



# City of Austin

Founded by Congress, Republic of Texas, 1839

Small & Minority Business Resources Department- Certification Office, 4201 Ed Bluestein Boulevard, Austin, TX 78721

Mailing Address: PO Box 1088, Austin, Texas 78767, Telephone (512) 974-7645 Fax (512) 974-7609

## Instructions for Completing the Personal Net Worth Statement for MBE/WBE Program Eligibility

The PNW statement is used to determine whether you meet the economic disadvantage criteria set forth by Austin City Code § 2-9A-4 (21). If there are any discrepancies or questions regarding your form, it may be returned to you to correct and complete again.

An individual's personal net worth includes only his or her share of assets held separately, jointly, or as community property and excludes the following:

- Individual's ownership interest in the applicant firm;
- Individual's equity in his or her primary residence.
- Tax and interest penalties that would accrue if retirement savings or investments (e.g., pension plans, Individual Retirement Accounts, 401(k) accounts, etc.) were distributed at the present time.

**Indicate on the form, if any items are separately and/or jointly owned.**

**Include all foreign and domestic assets and liabilities.**

Personal Net Worth for the Austin Metro Area for 2015 may not exceed \$1,454,000.00 to qualify for the City of Austin's Minority and Women-Owned Business Enterprise (MBE/WBE) Procurement Program. If the personal net worth of the majority owner(s) of the firm exceeds \$1.454 Million cap at any time your firm is certified, the firm is no longer eligible for certification. Should that occur, it is your responsibility to contact the City of Austin's Small and Minority Business Resources Department in writing to advise that your firm no longer qualifies as a MBE or WBE. You must fill out all line items on the PNW Statement.

If necessary, use additional sheets of paper to report all information and details. If you have any questions about completing this form, please contact the Certification Division at (512) 974-7645.

### Assets

**All assets must be reported at their current fair market values** as of the date of your statement. *Assessor's assessed value for real estate, for example, is not acceptable.* Assets held in a trust should be included.

**Cash on Hand or in Banks:** Enter the current balance of all personally owned and/or co-owned checking accounts and cash on hand.

**Savings Accounts:** Enter the current balance of all separately owned and/or co-owned savings accounts, CDs, or other liquid account.

**Automobiles:** On page 3, enter the current market value of all automobiles owned or co-owned. Include personally owned vehicles that are leased or rented to businesses or other individuals. Do not include automobiles that are *titled* to the applicant firm.

**Other Personal Property:** On page 3, enter the total value of all personal property and assets owned or co-owned. Personal property includes motor vehicles, boats, trailers, planes and the contents of your primary residence such as jewelry, furniture, household goods, collectibles, clothing, etc. Please include the value of other personal property including commercial, personal property leased or rented for business purposes, farm equipment and animals, and any other income producing properties. For example, the building used by the applicant firm, held in the owner's name, is considered personal or investment property. Although typically leased to the applicant firm, you would include the current market value of the building and associated mortgage balance. Attach additional sheets if needed.

**Loans, Accounts and Notes Receivable:** Enter the total amounts owed to you and/or co-recipient. This is typically documented by a promissory note issued by you to the borrower (person(s) or firm). If this is a loan to a firm, it is sometimes referred to as a "shareholder loan".

**Life Insurance-Cash Surrender Value Only: Complete Section 1** and enter the total amount on page 3. Enter the total cash surrender value of all life insurance policies held by you and/or spouse. In Section 1, enter the name of the insurance company, the cash surrender value of policies, and beneficiary names. The cash value is the sum of money an insurance company will pay to a policy holder or annuity holder in the event the policy is voluntarily terminated prior to maturity date

**IRA and Other Retirement Accounts: Complete Section 2** and enter the total amount on page 3. Enter the full value minus tax and interest penalties that would apply if assets were distributed as of the date of the form. This amount applies to IRAs, 401Ks, 403Bs, and Pensions.

**Stocks and Bonds: Complete Section 3.** Report the total value on page 3. In Section 3, enter the number of shares, name of the security, cost, market value quotation or exchange, date of quotation or exchange, and total value. Do not include stocks related to the applicant firm.

**Other Business Assets: Complete Section 4.** On page 3, enter the total value of your /or your spouse's other business investments (excluding the applicant firm). In Section 4, enter information concerning the businesses you hold and ownership interest in, such as sole proprietorships, partnerships, joint ventures, corporations, or limited liability corporations. Do not reduce the value of these entries



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by any loans from the outside firm to the MBE/WBE applicant business.

**Other Real Estate: Complete Section 5.** On page 3, enter the total value of real estate excluding the primary residence. In, Section 5, beginning with Property A, list the type of property (rental, vacation, etc.), physical address, date purchased or acquired, original cost, present fair market value (provide the source of market valuation. e.g., zillow.com, realtor.com, etc.), name of mortgage holder, mortgage account number and balance, amount of payment per month or year, and status of mortgage. List this information for all real estate held. Please ensure that this section contains all real estate owned or co-owned by you and/or spouse, including commercial, personal property leased or rented for business purposes, farm, and any other income producing properties. Attach additional sheets if needed.

## Liabilities

**Accounts Payable:** Enter all amounts owed to others. This is typically documented by a promissory note, issued by the lender to you, the borrower and/or co-borrower. If it's a loan to a firm, it is sometimes referred to as a shareholder loan.

**Installment Accounts (Auto):** One page 3, enter the current balance of all personal automobile loans owned by you and/or co-owned. Include personally owned vehicles that are leased or rented to businesses or other individuals.

**Loans on Life Insurance:** Provide amounts on all loans issued to you by all life insurance companies. Sometimes referred to as "life insurance policy", this is a loan made to you by using the cash value of your life insurance policy as collateral.

**Mortgages on Real Estate: From Section 5,** Provide the current mortgage balance on any real estate owned solely or co-owned.

**Unpaid Personal Taxes and Tax Liens: Complete Section 6.** On page 3, provide the total amount on personal taxes that are currently due, but are unpaid by you and/or spouse. Contingent tax liabilities or anticipated taxes for current year should not be included.

**Notes Payable to Banks and Other Installment Accounts:** Complete Section 7. Enter current balances, payments, etc. of all personal credit cards accounts and other installment accounts owed (both foreign and domestic), owned or co-owned. Provide the name and address of the note holder, original balance, current balance, payment amount and per month or year, and indicate how the note is secured or endorsed, and if the item is held in a foreign or domestic location. Attach additional sheets if needed. On page 3, provide the total amount.

**Other Liabilities:** On page 3, enter the current balance of any other liabilities not listed on previous entries. Do not include contingent liabilities in this area. Contingent liabilities are liabilities that belong only to you only if an event(s) should occur. For example, if you have co-signed on a relative's loan, but you are not responsible for the debt until your relative defaults, that is a contingent liability. Contingent liabilities do not count toward your net worth until they become actual liabilities.

## Other

**Other Sources of Income:** Provide a summation of other sources of income (e.g., child support, outside employment).

**Salary/Commissions:** List current salaries and/or annual withdrawal amounts and commissions.

**Net Investment Income:** Provide a summation of investment interest earned by securities, investment properties and/or other sources.

**Other Contingent Liabilities:** On page 6, enter a total balance of all contingent liabilities. Contingent liabilities are liabilities that belong only to you only if an event(s) should occur. For example, if you have co-signed on a relative's loan, but you are not responsible for the debt until your relative defaults, that is a contingent liability.

**As Endorser or Co-Endorser:** Enter the total amount of potential liabilities due as a result of being a co-signer for a loan or other commitments.

**Legal Claims and/or Judgments:** Enter the total potential liabilities due as a result of legal claims from judgments, lawsuits, etc.

## Transfer of Assets

Transfer of Assets: If you checked the box indicating yes on page 6 in this category, provide details on all asset transfers (within 2 years of the date of this personal net worth statement) to a spouse, domestic partner, relative, or entity in which you have an ownership or beneficial interest including a trust. Include a description of the asset; names of the individuals on the deed, title, note or other instrument indicating ownership rights; the names of the individuals receiving the assets and their relation to the transferor; the date of the transfer; and the value of consideration received. Submit documentation requested on the form related to the transfer.

## Affidavit

Be sure to sign and date the statement. The Personal Net Worth (PNW) Statement must be notarized.



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Complete a PNW form for: (1) Each socially disadvantaged proprietor, or (2) Each socially disadvantaged limited and general partner whose combined interest totals 51% or more, or (3) Each socially disadvantaged stockholder owning 51% or more of voting stock. An individual's personal net worth includes only his or her share of **assets and liabilities held separately AND/OR jointly**. Personal Net Worth for the Austin Metro Area for 2015 **may not exceed \$1,454,000.00** to qualify for the City of Austin's Minority and Women-Owned Business Enterprise (MBE/WBE) Procurement Program.

<b>Name:</b>	<b>Business Phone:</b>	<b>Residence Phone:</b>
<b>Residence Address: City, State &amp; Zip Code &amp; County</b>		
<b>Business Name:</b>		
<b>Spouse's Full Name:</b>	<b>Marital Status:</b> <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced <input type="checkbox"/> Union	

PERSONAL NET WORTH (PNW) STATEMENT as of / / (Date)							
If an item does not apply mark it with a "N/A". If it applies but there is no value, mark it with a "\$0.00"							
Domestic & Foreign Assets	Indicate if Owned Separately and/or Jointly		Current Market Value:	Domestic & Foreign Liabilities	Indicate if Owned Separately and/or Jointly		Current Market Value:
	S	J			S	J	
Cash on Hand or in Banks			\$	Accounts Payable (shareholder loan, Promissory note, etc.)			\$
Savings Accounts, C/Ds			\$	Installment Accounts – Auto Only			\$
Automobile(s) – Current Market Value			\$	Balance of all loans on Life Insurance			\$
Other Personal Property (value of furniture, electronics, RVs, boat, artwork, tools, securities, etc.)			\$	Balance of Unpaid Mortgages for Other Real Estate <b>From Section 5</b>			\$
Loans, Accounts and/or Notes Receivable			\$	Balance of Unpaid Personal Taxes <b>Complete Section 6</b>			\$
Life Insurance <u>Cash Surrender</u> Value - <b>Complete Section 1</b>			\$	Notes Payable to Banks <b>AND</b> Other Installment Accounts (credit cards, revolving accounts, etc.) <b>Complete Section 7</b>			\$
Retirement Accounts <b>Complete Section 2</b>			\$	Any Other liabilities (payments for other assets)			\$
Stocks and Bonds <b>Complete Section 3</b>			\$				
Other Business Assets <b>Complete Section 4</b>			\$				
Other Real Estate Owned <b>Complete Section 5</b>			\$				
<b>TOTAL FOREIGN &amp; DOMESTIC ASSETS:</b>			\$	<b>TOTAL FOREIGN &amp; DOMESTIC LIABILITIES:</b>			\$
<b>TOTAL NET WORTH:</b> (ASSETS MINUS LIABILITIES)							\$



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<b>Section 1: Applicant's Life Insurance Policy(ies)</b>	Cash Surrender Value
Life Insurance Policy(ies)	\$
Please provide the Insurance Company(ies), Total Payout Value(s) and Beneficiary(ies) for your policy(ies):	

Section 2: Applicant's Retirement Accounts and/or Trust(s) (Provide attachments if needed)	Sep. owned	Jointly owned	Foreign or Domestic	Current Market Value
IRAs, Roths, 401Ks, 403Bs and Pension(s)		N/A	F / D	\$
Other Retirement Account(s)			F / D	\$
Trust(s): Indicate if: Revocable or Irrevocable Please provide a copy of the trust and a copy of its tax return (if a filing entity)			F / D	\$
<b>Total Current Market Value for Retirement Accounts:</b>				<b>\$</b>

Section 3: Stocks and Bonds NOTE: Quote must be within five (5) business days of this statement date. (Use an attachment if necessary. Each attachment must be identified as part of this statement and signed.)					
Number of Shares	Name of Securities	Cost	Market Value Quotation or Exchange	Date of Quotation Or Exchange	Current Market Value
		\$	\$		\$
		\$	\$		\$
<b>Total Current Value for Stocks &amp; Bonds:</b>					<b>\$</b>

Section 4: Other Business Asset(s) Provide the value of assets held in other businesses. Do not include applicant firm assets (Use an attachment if necessary)				
	Title	% Owned	Nature of Business: (What does this company do)	Current Market Value of Assets Invested:
Business Name & Address:				\$
Business Name & Address:				\$
<b>Total Current Market Value of Other Business Assets:</b>				<b>\$</b>



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<b>Section 5: Other Real Estate Owned. (Do not include the personal residence).</b> List each property parcel separately. Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)			
	<b>Property A</b>	<b>Property B</b>	<b>Property C</b>
Applicant's Ownership %			
* Current Market Value (Of percentage owned)	\$	\$	\$
Type of Property			
Address: Street, City, State, Zip, County & Country (if foreign)			
Date Purchased			
Original Cost	\$	\$	\$
Name and Address of Mortgage Holder			
Mortgage Account Number			
Amount of Payment per Month/Year	\$	\$	\$
** Mortgage Balance (Of percentage owned)	\$	\$	\$
Status of Mortgage			
<b>*ASSET:</b>	<b>Total Current Value of Other Real Estate Owned:</b>		<b>\$</b>
<b>**LIABILITY:</b>	<b>Total Amount of Remaining Mortgages on Other Real Estate Owned:</b>		<b>\$</b>

<b>Section 6: Applicant's Balance of Unpaid Personal Taxes</b>	Unpaid Personal Tax Amount
Please provide a description and amount of unpaid personal taxes. Provide backup documentation if needed. <b>Do not include applicant firm taxes.</b>	
Balance of Unpaid Personal Taxes	\$
Are these foreign or domestic unpaid taxes: Foreign / Domestic. If foreign, provide country: _____	
Please describe in detail the type, to whom payable, when due, and to what property. If there is a tax lien, please provide a copy.	



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<b>Section 7: Applicant's Notes Payable &amp; Other Installment Accounts</b> (use attachment if necessary)						
Name of Noteholder(s)	Original Balance	Payment Amount	Frequency (mo./yr., etc.)	How Secured, Endorsed; Type of Collateral	Foreign or Domestic	Current Market Value
	\$	\$			F / D	\$
	\$	\$			F / D	\$
	\$	\$			F / D	\$
<b>Total Current Market Value of Notes Payable &amp; Other Installment Accounts</b>						\$

<b>Section 8: Transfer of Assets</b>
<p>Have you, the individual claiming disadvantaged status, transferred assets within two (2) years, in full or in part, to a spouse or any other person or entity, including a trust? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>If yes, provide the following information as an attachment: the date of the transfer, to whom the assets were transferred, amount paid for the assets and market value of the assets at the time of the transfer</p> <p>NOTE: <i>Individuals may exclude assets transferred to an immediate family member that are consistent with the customary recognition of special occasions and may also exclude any transfers to an immediate family member for educational, medical or essential support purposes.</i></p>

Other Sources of Income	\$	Other Contingent Liabilities	\$
Salary/Commissions (include all current salaries/ or annual withdrawals and commissions from all employers and businesses owned)	\$	As Endorser or Co-Endorser/ Co-Signer	\$
Net Investment Income	\$	Legal Claims and/or Judgments	\$

### APPLICANT'S PERSONAL NET WORTH CALCULATION:

I certify as evidence of my signature below, I have read and understand all statements contained here within and that all information I have provided is true and correct.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

### Notary Certificate

State of Texas, County of \_\_\_\_\_

Sworn to and subscribed before me on the \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_.

\_\_\_\_\_  
Notary Public/ Seal