIVE SUMMARY Gallagher presented the 2027 benefits RFP and renewal analysis to the VMIG Board on October 15th. Gallagher's recommendation is generally to retain the current benefit vendors, including Texas Health Benefits Pool (TXHB/TML) for medical coverage, while evaluating alternative TXHB/TML plan designs. VMIG made no final benefits-package recommendation and will continue deliberations. Gallagher will present additional options at the next VMIG Board meeting on October 30th.

GALLAGHER 2027 RFP / RENEWAL PRESENTATION HIGHLIGHTS

- **Medical renewal:** TXHB/TML's initial 2027 renewal came in at 15.8% above current cost.
- **TXHB/TML alternate medical plan designs:** Gallagher presented lower-cost TXHB/TML alternatives, including an 11.6% option, a 13.3% option, and a single-plan "Next Level Urgent Care" option projected at roughly a 2.5% increase. These alternatives reduce employer cost but involve greater employee cost-sharing and/or more significant plan-design changes.
- **Market results:** Competing medical proposals were significantly higher than TXHB/TML. Evry was about 20% above current cost, UnitedHealthcare was roughly 45% above current cost, and Aetna and Cigna indicated underwriting approximately 80% and 85% above current, respectively, and declined competitive proposals.
- **Ancillary benefits:** Gallagher's recommendation is generally to renew with the current vendors for dental, vision, basic life/AD&D, voluntary life, and long-term disability because coverages are under rate guarantees through December 31, 2028.
- **COBRA administration:** TXHB/TML could administer COBRA for medical and vision only (not Humana dental), or WEX could handle all COBRA administration with Employee Navigator integration. Preliminary WEX pricing was a \$500 setup fee plus approximately \$127 per month.

VMIG ACTIONS / ITEMS STILL UNDER REVIEW

- **Gallagher consulting agreement approved:** Effective January 1, 2027, with an initial one-year term, a 60-day termination notice, \$36,000 annually in consulting fees (10% decrease from 2026), and \$3,600 annually for the Benefit Advocate Center (no change from 2026).
 - **Estimated VFD share:** Using the cost-sharing framework established in the VMIG Interlocal, VFD's estimated 2027 share is approximately \$10,700 annually (about 27% of the \$39,600 total). The final amount may vary slightly with employee counts.
- **Possible HRA approach:** VMIG discussed considering an employer-funded HRA to offset higher employee out-of-pocket medical costs. The VMIG Interlocal establishes the joint insurance program and cost-sharing framework but does not set a groupwide employer/employee premium-contribution policy; each entity sets its own contribution structure. VMIG will seek clarification on how a groupwide HRA would fit within the existing framework, along with WEX HRA administration information/pricing, on October 30th.
- **No final 2027 benefits-package recommendation:** VMIG did not select or recommend a final package on October 15th. Gallagher will return October 30th with additional plan designs, pricing, and information for VMIG to consider a complete 2027 recommendation.

TIMELINE / PROCESS – WHAT HAPPENS NEXT

STEP 1 — OCTOBER 28, 2026 | VFD BOARD (INFORMATIONAL ITEM)

VFD Board receives the VMIG update. If the Commission wants a VFD-only alternative for comparison, the Board needs to take ACTION at this meeting to direct staff to request a 2027 VFD-only VFIS/WinStar quote for informational, comparison, and future budgetary purposes.

STEP 2 — OCTOBER 30, 2026 | VMIG BOARD

Gallagher is expected to return with additional TXHB/TML plan designs, HRA structure information, and WEX third-party administration pricing. VMIG is expected to select a 2027 benefits package to recommend.

STEP 3 — NOVEMBER 10, 2026 | MVWA BOARD

As the Contracting Entity for VMIG, Memorial Villages Water Authority is expected to consider approval of the VMIG recommendation.

STEP 4 — PARTICIPATING ENTITY BOARDS

After MVWA action, VMIG's recommendation goes to each participating entity's governing body for acceptance or rejection.

STEP 5 — NOVEMBER 18, 2026 | VFD BOARD

VFD is expected to consider approval of the VMIG Board recommendation. If the Commission takes action on October 28 to obtain a VFD-only VFIS/WinStar alternative, the Board may also have a second option available for comparison at the November meeting, providing a meaningful alternative if it chooses not to accept VMIG's recommendation. If no separate VFD option is developed, the VMIG recommendation will be the only benefits package for consideration.

STEP 6 — AFTER ALL ENTITY DECISIONS | IMPLEMENTATION & OPEN ENROLLMENT

Once the participating entities have acted, implementation and open enrollment begin. This requires coordination with carriers, Gallagher, the participating entities, employees, data feeds, education sessions, enrollment materials, and elections — all before the January 1, 2027 effective date. Under the VMIG Interlocal, VFD serves as the Coordinating Entity, so this work is coordinated through VFD.

BOTTOM LINE FOR VFD: October 28 is the Board's opportunity to understand the process and, if the Commission wants a VFD-only comparison option, take ACTION to direct staff to develop that option before the November approval stage.



Village Fire Department

901 Corbindale Road
Houston, Texas 77024
(713) 468-7941

To: Village Fire Department Fire Commission
From: Amy Buckert, Administrator/Finance Director
CC: Brian Croft, Fire Chief
Date: October 15, 2026

Re: Investment Committee Update

The Investment Committee met October 13, 2026 to review the Department's investment performance, cash management practices, and proposed Investment Policy revisions.

Investment Performance and Cash Management

- **Interest Earnings:** FY2026 earnings are projected at \$61,000 for the General Fund and \$119,218 for the Capital Replacement Fund. The anticipated ladder truck purchase may reduce future earnings.
- **Investment Strategy:** The Committee reviewed current cash management practices and opportunities to maximize investment earnings. Following discussion, the Committee supported maintaining the existing strategy while continuing to monitor interest rates and cash balances.
- **Account Thresholds:** The Committee considered reducing the Ambulance Billing Fund minimum balance due to limited account activity. Staff reviewed three months of Stellar Bank statements and determined that reducing the balance from \$50,000 to \$30,000 would not have resulted in additional banking fees during those periods, assuming other balances and activity remained unchanged.

The Investment Committee recommends reducing the minimum balance to \$30,000, allowing an additional \$20,000 to be invested with Texas CLASS while continuing to monitor banking fees. Finance will continue monitoring combined account balances and monthly banking charges to ensure the reduction does not result in additional fees, adjusting balances as necessary.

Investment Policy Revisions

The Committee reviewed proposed revisions incorporating applicable Texas Government Code references, clarifying interest allocations among funds, and replacing a designated backup employee with a PFIA-trained designee. Legal counsel reviewed the revisions, and the Committee raised no substantive objections.

Staff recommends Board approval of the revised Investment Policy by resolution.

The Committee will reconvene in February 2027.

RESOLUTION NO. 2026- 02

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE VILLAGE FIRE DEPARTMENT ACKNOWLEDGING REVIEW AND ADOPTING THE VILLAGE FIRE DEPARTMENT INVESTMENT POLICY.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE VILLAGE FIRE DEPARTMENT:

Section 1. That the Public Funds Investment Policy attached hereto and made a part hereof for all purposes is hereby, approved as the official *VILLAGE FIRE DEPARTMENT INVESTMENT POLICY*; and,

Section 2. That the attached investment policy complies with the Public Funds Investment Act as amended, and authorizes the investment of the Village Fire Department's funds in safe and prudent investments; and,

NOW THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Village Fire Department, that the *VILLAGE FIRE DEPARTMENT INVESTMENT POLICY* is hereby approved.

PASSED AND APPROVED this the 28th day of October, 2026.

Vice Chair, Board of Commissioners Rob
Adams

ATTEST:

Secretary

Village Fire Department Investment Policy

I. Policy Statement

It is the policy of the Village Fire Department (the "Department") to invest public funds in a manner that ensures the preservation of principal, meets the Department's liquidity needs, maintains the public's trust, and provides a reasonable market return while conforming to all federal, state, and local regulations governing the investment of public funds, including the Texas Public Funds Investment Act (PFIA), Chapter 2256, Texas Government Code. The Department shall review and adopt this policy at least annually.

II. Purpose

This Investment Policy is adopted to comply with the PFIA and to establish a clear and structured framework for the prudent investment of the Department's available funds. It is designed to ensure professional management of the Department's funds with the primary objectives of safety, liquidity, and yield in that order of priority.

III. Scope

This policy applies to all financial assets of the Department, including the:

- **General Fund**
- **Capital Replacement Fund**
- **~~Ambulance Fund~~Ambulance Billing Fund**
- **Facility Fund**

This policy applies to all funds managed internally and excludes funds managed under deferred compensation plans or retirement systems governed by separate policies or regulations. Funds may be pooled for investment purposes except where prohibited by bond covenants or other legal restrictions.

IV. Investment Objectives

The Department shall manage and invest its cash according to the following four primary objectives, in priority order:

1. **Safety** – Preservation of capital and protection of principal is the foremost objective. Credit and interest rate risks will be minimized by limiting investments to the safest types, pre-qualifying financial institutions and brokers, and diversifying the portfolio.
2. **Liquidity** – The investment portfolio will remain sufficiently liquid to meet all anticipated operating requirements. This includes structuring maturities to align with expected cash flow needs and investing in instruments with active secondary markets or same-day liquidity.

3. **Public Trust** – The Department shall seek to act responsibly as custodian of public funds. All participants in the investment process shall avoid any transactions that could impair public confidence in the Department's financial integrity.
4. **Yield** – The portfolio will be managed to attain a reasonable market rate of return throughout budgetary and economic cycles, taking into account risk constraints and liquidity needs. Return on investment is a secondary objective to safety and liquidity.

V. Standards of Care

A. Prudence

The "prudent person" rule shall apply. Investments shall be made with judgment and care, under prevailing circumstances, that a prudent person would use in managing their own affairs, focusing on capital preservation and reasonable income. The performance of investments shall be judged in the context of the overall portfolio. The determination of whether an Investment Officer has exercised prudence regarding investments shall be made taking into account the investment of all funds rather than a consideration as to the prudence of a single investment.

When acting in accord with the Prudent Person Rule, the Investment Officer shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations or market price changes are reported timely to the Fire Commission and that appropriate action is taken to control or mitigate any adverse effects.

B. Ethics and Conflicts of Interest

Employees and officers involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program or impair their ability to make impartial decisions.

Any material financial interest in financial institutions with which the Department conducts business must be disclosed to the Board. Any officer with a personal or familial relationship (within the second degree) to a business organization seeking to transact with the Department must file a disclosure statement with the Texas Ethics Commission and the Board in accordance with Texas Local Government Code 2256.005(i). Any material financial interest in financial institutions with which the Department conducts business must be disclosed to the Fire Commission. An Investment Officer who has a personal business relationship with a business organization offering to engage in an investment transaction with the Department, or who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the Department, shall file the disclosure statement required by Section 2256.005(i), Texas Government Code, with the Texas Ethics Commission and the Fire Commission.

C. Delegation of Authority

The Administrator/Finance Director is designated as the Investment Officer and is responsible for all investment activity. In their absence, the Administrative Specialist may serve in this role. The Investment

Officer shall develop and maintain written procedures for operations, including internal controls, and shall be responsible for all investment transactions. The Administrator/Finance Director is designated as the Investment Officer and is responsible for all investment activity. In the Investment Officer's absence, another individual may serve as an Investment Officer only if formally designated by the Fire Commission and qualified in accordance with applicable PFIA training requirements. The Investment Officer shall develop and maintain written procedures for operations, including internal controls, and shall be responsible for all investment transactions.

The Investment Officer shall work closely with the Investment Committee and serve to ensure their directives are carried out.

D. Training

Investment Officers must complete at least ten (10) hours of PFIA compliant training within 12 months of assuming duties and must complete at least eight (8) hours of training every two years thereafter. Training must include investment controls, risks, and compliance and must be from an approved independent provider. Investment Officers shall complete the initial and continuing investment training required by Section 2256.008, Texas Government Code, within the time periods and for the number of hours applicable to the Department. Training shall address investment controls, security risks, strategy risks, market risks, diversification, and compliance with the PFIA and shall be obtained from an independent source approved by the Fire Commission or the designated Investment Committee, as permitted by law.

VI. Investment Committee

The Department shall create an Investment Committee composed of two Commissioners to be appointed by the Fire Commission annually.

The Investment Committee shall meet at least semiannually and include in its deliberations such topics as economic conditions, investment strategies, portfolio diversification, maturity structure, potential risk to the Department's funds, evaluation and authorization of broker/dealers, rate of return on the investment portfolio, and review of compliance with the investment policy. The Investment Committee will also advise the Commission of any future amendments to the Investment Policy that are recommended. The Investment Committee shall meet at least semiannually and include in its deliberations such topics as economic conditions, investment strategies, portfolio diversification, maturity structure, potential risk to the Department's funds, rate of return on the investment portfolio, and review of compliance with the Investment Policy. In accordance with Section 2256.025, Texas Government Code, the Investment Committee shall at least annually review, revise, and adopt the list of qualified brokers authorized to engage in investment transactions with the Department. The Investment Committee will also advise the Fire Commission of any recommended amendments to the Investment Policy.

VII. Authorized and Prohibited Investments

All investments must comply with the PFIA. **Authorized investments** include:

1. Obligations of the United States, its agencies and instrumentalities.

2. Direct obligations of the State of Texas and its agencies.
3. Fully insured or collateralized Certificates of Deposit from banks with a main or branch office in Texas.
4. SEC-registered, no-load money market mutual funds rated AAA.
5. Local Government Investment Pools (LGIPs) rated AAA and authorized by Board resolution.
6. Fully secured repurchase agreements with third-party custody and defined termination date.

Prohibited investments include:

- Interest-only or principal-only strips from mortgage-backed securities
- Inverse floaters or structured notes with leverage
- Collateralized Mortgage Obligations (CMOs) with maturities over 10 years
- Commercial paper
- Derivatives, swaps, futures, options, and floaters

VIII. Internal Controls and Safekeeping

~~The Finance Director shall establish and maintain a system of internal controls, including:~~
The Administrator/Finance Director shall establish and maintain a system of internal controls, including:

- Segregation of duties
- Written procedures for investment activities
- Wire transfer security protocols
- Use of delivery versus payment (DVP) for all trades
- Independent review by external auditor

All securities shall be held in the Department's name at a third-party custodial institution designated as a Federal Reserve member.

IX. Reporting and Compliance

Not less than quarterly, the Investment Officer shall prepare and submit to the Fire Commission the written investment report required by Section 2256.023, Texas Government Code. The report shall include the information and certifications required by the PFIA and shall be presented to the Fire Commission and the Department's chief executive officer within a reasonable time after the end of the reporting period.

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In conjunction with the Department's annual financial audit, the Department shall obtain the compliance audit of management controls on investments and adherence to the Investment Policy required by Section 2256.005(m), Texas Government Code. Any additional independent review required by Section 2256.023(d) shall also be performed when applicable.

X. Investment Strategies

Pursuant to Section 2256.005(d), Texas Government Code, the Fire Commission adopts the following investment strategies for Department funds with investment activity. Each strategy considers suitability, preservation and safety of principal, liquidity, marketability, diversification, and yield.

A. General Fund

The General Fund requires a high degree of liquidity to support payroll, accounts payable, and other recurring operating expenditures. The Investment Officer shall maintain an appropriate operating balance in the Department's depository account based on anticipated cash-flow needs and may invest excess funds in authorized investments. Investments shall emphasize preservation of principal, liquidity, and marketability. Diversification and yield shall be pursued when appropriate without compromising the Department's ability to meet operating obligations when due.

B. Capital Replacement Fund

The Capital Replacement Fund accumulates resources for major capital expenditures approved through the annual budget and capital replacement schedule. Because expenditures are generally large, infrequent, and known in advance, investments may have longer maturities when consistent with anticipated capital needs. The Investment Officer shall maintain appropriate liquidity for scheduled expenditures and may invest funds not required for near-term capital purchases. Preservation of principal shall be the primary objective, with diversification, marketability, and yield considered within the Fund's anticipated investment horizon.

C. Ambulance Billing Fund

The Ambulance Billing Fund receives ambulance transport revenues and has no regularly programmed operating expenditures. The Investment Officer shall manage liquidity based upon the disposition of ABF revenues approved through the annual budget process, including anticipated distributions to member cities or retention pending year-end disposition. Funds not required for anticipated distributions or other near-term cash needs may be invested in authorized investments. Investments shall emphasize preservation of principal, liquidity, and marketability while seeking an appropriate yield consistent with the timing of anticipated distributions or transfers.

These investment strategies shall be reviewed at least annually in conjunction with the Fire Commission's review of the Investment Policy.



Village Fire Department

901 Corbindale Road
Houston, Texas 77024
(713) 468-7941

To: Village Fire Department Fire Commission
From: Amy Buckert, Administrator/Finance Director
CC: Brian Croft, Fire Chief
Date: October 14, 2026

Re: Financial Management Policy – Annual Review and Proposed Revisions

As part of the Department's annual policy review, staff reviewed the Financial Management Policy and identified several areas requiring clarification or alignment with current Department practices and Departmental Guidelines. The proposed revisions are intended to improve consistency and strengthen financial controls without substantially changing the Department's existing financial management framework.

The proposed changes primarily address the following:

- **Budget Amendments:** Clarifies budget transfer and amendment requirements, including transfers between expenditure categories, applicable approval thresholds, and Commission and contracting-city approval requirements.
- **Purchasing and Procurement:** Aligns purchasing requirements with the Departmental Guidelines to eliminate conflicting thresholds and clarify applicable approval requirements.
- **Credit Card Use:** Clarifies that Department-issued credit cards are a payment method and do not independently authorize purchases or supersede established procurement requirements.
- **Year-End Accounting:** Clarifies the recognition of year-end expenditures, including the treatment of outstanding invoices and credit card transactions occurring after fiscal year-end.

A redlined copy of the Financial Management Policy is included for the Commission's review.

Staff recommends approval of the proposed revisions to the Financial Management Policy as presented.

VILLAGE FIRE DEPARTMENT
FINANCIAL MANAGEMENT POLICY STATEMENTS
2026 PROPOSED REDLINE
Minimal revisions for review

FINANCIAL MANAGEMENT POLICY STATEMENTS

To establish and document a policy framework for fiscal decision making, the Department will develop and maintain a set of Financial Management Policy Statements. The aim of these policies is to ensure that financial resources are properly managed to meet the present and future needs of the Village Fire Department.

1. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

Maintain accounting practices that conform to generally accepted accounting principles and comply with prevailing federal, state, and local statutes and regulations. Prepare and present regular financial reports that evaluate the Departments financial performance and health.

2. BUDGETING

Budgeting is an essential element of the financial planning and financial control of the Department. Establish budget guidelines and processes for the adoption of the Departments annual budget and to assess the long-term financial implications of proposed budget requests.

3 COMPENSATION

It is the Compensation Philosophy of the Department to attract and retain the best personnel, through pay, benefits, and training. Compensation includes pay and benefits.

4. EXPENDITURES and PURCHASING

Administer the expenditure of available resources to help ensure fiscal stability and comply with prevailing federal, state, and local statutes and regulations.

5. CAPITAL REPLACEMENT AND IMPROVEMENTS

Review and monitor the state of the Departments capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs.

1 ACCOUNTING, AUDITING AND FINANCIAL REPORTING

Maintain accounting practices that conform to generally accepted accounting principles and comply with prevailing federal, state, and local statutes and regulations. Prepare and present regular financial reports that evaluate the Departments financial performance and health.

A. Accounting Practices and Principles

The Department will maintain accounting practices that conform to Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB), the authoritative standard setting body for units of local government. Monthly interim financial reports are prepared on a cash basis and will be reported as budgeted. At year-end in connection with the audit, the general ledger, financials, and subsequent Annual Financial Report will be converted and presented according to GAAP and GASB.

B. Financial and Management Report

Monthly Financial Reports will be prepared and provided to the Commission by the end of each month for the prior month. Pursuant to the By-Laws, the Commission Treasurer will report on the financial status of the department at the monthly meeting of the Board. This function is hereby further delegated to the Fire Chief and Administrator.

These reports will be provided to the Commission for acceptance. These reports, prepared on a cash basis, will include a balance sheet, income statement for each fund compared against budget, investment report, management report, and transaction list. The management report will highlight any significant budget variances with explanations, highlight any budgeted purchases, etc. If the financial software allows a comparison to the previous year's actuals should also be presented.

The Monthly Financial Reports will also be provided to the contracting City's City Councils via each City's council agenda process. The Monthly Financial Reports will be e-mailed to the Commission and/or to contracting City's should a monthly meeting not be scheduled for that month.

Prior to the completion of the Monthly Financial Report, the Bookkeepers Report and TexasClass Report will be forwarded to the Commission when received.

C. Annual Audit

Pursuant to State Statute, the Department shall have its records and accounts audited annually and shall have an Annual Financial Report prepared for the audit. The audit shall be performed by a certified public accounting (CPA) firm, licensed to practice in the State of Texas. Annually, the independent auditor will provide a letter of engagement to the Commission for annual audit services. State Statute requires the annual financial report, including the auditor's opinion on the statement to be filed within 180 days after the last day of the fiscal year. The audit firm shall provide a management letter to the Commission prior to filing the audit. For the Department, that means that the audit must be filed by June 30 of each year for the preceding fiscal year. The Commission prefers that the audit be filed by the March meeting. The audit firm shall also provide a Single Audit of Federal and State grants, when necessary. There is no requirement for auditor rotation.

The Department Administrator shall be responsible for establishing a timely process for completion of the Annual Finance Report as well as a process to ensure timely resolution and implementation of any audit recommendations.

D. Financial Audit Committee

The Commission shall designate a Finance Committee, to serve two-year terms. The committee is comprised of two Board Commissioners. The role of the Finance Audit Committee is to review and guide financial policy and financial issues, such as the Annual Audit, Investment Policy, and these Financial Management Policy Statements. Responsibilities include:

- Recommendation to the Commission on selection of an independent auditor firm.
- Final audit review of results, findings, management letter, prior to the Annual Report being filed with the Commission.
- Assess the status of issues addressed in the audit management letter, if warranted.
- Serves as a communication link between the auditor and the Commission regarding major issues/concerns and findings that may arise out of the audit.
- Reviews the Department's Investment Strategy and Policy.

E. Surety Bond

- The Department Administrator and Fire Chief will maintain a Surety Bond in their name for \$100,000 and \$50,000, respectively.
- The Public Employee Dishonesty Policy for the Department will be maintained with an aggregate limit of \$250,000.

F. Bank Depository

Pursuant to State law, the Department may approve a depository services contract whose term does not exceed five (5) years. There is no requirement for rotation. The Department will select its official banking institution through a formal process based on best value to provide the Department with the most comprehensive, flexible, and cost-effective banking services available.

G. Accounts Payable

Staff will review invoices for validity and accuracy prior to payment. The Fire Chief approves all invoices for payment. Staff will enter all invoices for payment in a timely manner in order to take advantage of any timely payment discounts and to ensure all accurate invoices are paid within thirty days.

For year-end reporting, expenditures shall be recognized in accordance with applicable accounting standards and guidance from the Department's independent auditor. Goods or services received and invoiced in the fiscal year may be accrued to that fiscal year even if payment occurs after year-end. Credit card transactions charged after fiscal year-end shall be recorded in the fiscal year in which the card transaction occurs and shall not be accrued to the prior fiscal year solely because the item was ordered before year-end.

H. Signature of Checks

All checks shall have two signatures. With the By-Laws being silent on this, the following designated Commission members are authorized to sign checks: Board Chair, Vice Chair, Treasurer, and any other Commissioner. Handwritten signatures shall be affixed to all Department checks or affixed via facsimile signature with a secure laser check printing system.

Physical checks presented for signature will have a cover sheet detailing Check Number, Vendor and Check Amount with Signature for approval. Department staff will review the checks ready for signature with the Commission signatories to review each invoice and to answer any questions.

I. Electronic Checks

The Department may also use electronic means, via the bank, to pay bills. This could be in the form of automatic bank drafts for payroll, or the use of on-line bill pay, whereby the Department initiates the payment via the on-line banking system. The Department would designate the amount to pay, supported by documentation, such as an invoice.

Both types of electronic payments will be entered into the Departments accounts payable module to accurately and timely reflect payments made to vendors, to monitor for state and local purchasing laws, 1099 reporting, as well as to record on the Departments general ledgers and financial reports. The electronic payments will be reconciled monthly to the bank statement and general ledger.

No payments will be made by any means without the vendor first being set up as a vendor, in the Departments accounts payable module and all documentation provided to the Department, such as W-9, certificate of insurance, and any other documentation requested by the Department.

J. Ratification of Checks and Electronic Payments

The Commission shall review and ratify all payments made by the Department monthly. The information provided will be Vendor, Invoice Amount, and Check Number at a minimum. A Commission member may request to see any invoice that was paid.

K. Professional Consultants

The Department will employ the assistance of qualified financial advisors and consultants as needed in the administration and management of the Departments finances. These areas include but are not limited to audit services, bookkeeping services, legal, and medical services.

Every five (5) years the Commission will review these services to make a determination on whether the Commission would like to go out for Request for Qualifications. There is no requirement for rotation for these services.

1. BUDGETING

Budgeting is an essential element of the financial planning and financial control of the Department. Establish budget guidelines and processes for the adoption of the Departments annual budget and to assess the long-term financial implications of proposed budget requests.

A. Budget Committee

The Commission shall appoint two Board members to serve as a budget committee in November of each year, prior to the commencement of the budget process. Responsibilities of the Budget Committee may include:

- Review and approval of a budget calendar that ensures a Draft Budget to the Commission by the end of April each year, in order to meet with Contracting City's in May.
- Review big picture issues brought forward by the Department such as TMRS changes, staffing, apparatus, etc.
- Review the base budget to be presented to the Commission.

B. Budget Adoption

Pursuant to the By-Laws, the budget shall be approved no later than the 30th day of June by the Commission for submission to the Contracting City Councils for final approval. As such Department staff need to have a budget calendar and budget process in place to ensure sufficient review and input by the Commission before final adoption by June 30th.

The Annual Budget shall be adopted in Summary, see Attachment 1. However, line-item detail will be provided in-detail for informational use only, and compared to 2 years previous final amended budgets and last year's actuals, by line-item to the Contracting City Councils.

C. Budget Preparation – Base Budget

1. Salaries & Benefits – will be budgeted off of current pay and current pay plans. Step increases for the current year and for the ensuing budget year will be built in based off hire date and current step plan. Increases in rank, certification, and longevity will also be budgeted for.

Base benefits will be taken from employee existing benefits and options chosen, then any potential rate increases will be applied for the ensuing budget.

2. Operating Expenditures – Base Budget

Each line item will be budgeted starting at zero. Expenditures will be identified for each line-item based on history/vendor/contract etc. Contract increases or potential price increases will be identified and built in the base budget. Non-Recurring budget items in the current fiscal year budget will be removed, such as capital items, mass change out of uniforms, software etc.

Key Department staff will be included in the budget process as to budgetary needs. It is the Fire Chiefs discretion to include those requests (in full or partial) into the Operating Budget presented to the Commission.

The base budget should be the budget that is absolutely necessary to run the department based on current service levels. It does not include capital equipment, new personnel, or reduction in personnel, or wish items.

3. Operating Expenditures – Budget Requests/Enhancements

Budget requests over and above the base budget will be presented to the Commission in its own column. This would include an increase/reduction in staffing, salary and benefit increases, capital purchases, purchase of new equipment/tools, etc. Replacement of existing equipment already identified in the replacement fund in the current year for the ensuing year can be budgeted in the base budget. Budget requests will identify the costs, recurring and non-recurring and why it is needed, with a separate write-up on each request.

4. Use of Non-Recurring Revenue

Non-Recurring revenue sources, such as donations or excess fund balance, can only be budgeted and used to fund non-recurring expenditures, such as capital purchases on transfer to the replacement fund.

5. Excess Fund Balance

The use of excess fund balance from the preceding year will be incorporated into the budget process for the current fiscal year, subject to the Inter-Local Agreement. Excess fund balance can be returned to the Contracting City's based on their pro-rata share, budgeted in the ensuing fiscal year for non-recurring expenditures and/or allocated to current fiscal year uses, such as overages in line-items, unexpected purchase of equipment/repairs, etc. The Commission will pass a Resolution on how excess fund balance for a previous year will be used.

6. EMS Revenues

EMS Revenues will be forecast for the ensuing budget year. These revenues may be budgeted as revenues in the Replacement Fund to buy down Contracting City's annual contribution to fund apparatus and vehicles.

7. Cash Funded Capital and Vehicle Replacement

The Department will fund Capital and Vehicle Replacement on a cash basis, or pay-as-you go.

8. Budget Management

~~Pursuant to the Inter-Local Agreement, any intra-budget transfers, regardless of amount, from a budgeted reserve for major capital items, and any intra-budget transfer of other funds or combination of accumulation of intra-budget transfer of such other funds in excess of \$10,000 must first be approved in accordance with the Inter-Local Agreement.~~

~~The Commission shall delegate authority to the Fire Chief and Administrator in managing the budget after the budget is formally adopted. There should be four (4) types of budget amendments:~~

- ~~Budget Amendment for Carryovers – appropriating funds for items budgeted in the previous fiscal year that were in progress or were not purchased/completed at year-end. Funding comes from excess fund balance at the end of the fiscal year. Examples include roof replacement and bunker gear.~~
- ~~Fiscal-Year-End Budget Amendment – Budget transfers between accounts based on actual variances to budget for the fiscal year. This budget transfer should be taken to the Commission and Contracting City’s sometime in Feb/March after final numbers are in and before the audit is filed with the Commission.~~
- ~~Major Capital Items – Any amount from the category.~~
- ~~Budget transfers less than the \$10,000 limit and within the same Expenditure Category only needs the Commission approval.~~

~~Budget amendments must be approved/adopted by the change in the line items, not what the new budgeted amount should be. A letter or Resolution of approval from all Contracting City’s shall be received by the Department. Budget amendments under the \$10,000 threshold only need Commission approval. There should be a reconciliation from the original budget to the final amended budget.~~

~~The Commission delegates authority to the Fire Chief and Administrator to manage the adopted budget within the limits established by the Inter-Local Agreement and the adopted budget. A budget amendment is required for transfers between the Department’s adopted summary expenditure categories, for any transfer involving a major capital category, and when a transfer or cumulative transfers are subject to the \$10,000 approval threshold established by the Inter-Local Agreement.~~

Budget amendments may also be used for prior-year carryovers and fiscal year-end adjustments. Required Commission and Contracting City approvals shall be obtained in accordance with the Inter-Local Agreement. Budget amendments shall identify the amount of the change and the Department shall maintain a reconciliation from the original adopted budget to the final amended budget.

3. COMPENSATION

It is the Compensation Philosophy of the Department to attract and retain the best personnel, through pay, benefits, and training. Compensation includes pay and benefits.

1. Pursuant to the By-Laws, prior to the preparation of the budget, the Compensation Committee will review compensation practices of the Houston Fire Department and at least three other Metro Area Fire Departments. The committee will recommend any changes in salary schedules in order to incorporate them into the budget.

- Compensation will include base pay, certification pay and benefits such as retirement, social security, 457K, medical and dental premiums for employees (employee only and dependents)

2. The survey needs to be completed and presented to the Compensation Committee prior to the preparation of the budget.

3. Department pay structure and pay guidelines should be reviewed by the Board from time to time.

4. EXPENDITURES & PURCHASING

Administer the expenditure of available resources to help ensure fiscal stability and comply with prevailing federal, state, and local statutes and regulations.

A. Annual Expenditures

The Department will only undertake expenditures (operating, capital, and vehicle replacement) which have been funded and appropriated in the annual budget.

B. Maintenance of Capital Assets

Within the resources available each fiscal year, the Department shall maintain capital assets at a sufficient level to protect the Department's investment, to minimize future replacement and maintenance costs, and to maintain service levels.

C. Purchasing

The Department shall conduct its purchasing and procurement functions effectively and efficiently, fully complying with applicable Federal, State, and local law.

- ~~It is the Department's preference to utilize Purchasing Cooperatives (Sec. 271.102) and Inter-Local Cooperative Agreements (Sec. 791) for the purchase of goods and services that require competitive bidding as well as for competitive quotes.~~
- ~~Annual expenditures over \$3,000 but under \$50,000 require three quotes and HUB (Historically Underutilized Business) compliance. Fire Chief will approve all purchases.~~
- ~~Purchases that expend \$50,000 or more over the term of the contract will be competitively bid unless it meets the State Law exemption requirements, such as professional services or for public health services. Commission approval is required per State law.~~
- ~~Single source and sole source purchases must be documented in writing, including a letter from the vendor, and approved by the Chief and or Commission based on the dollar amount of the purchase.~~
- ~~Agenda support documents for Commission approval for expenditure of Department funds should include the account number and amount of expenditure, amount budgeted and amount available.~~
- ~~For efficiency and effectiveness, the Department may also use a credit card to conduct Department business so long as any applicable laws are complied with. Daily and single limit purchases will be set.~~
- ~~Emergency and declared disaster purchases will follow State law requirement. When emergency purchases are necessary, the Commission will be notified as soon as possible.~~

All purchases shall be made in accordance with the Departmental Guidelines and applicable federal, state, and local law. Availability of budgeted funds, possession of a Department credit card, or an established transaction limit does not constitute purchasing authority. Required approvals, purchase orders, competitive quotations, solicitations, and other procurement requirements shall be completed in accordance with Departmental Guidelines before a purchase is made, except as otherwise authorized for emergency purchases.

The Department may utilize purchasing cooperatives and interlocal cooperative agreements when appropriate and legally authorized. Single-source and sole-source purchases shall be documented and approved as required by applicable law and Departmental Guidelines.

Agenda support for Commission approval of expenditures should identify the applicable account, amount of the expenditure, amount budgeted, and amount available. Department credit cards may be used for authorized Department business in accordance with the Department's Credit Card Policy. Emergency and declared-disaster purchases shall comply with applicable law and Departmental Guidelines, and the Commission shall be notified as soon as practicable when emergency purchasing authority is used.

5. CAPITAL REPLACEMENT AND IMPROVEMENTS

Review and monitor the state of the Departments capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs.

A. Capitalization Threshold for Tangible Capital Assets

Tangible capital items should be capitalized only if they have an estimated useful life of at least 2 years following the date of acquisition or significantly extends the useful life of an existing asset and cannot be consumed, unduly altered, or materially reduced in value immediately by use and has a cost of not less than \$10,000 of any individual item.

The capitalization threshold of \$10,000 will be applied to individual items rather than to a group of similar items. (i.e.: desks, chairs, computers, etc.) If the Department wishes to track items, such as laptops, that do not meet the capital asset recording requirement, the Department can identify these items on the Departments asset spreadsheet with a zero value. Items can be placed on the Departments insured property list without meeting the capital recording threshold.

B. Vehicle and Equipment Replacement

While the Department budgets reserves for the replacement of vehicles and equipment based on useful life, the Department will replace vehicles and equipment based on condition, mileage, annual repairs, and assessment thereof. If the asset needs to be replaced earlier or the replacement can be deferred based on the assessment, the Department will budget accordingly.

Equipment replacement will be budgeted in the Operating Fund, while Vehicle, Apparatus and SCBA's will be replaced out of the Replacement Fund.

With the lead-time to build Fire Apparatus taking two to three years, the Board will allow the approval of the purchase order/contract in advance of the budgeted payment, so long as the budgeted payment is in the 12-year window of the Vehicle Replacement Plan, and as long as the contract has an appropriations clause.



Village Fire Department

901 Corbindale Road
Houston, Texas 77024
(713) 468-7941

To: Village Fire Department Fire Commission
From: Amy Buckert, Administrator/Finance Director
CC: Brian Croft, Fire Chief
Date: October 15, 2026

Re: Credit Card Policy/Cardholder User Agreement – Annual Review and Proposed Revisions

As part of the Department's annual financial policy review, staff reviewed the Credit Card Policy and accompanying Cardholder User Agreement to ensure consistency with current purchasing practices, internal controls, and Departmental Guidelines.

The proposed revisions primarily address the following:

- **Card Issuance and Use:** Clarifies cardholder responsibilities, provides for individual, division, and shift cards, and establishes Tipalti as the preferred credit card platform, with Stellar maintained primarily for emergency or contingency use.
- **Purchasing Authority:** Clarifies that credit cards are a payment method rather than independent purchasing authority, requires advance Fire Chief approval for purchases exceeding \$1,000, and reinforces existing purchasing and approval requirements.
- **Documentation and Reconciliation:** Aligns receipt submission deadlines, account coding, and supporting documentation requirements to improve consistency and accountability.
- **Cardholder User Agreement:** Updates card security, receipt submission, travel expenses, and purchasing authority provisions to align with the revised policy and Departmental Guidelines.

Redlined copies of both documents are included for the Commission's review.

Staff recommends approval of the revised Credit Card Policy and accompanying Cardholder User Agreement as presented.

Village Fire Department (VFD) Credit Card Policy

SUBJECT: Credit Card Usage in the Performance of VFD Business

PURPOSE: This policy establishes the procedures for the use of credit cards (virtual and physical) issued on behalf of the VFD while performing VFD business. The credit card program is designed to simplify the payment and expense reporting process for authorized, business-related expenses. Adherence to this policy ensures proper financial control and timely processing of expenditures.

POLICY: The Village Fire Department recognizes that Officials and employees are required to make expenditures of funds while performing their functions in the fire department. The use of credit cards enables the VFD to be more effective, more efficient, and more accountable to the public than some of the older, more traditional financial methods. It provides detailed purchase histories and other important record-keeping and time-saving information. Credit cards are provided to VFD employees based on their need to purchase business-related goods and services and are provided to employees solely for the Department's convenience. The card is not an entitlement nor reflective of title or position and may be revoked at any time. Personal charges shall not be made on the card. Cardholders must comply with internal control procedures to protect the Department's assets. These procedures include keeping receipts, reviewing monthly statements, and following proper security measures. All related purchasing policies and procedures must be followed when using the credit card.

Cardholder Eligibility and Responsibility

- ~~Eligibility—Departmental credit cards are issued to employees based on job requirements and the need to incur business-related expenses on behalf of the Department. Issuance is subject to approval by the Administrator/Finance Director and/or the Fire Chief.~~Eligibility – Departmental credit cards are issued based on job requirements and operational need. Physical credit cards may be issued to Department officers as determined and approved by the Fire Chief. The Administrator/Finance Director shall administer card issuance and maintain a current record of issued cards.
- **Responsibility** – The cardholder is personally responsible for all charges made to their card.

PROCEDURES:

~~Credit Cards will be issued to all divisions and shifts. The Deputy Chief to whom the card is issued is responsible for the card and its proper use. The VFD Fire Chief will have final authority for approval on credit card issuance. Administration will be responsible for verifying reconciliation of all credit card usage and charges pursuant to this policy. The credit card will not be used in lieu of the normal purchasing procedures of the VFD. Credit cards may be used for secured site online purchasing when conventional methods are not available, or time is a factor. The card is for procurement purposes only and the balance must be paid monthly to avoid interest charges.~~Credit cards may be issued to individual employees, divisions, or shifts based on operational need, with final approval of the Fire Chief. The employee to whom a card is issued, or the employee authorized to use a division or shift card, is responsible for its proper use and security. Administration will be responsible for verifying reconciliation of all credit card usage and charges pursuant to this policy. Tipalti cards, including physical and virtual cards as appropriate, shall be the Department's preferred credit card payment method for authorized purchases. Stellar Bank credit cards shall be maintained primarily for emergency, urgent operational, or contingency use when use of a Tipalti card or the Department's normal purchasing/payment process is not reasonably practicable. A credit card is a payment method only and shall not be used to circumvent Departmental Guidelines, normal purchasing procedures, budget controls, purchase-order requirements, quotation or solicitation requirements, or required approvals. Credit card balances must be paid monthly to avoid interest charges.

Credit Card Purchases

The credit card program does not circumvent the VFD's purchasing policies and procedures. Instead, it is designed to streamline smaller purchases that are made directly with vendors. The procurement card is NOT to be used for the following commodities and services:

- Alcoholic beverages
- Capital equipment
- Cash advances/travelers' checks
- Gift cards/gift certificates
- Personal items
- ~~Split purchases which are multiple purchases of less than \$3,000 from a single vendor for similar purchases adding up to more than \$3,000~~ Split purchases or transactions structured for the purpose of avoiding a card limit, quotation requirement, purchase-order requirement, procurement threshold, or approval requirement
- Items available through established annual contracts
- Fuel, fluids and repair for personal vehicles

Qualified card purchases include, but are not limited to, the following:

- Advertising
- Freight and shipping charges (FedEx, UPS, etc.)
- Subscriptions (not IT-related), books, dues
- ~~Seminars, training, memberships, registration, travel (All travel-related expenses must comply with the VFD Travel Policy)~~ Seminars, training, memberships, registration, and authorized travel (All travel-related expenses must comply with Departmental Guidelines §713 and other applicable Department requirements)
- Catering and delivery services
- ~~Goods and Services not exceeding \$3,000 unless expressly approved in advance; and~~ Goods and services within the cardholder's established transaction limit. Purchases exceeding \$1,000 require advance approval by the Fire Chief and remain subject to all applicable Department purchasing requirements; and
- Payment for city utilities (i.e., electricity, natural gas, cable, internet).

Spending Limits

The following is a table of the established spending limit levels established by this policy:

Level	Monthly Card Limit	Single Transaction Limit
Fire Chief/Administration	\$10,000	\$3,000
Deputy Chief/Fire Marshal	\$5,000*	\$2,000
Card Holder (default)	\$2,000	\$500

*The Deputy Chief in charge of Station Supplies will have a higher monthly limit (\$7,500) due to volume purchasing.

~~Each employee's card has been assigned an individual credit limit based on the established spending limits table shown above. If that limit is not sufficient to accommodate monthly requirements, the employee may request an increase from Administration. Written authorization by the Chief is required before any changes to the credit limit, including temporary increases to the credit limit.~~ Each employee's card has been assigned an individual credit limit based on the established spending limits table shown above. Card limits are administrative controls and do not themselves authorize a purchase. If a limit is not sufficient to accommodate monthly requirements, the employee may request an increase from Administration. Written authorization by the Chief is required before any changes to the credit limit, including temporary increases to the credit limit.

~~In addition to physical cards, digital or virtual cards may be created for single purchase items, hotel expenses for travel, etc. This assists with the Deputy Chiefs not having to "share" their credit cards as frequently, limiting potential issues.~~ In addition to physical cards, Tipalti digital or virtual cards may be created for approved single-purchase items, hotel expenses for authorized travel, or other appropriate

Department expenses. Virtual cards should be used when reasonable to reduce card sharing and strengthen transaction-specific controls.

Expense Reporting and Reconciliation

Proper documentation and timely submission are critical for compliance and payment.

- Receipts – An itemized receipt is required for every transaction.
- Submission deadline – Receipts for all Tipalti cards shall be uploaded into Tipalti no later than the 5th of the month following the month of purchase. Receipts for any other credit cards (Stellar, Home Depot, etc.) must be emailed to the accountspayable@villagefire.org inbox no later than the 5th of the month following the month of purchase
- Business Purpose – A line-item account must be documented for each expense.

Failure to submit receipts timely may result in the suspension of your card privileges.

In the event of a lost or missing receipt, the party responsible must complete a statement explaining the absence of the documentation and confirming that the expenses were legitimately incurred in the conduct of VFD business.

Personal use of credit cards is strictly prohibited and is subject to disciplinary actions, up to and including termination. A cardholder who makes an unauthorized purchase or carelessly uses the VFD card may be personally liable for the total amount of the unauthorized purchase and is subject to disciplinary action and criminal charges.

Card Security and Lost/Stolen Cards

You are responsible for the physical security of the card. In the event a card is lost or stolen the employee responsible must immediately notify Administration. The card holder may be held responsible for charges incurred before the card is reported missing.

Cancellation of Cards

The Administrator/Finance Director may cancel or order the surrender of any card which appears to be misused or abused, and for terminated or retiring employees. The Fire Chief will take the appropriate disciplinary action as provided in the VFD's Employee Guidelines.

Review and Amendments

This policy shall be reviewed annually with the Village Fire Commission and updated as necessary to reflect changes in regulations or departmental needs.

Approved By: Amy Buckert

Title: Administrator/Finance Director

Date: November 1, 2024

Revised: December 31, 2025

Revised: November 1, 2026

**Village Fire Department (VFD) Credit Card
Acknowledgement of Card Receipt and Cardholder User Agreement**

Employee Name: _____

Division: _____

Card Number: _____

Transaction Limits:

Monthly: _____ Per Transaction: _____

You are being entrusted with a VFD credit card issued by Stellar Bank and/or Tipalti. The credit card is being provided to you to facilitate the purchase of goods, materials and services for the VFD. It is not an entitlement, nor is it a reflection of your title or position. The card may be canceled or revoked at any time with or without your knowledge or consent. Your signature below indicates that you have read the accompanying Credit Card Policy and will comply with the policy and the terms of this user agreement.

1. I understand that I will be making a financial commitment on behalf of the VFD and will strive to obtain the best value for the Department when making all purchases.
2. ~~I understand that the card is being issued in my name or that of my Deputy Chief. I will ensure that my card is kept secure, and that my card number will be kept confidential. I understand that the card may be issued in my name or may be a Department division or shift card that I am authorized to use. I will keep the card secure and the card number confidential and will not permit unauthorized use.~~
3. I have read the VFD Credit Card Policy as well as this cardholder agreement, understand them, and I will comply with both. I understand the failure to do so may be considered misappropriation of public funds and may subject me to revocation of card privileges and disciplinary actions, up to and including termination of employment and/or criminal charges.
4. ~~I will reconcile each transaction per the Credit Card Policy and submit transaction receipts to the Administrator/Finance Director. I will reconcile each transaction and submit all required receipts and supporting documentation in accordance with the Credit Card Policy.~~
5. I will use the card only for legitimate business purchases for which I have been authorized to make. I understand that under no circumstances will I use the credit card to make personal purchases, gift card purchases, or personal withdrawals either for myself or anyone else.
6. I understand that should I violate the terms of this agreement, whether knowingly or by error, and use the credit card for personal use or gain, I will reimburse the Department within 14 days.
7. I understand that I am required to obtain a receipt from the vendor each time the card is used. When ordering by phone, fax, via the internet, or any other such means that may preclude receiving a receipt in person, I will request that the vendor provide me with a receipt.
8. ~~Receipts for Stellar cards are to be emailed to accountspayable@villagefire.org within 48 hours of purchase. Receipts for Tipalti cards are to be uploaded to Tipalti no later than the 5th of the month following the month of purchase.~~
9. ~~Receipts for Tipalti cards are to be uploaded to Tipalti no later than the 5th of the month following the purchase. Receipts for all other Department credit cards, including Stellar, are to be emailed to accountspayable@villagefire.org no later than the 5th of the month following the month of purchase. Earlier submission is encouraged.~~
10. I understand that I am responsible for immediately notifying the Administrator/Finance Director, my supervisor and the Fire Chief if I believe the card may be lost or stolen. I will complete the lost or stolen card form and submit it to the program administrator within one business day of having reported the card lost.
11. ~~If I use my credit card for travel, I understand the credit card will NOT be utilized for meals. A per diem will be requested through the accounting department per the Department Purchasing and Travel Policies. If I use a~~

Department credit card for authorized travel, I understand that travel expenses must comply with Departmental Guidelines §713 and the VFD Credit Card Policy. I will not use the credit card for employee meals when a meal allowance or per diem is provided under the Departmental Guidelines, unless specifically authorized by the Fire Chief for an allowable exception.

12. Upon my resignation/termination, or the request of my supervisor, the Administrator/Finance Director, or the Fire Chief, I will return the card to the Administrator/Finance Director.

13. I understand that I am responsible for all charges on the credit card. As such, I understand that it is my responsibility to reconcile the statement and resolve any discrepancies by either contacting the supplier or the credit card company.

14. ~~I am aware of my credit card limit and will always abide by those limits.~~ I am aware of my credit card limits and will always abide by those limits. I understand that a card limit does not itself authorize a purchase and that all applicable Department purchasing and approval requirements continue to apply.

Employee Signature: _____ Date: _____

Administrator/Finance Director: _____ Date: _____

Revised: November 1, 2026



Village Fire Department

901 Corbindale Road
Houston, Texas 77024
(713) 468-7941

To: Village Fire Department Fire Commission
From: Amy Buckert, Administrator/Finance Director
CC: Brian Croft, Fire Chief
Date: October 8, 2026

Re: FY2026 Audit Engagement – BrooksWatson & Co., PLLC

Purpose

To request Commission approval of the engagement letter with BrooksWatson & Co., PLLC for the audit of the Department's financial statements for the fiscal year ending December 31, 2026.

Engagement and Schedule

BrooksWatson proposes an all-inclusive financial statement audit fee of \$22,207. The engagement letter anticipates audit fieldwork and proposed adjusting entries between February and April 2027, with presentation of the completed audit before April 30, 2027. This schedule is consistent with the Department's preference for an early audit presentation.

Budgetary Impact

The FY2027 budget includes \$24,000 in account 17313, Other Professional Services, which includes audit costs and other professional services. **The proposed \$22,207 audit fee is \$1,793 below that account's total appropriation.**

Recommendation

Staff recommends that the Fire Commission approve the FY2026 audit engagement letter with BrooksWatson & Co., PLLC at the proposed fee of \$22,207 and authorize execution of the engagement letter.

Attachment: BrooksWatson FY2026 Audit Engagement Letter (October 7, 2026)

BW&C
BROOKSWATSON & CO.
CERTIFIED PUBLIC ACCOUNTANTS

October 7, 2026

Village Fire Department
901 Corbindale Road
Houston, TX 77024

Dear Village Fire Department,

The following represents our understanding of the services we will provide the Village Fire Department. You have requested that we audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village Fire Department, as of December 31, 2026, and for the year then ended and the related notes to the financial statements, which collectively comprise the Village Fire Department's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that management's discussion and analysis, pension information, and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the

information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- 1) Management's discussion and analysis
- 2) Budgetary Comparison Information
- 3) Pension and OPEB schedules

Supplementary information other than RSI will accompany the Village Fire Department's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- 1) Individual nonmajor fund financial statements and schedules
- 2) Combining statements

Auditor Responsibilities

We will conduct our audit in accordance with GAAS. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including

the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village Fire Department's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Village Fire Department's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit;
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
- f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- j. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Nonattest Services

With respect to any nonattest services we perform, such as the preparation of financial statements, we will not assume management responsibilities on behalf of the Village Fire Department. However, we will provide advice and recommendations to assist management of the Village Fire Department in performing its responsibilities.

The Village Fire Department's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting

responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the preparation of financial statements, previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of the Village Fire Department's basic financial statements. Our report will be addressed to the governing body of the Village Fire Department. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Provisions of Engagement Administration, Timing and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

The timing of our audit will be scheduled for performance and completion as follows:

	Begin	Complete
Document internal control and preliminary tests	TBD by VFD	TBD by VFD
Mail confirmations	January 15 th	January 15 th
Completion of audit fieldwork and proposed adjusting entries to City	February	April
Final Presentation to City Council	n/a	Prior to April 30 th

Mike Brooks, CPA is the engagement partner for the audit services specified in this letter. His responsibilities include supervising BrooksWatson & Co., PLLC’s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees for the financial statement audit are all inclusive as follows:

Fiscal Year	Financial Statement Audit
2026	\$22,207

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Department’s personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

The invoice shall be rendered monthly based upon actual hours billed during the invoice period. We will work with you to identify any federal awards that might meet the criteria for an (OMB) Uniform Guidance audit. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Department's personnel to assist in the preparation of schedules and analysis of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

Our fee estimate above is based upon anticipated cooperation from you and your personnel in furnishing us with requested information and documents and preparing confirmations and requested schedules, all of which will be detailed in a document request list that we will provide and review with you. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it will substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. All audit schedules must be complete before we begin fieldwork.

Additional terms and conditions with respect to the audit engagement are as follows:

- a. The books are maintained, and financial statements are prepared using the GAAP (accrual) basis of accounting.
- b. All questionnaires and schedules need to be prepared two weeks before the start date of preliminary fieldwork.
- c. Statement of functional expenses for the year ended as of fiscal year end will be prepared by you with documentation and support for all expense allocations among programs, management, general and fundraising activities.
- d. All bank accounts have been reconciled.
- e. The accounts receivable aging is completed and reconciled to the general ledger as of fiscal year end and reflects only the specific uncollected invoices.
- f. The fixed asset and depreciation subsidiary ledgers are completed and reconciled to the general ledger as of fiscal year end.
- g. The accounts payable aging is completed and reconciled to general ledger as of fiscal year end.
- h. Beginning net position/fund balance agrees to the prior year report.

These are the minimum items we must have at least one week prior to the beginning of the audit. Should this not be the case, we will request that your personnel complete all schedules and bring the necessary accounts into such order. Alternatively, at your request, we can provide the personnel to perform such tasks; however, since these tasks are beyond the scope of our audit, we will bill you for such additional work at our standard hourly rates, which range from \$95 to \$350.

Other Matters

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of BrooksWatson & Co., PLLC and constitutes confidential information. However, we may be requested to make certain audit documentation available to certain regulators and federal agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of BrooksWatson & Co., PLLC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,



BrooksWatson & Co., PLLC
14450 John F Kennedy Blvd | Ste 240
Houston, TX 77032

RESPONSE:

This letter correctly sets forth our understanding.

The Village Fire Department

Acknowledged and agreed on behalf of Village Fire Department by:

Management

Name: _____

Title: _____

Date: _____

Board of Commissioners Representative

Name: _____

Title: _____

Date: _____



Village Fire Department

901 Corbindale Road
Houston, Texas 77024
(713) 468-7941

To: Village Fire Department Fire Commission
From: Amy Buckert, Administrator/Finance Director
CC: Brian Croft, Fire Chief
Date: October 20, 2026

Re: Fuel Purchasing Options – Review and Recommendation

Background

The Department reviewed its current fuel purchasing practices and evaluated alternative purchasing arrangements to determine whether a contracted fuel program would provide meaningful financial or operational benefits. The review included the Department's historical and current fuel consumption, pricing through its existing vendor, 3L, and alternative purchasing programs available through TASB and Mansfield Oil.

Evaluation

Through August 12, 2026, the Department purchased approximately 20,957 gallons of fuel, consisting of 16,426 gallons of gasoline and 4,531 gallons of diesel, at a combined cost of approximately \$75,096.

Although alternative purchasing programs offered opportunities for potential savings, those estimates were dependent on fuel pricing and purchasing assumptions. The Department's relatively modest fuel volume limits the financial benefit of entering into a contractual arrangement, particularly when weighed against minimum volume commitments and changing market conditions.

Commissioner Hunter Cameron also reviewed the Department's current fuel pricing and indicated that it appeared reasonable and consistent with the quantities purchased. He recommended continuing to purchase fuel at market-based rack pricing without entering into a contract at this time.

Recommendation

Staff recommends continuing the Department's current fuel purchasing arrangement with 3L without entering into a long-term or volume-commitment contract.

This approach maintains purchasing flexibility, avoids contractual volume obligations, and allows the Department to reassess alternatives should fuel consumption, pricing, or market conditions change materially.

Staff will continue monitoring fuel costs and may periodically compare pricing with other suppliers to ensure the Department remains competitive.

Requested Action: No change in purchasing practices is recommended at this time.