

## PUBLIC NOTICE

### AGENDA

#### LOCKHART CITY COUNCIL

TUESDAY, MARCH 16, 2021

**CLARK LIBRARY ANNEX-COUNCIL CHAMBERS  
217 SOUTH MAIN STREET, 3<sup>rd</sup> FLOOR  
LOCKHART, TEXAS**

#### **COUNCILMEMBER VIDEO AND AUDIO CONFERENCE PARTICIPATION**

*Pursuant to Section 551.127 of the Texas Government Code, one or more members of the Lockhart City Council may participate in a meeting remotely, following certain guidelines and notice requirements. The member of the Council presiding over the meeting will be physically present at the above public location. Video and audio conference equipment providing two-way video/audio communication with each member participating remotely will be made available, and each portion of the meeting held by video/audio conference that is required to be open to the public can be heard by the public at the location specified.*

#### **CITIZEN AND COUNCILMEMBER VOLUNTARY VIRTUAL CONFERENCE PARTICIPATION**

- *Join virtual meetings via Zoom.*
- *Mayor will call upon each citizen registered to address the Council virtually during the agenda item.*
- *Council agenda packets can be reviewed at [http://www.lockhart-tx.org/page/gov\\_agendas\\_minutes](http://www.lockhart-tx.org/page/gov_agendas_minutes)*
- *Individuals may watch the Council meeting online at [http://www.lockhart-tx.org/page/gov\\_meeting\\_videos](http://www.lockhart-tx.org/page/gov_meeting_videos)*

#### **PUBLIC COMMENT**

Persons wishing to have their comment read aloud during the public comment period of a public meeting must submit their written comments to [cconstancio@lockhart-tx.org](mailto:cconstancio@lockhart-tx.org) no later than 12 p.m. (noon) on the day of the meeting. Timely submitted comments will be read aloud by the Mayor during the public comment portion of the meeting.

#### **PUBLIC HEARINGS**

Persons wishing to virtually participate in any public hearing item listed on the agenda may do so as follows:

- Request a link to virtually join the public hearing portion of the meeting.  
Requests to join a public hearing by virtual meeting must be sent to [cconstancio@lockhart-tx.org](mailto:cconstancio@lockhart-tx.org) no later than 12 p.m. (Noon) on the day of the hearing. Comments shall have a time limit of three minutes each. Citizens who join the public hearing virtually will be provided a Zoom invite or link to participate remotely.

Comments whether during public hearings or public comment periods, shall have a time limit of three minutes each. Any threatening, defamatory or other similar comments are prohibited.

**6:30 P.M.**

**WORK SESSION (No Action)**

Work session will be held to receive briefings and to initially discuss all items contained on the Agenda posted for 7:30 p.m. Generally, this work session is to simplify issues as it relates to the agenda items. No vote will be taken on any issue discussed or reviewed during the work session.

**DISCUSSION ONLY**

- A. Presentation of the City of Lockhart's and Lockhart Economic Development Corporation's Fiscal Year 2019-2020 Comprehensive Annual Finance Report by Harrison, Waldrop & Uherek, L.L.P. 15-182
- B. Discuss minutes of the City Council meetings of February 23, 2021 and March 2, 2021. 183-194
- C. Discuss Resolution 2021-05 establishing a Leak Adjustment Policy for City Water and Wastewater Services. 195-197
- D. Discuss contractual agreement between Matrix Imaging Solutions and the City of Lockhart, and appointing the City Manager to sign the contractual agreement. 198-205
- E. Discuss the sale of Fire Engine 1, a 1984 Pierce Pumper. 206-209
- F. Discuss amendment to Article 10-5 of the City Code of Ordinances in regard to ownership of animals impounded at the City animal shelter as outlined in Ordinance 2021-07. 210-215
- G. Discuss selection of TRC Engineering as the best qualified Professional Engineering Services Company to assist the City in its Texas Community Development Block Grant Program (TxCDBG) application preparation and project implementation to the Texas Department of Agriculture for the Community Development Fund contract, if awarded, to support the public infrastructure (water/wastewater) improvements activities for the City of Lockhart, and appointing the Mayor to sign any required documents for the grant. 216-219
- H. Discuss the Mayor's declaration of local disaster regarding requiring face coverings, and addressing other matters related to COVID-19, if necessary. 220-234

**7:30 P.M. REGULAR MEETING**

1. **CALL TO ORDER**  
Mayor Lew White

2. **INVOCATION, PLEDGE OF ALLEGIANCE**  
Invocation.  
Pledge of Allegiance to the United States and Texas flags.

3. **PUBLIC COMMENT**  
(The purpose of this item is to allow the public an opportunity to address the City Council on issues that are or are not on the agenda. No discussion can be carried out on the citizen/visitor comment about items not on the agenda. Comments are limited to three minutes per speaker.)

**4. PUBLIC HEARING/COUNCIL ACTION**

- A. Hold a public hearing on application ZC-21-02 by Hamish MacFarlane on behalf of Blackjack Block 1, LLC, for a Zoning Change from AO Agricultural-Open Space District to IL Industrial Light District on Lot 1, Block 1, Iron Ox Addition, consisting of 24.575 acres located at 1205 Reed Drive. 5-14
- B. Discussion and/or action to consider Ordinance 2021-06 amending the Official Zoning Map of the City of Lockhart, Texas, to reclassify the property known as Lot 1, Block 1, Iron Ox Addition, consisting of 24.575 acres located at 1205 Reed Drive, from AO Agricultural-Open Space District to IL Industrial Light District.

**5. CONSENT AGENDA**

- A. Approve the City of Lockhart's and Lockhart Economic Development Corporation's Fiscal Year 2019-2020 Comprehensive Annual Finance Report by Harrison, Waldrop & Uherek, L.L.P. 15-182
- B. Approve minutes of the City Council meetings of February 23, 2021 and March 2, 2021. 183-194
- C. Approve Resolution 2021-05 establishing a Leak Adjustment Policy for City Water and Wastewater Services. 195-197
- D. Approve contractual agreement between Matrix Imaging Solutions and the City of Lockhart, and appointing the City Manager to sign the contractual agreement. 198-205
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- F. Approve amendment to Article 10-5 of the City Code of Ordinances in regard to ownership of animals impounded at the City animal shelter as outlined in Ordinance 2021-07. 210-215
- G. Approve selection of TRC Engineering as the best qualified Professional Engineering Services Company to assist the City in its Texas Community Development Block Grant Program (TxCDBG) application preparation and project implementation to the Texas Department of Agriculture for the Community Development Fund contract, if awarded, to support the public infrastructure (water/wastewater) improvements activities for the City of Lockhart, and appointing the Mayor to sign any required documents for the grant. 216-219

**6. DISCUSSION/ACTION ITEMS**

- A. Discussion and/or action to consider the Mayor's declaration of local disaster regarding requiring face coverings, and addressing other matters related to COVID-19, if necessary. 220-234
- B. Discussion and/or action regarding appointments to various boards, commissions or committees. 235-243

**7. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE DISCUSSION**

- KidFish event Saturday, March 20, 2021 from 9 a.m. – 12 p.m. at City Park. Due to the pandemic, this year the event will only include a fishing tournament.
- Household Hazardous Waste collection event, Saturday, April 10 from 9 a.m. – 12 p.m. at City Park.
- Citywide Clean up Event - Saturday, March 27, 2021.
- Upcoming Civil Service Exams: Fire Fighter Exam - March 27, 2021 and Fire Captain promotional exam - April 13, 2021.
- Splash Pad tentatively set to open in early May and currently recruiting for swimming pool lifeguards.
- Improvements underway in the Downtown Park.
- Staff conducted cemetery cleanup the week of March 8.

**8. COUNCIL AND STAFF COMMENTS – ITEMS OF COMMUNITY INTEREST**

*(\*\*Items of Community Interest defined below)*

**9. EXECUTIVE SESSION in accordance with the provisions of the Government Code, Title 5, Subchapter D, Section 551.086- to deliberate, vote, or take final action on any competitive matters relating to public power utilities.**

- A. Consultation with consultant regarding energy supply contracts.

**EXECUTIVE SESSION in accordance with the provisions of the Government Code, Title 5, Subchapter D, Section 551.071 - private consultation with its attorney to seek advice about pending or contemplated litigation; settlement offer; or legal matters subject to attorney/client privilege.**

- A. Discuss legal issues related to solid waste services and extension of current solid waste contract.

**10. OPEN SESSION**

- A. Discussion and/or action regarding energy supply contracts.
- B. Discussion and/or action regarding solid waste services and extension of current solid waste contract.

**11. ADJOURNMENT**

*\*\* Items of Community Interest includes: 1) expressions of thanks, congratulations or condolence; 2) information regarding holiday schedules; 3) an honorary or salutory recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutory recognition for purposes of this subdivision; 4) a reminder about an upcoming event organized or sponsored by the governing body; 5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official employee of the municipality; and 6) announcements involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda. (SB 1182 - effective 09/01/2009)*

City Council shall have the right at anytime to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

Posted on the bulletin board in the Municipal Building, 308 West San Antonio Street, Lockhart, Texas, on the 12<sup>th</sup> day of March 2021 at 1:15 p.m.

# City of Lockhart, Texas

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** March 16, 2021

**AGENDA ITEM CAPTION:**

Hold a PUBLIC HEARING on application ZC-21-02 by Hamish MacFarlane on behalf of Blackjack Block1, LLC, and discussion and/or action to consider Ordinance 2021-06, for a Zoning Change from AO Agricultural–Open Space District to IL Industrial Light District on Lot 1, Block 1, Iron Ox Addition, consisting of 24.575 acres located at 1205 Reed Drive.

**ORIGINATING DEPARTMENT AND CONTACT:** Planning Department – Dan Gibson, City Planner

**ACTION REQUESTED:**

X ORDINANCE                       RESOLUTION                       CHANGE ORDER                       AGREEMENT  
 APPROVAL OF BID                       AWARD OF CONTRACT                       CONSENSUS                       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

The applicant proposes to construct a commercial greenhouse on the subject property. Commercial greenhouses are allowed by-right in the current AO zoning of the property, but structures can cover only up to 30 percent of the lot. The ultimate coverage by buildings is anticipated to exceed 30 percent, so the applicant is requesting a zoning change to IL, which allows a lot coverage by structures up to 50 percent. Because the business grows produce in the greenhouse, packages it, and sells it wholesale, it is also consistent with uses such as agricultural processing plants and warehouses that are allowed in the IL district. The proposed development will face Reed Drive. There is a residential neighborhood roughly 400 feet to the west of the west property line, but the vehicular parking and truck loading areas will be along Reed Drive, on the opposite side of the site. The proposed IL zoning classification is not consistent with the Land Use Plan map designations of future High Density Residential and Low Density Residential for this lot. However, the existing AO designation is also not consistent with the Land Use Plan. No opposition has been expressed, either in writing or at the Planning and Zoning Commission meeting. *Additional information is contained in the attached staff report.*

**COMMITTEE/BOARD/COMMISSION ACTION:**

At their March 10<sup>th</sup> meeting, the Planning and Zoning Commission voted to recommend *APPROVAL*.

**STAFF RECOMMENDATION/REQUESTED MOTION:** *APPROVAL*.

**LIST OF SUPPORTING DOCUMENTS:**

1) Ordinance 2021-06. 2) Maps. 3) Staff report. 4) Application form.

Department Head initials:

D.G.

City Manager's Review:

 5

**ORDINANCE 2021-06**

**AN ORDINANCE OF THE CITY OF LOCKHART, TEXAS, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF LOCKHART, TEXAS, TO RECLASSIFY THE PROPERTY KNOWN AS LOT 1, BLOCK 1, IRON OX ADDITION, CONSISTING OF 24.575 ACRES LOCATED AT 1205 REED DRIVE, FROM AO AGRICULTURAL-OPEN SPACE DISTRICT TO IL INDUSTRIAL LIGHT DISTRICT.**

WHEREAS, on March 10, 2021, the Planning and Zoning Commission held a public hearing and voted to recommend approval of said change; and,

WHEREAS, the City Council desires to amend the zoning map as provided in Section 64-128 of the Code of Ordinances; and,

WHEREAS, a public hearing was held in conformance with applicable law;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, THAT:**

I. The foregoing recitals are approved and adopted herein for all purposes.

II. The above-referenced property described in Zoning Change request ZC-21-02 as Lot 1, Block 1, Iron Ox Addition, consisting of 24.575 acres located at 1205 Reed Drive, will be reclassified from AO Agricultural-Open Space District to IL Industrial Light District.

III. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or unenforced, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting and of the Mayor in approving this ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail by way of reasons of any unconstitutionality or invalidity of any other portion, provision or regulation.

IV. Repealer: That all other ordinances, sections, or parts of ordinances heretofore adopted by the City of Lockhart in conflict with the provisions set out above in this ordinance are hereby repealed or amended as indicated.

V. Publication: That the City Secretary is directed to cause this ordinance caption to be published in a newspaper of general circulation according to law.

VI. Effective Date: That this ordinance shall become effective and be in full force immediately upon and from the date of its passage.

**PASSED, APPROVED, AND ADOPTED AT A REGULAR MEETING OF THE LOCKHART CITY COUNCIL ON THIS THE 16<sup>th</sup> DAY OF MARCH, 2021.**

CITY OF LOCKHART

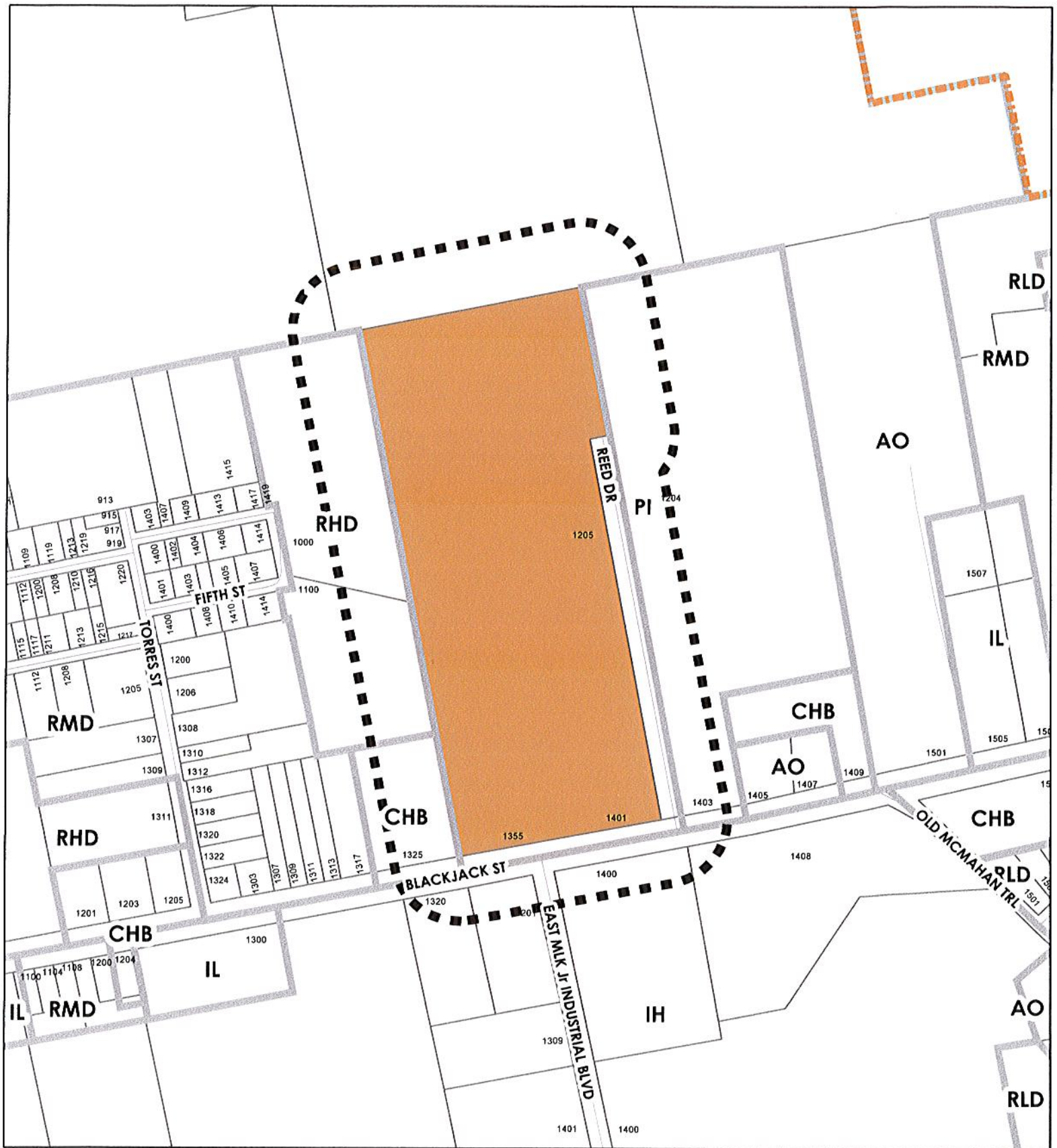
\_\_\_\_\_  
Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Connie Constancio, TRMC, City Secretary

\_\_\_\_\_  
Monte Akers, City Attorney



**ZC-21-02**

AO TO IL

1205 REED DRIVE



scale 1" = 400'

-  SUBJECT PROPERTY
-  ZONING BOUNDARY
-  CITY LIMITS
-  200 FT BUFFER

7







# FUTURE LANDUSE

AO TO IL

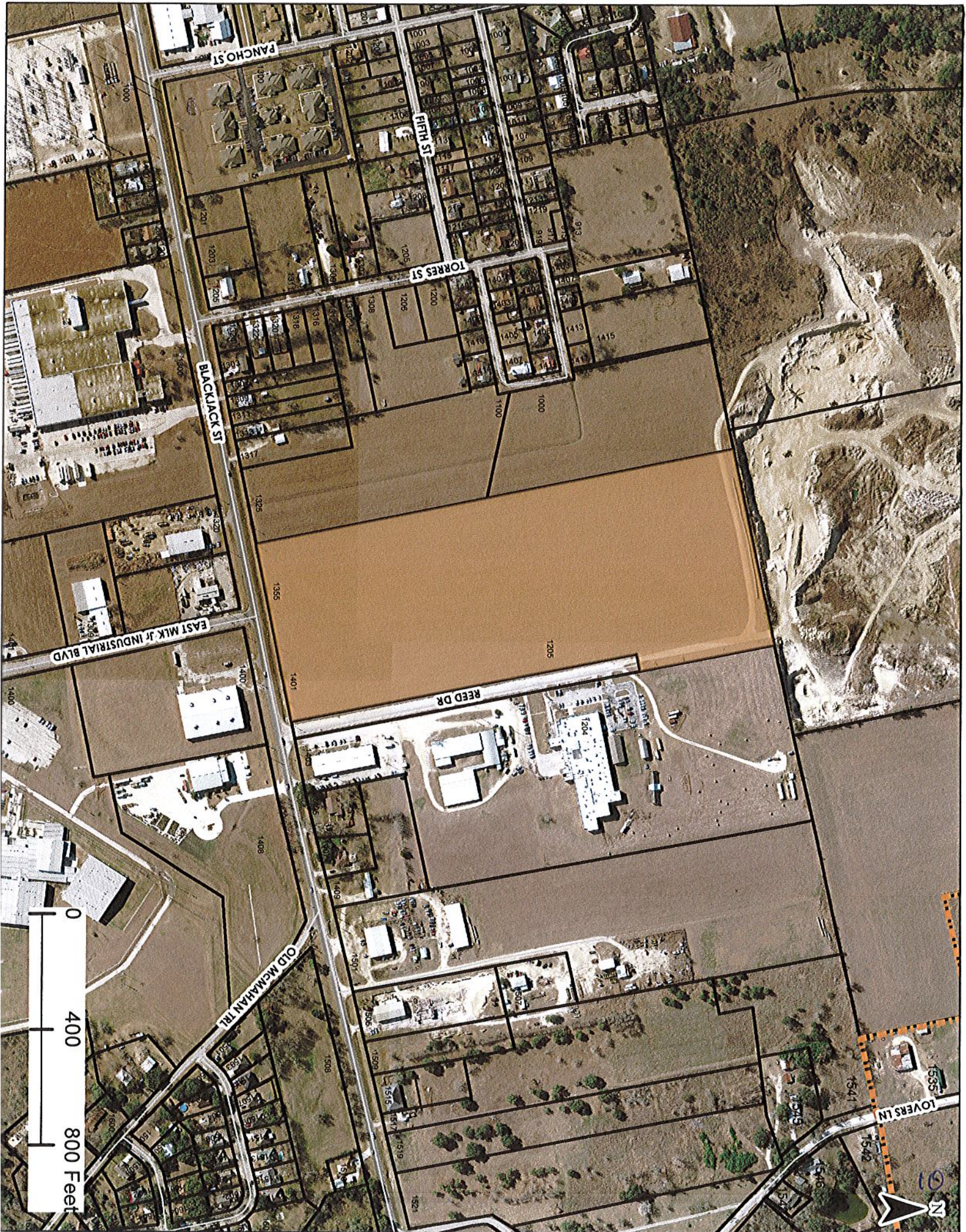
1205 REED DRIVE



scale 1" = 400'

- AGRICULTURE/RURAL DEVELOPMENT
- GENERAL-HEAVY COMMERCIAL
- INDUSTRY
- LIGHT-MEDIUM COMMERCIAL
- PUBLIC AND INSTITUTIONAL
- RESIDENTIAL, HIGH DENSITY
- RESIDENTIAL, LOW DENSITY
- RESIDENTIAL, MEDIUM DENSITY

9



PANCHO ST

FIFTH ST

TORRES ST

BLACKJACK ST

EAST MLK Jr INDUSTRIAL BLVD

RED DR

OLD McMILLAN TRL

LOVERS LN

0 400 800 Feet

N

**CASE SUMMARY**

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STAFF: Dan Gibson, City Planner  
 REPORT DATE: March 3, 2021 [Updated 3-11-21]  
 PLANNING AND ZONING COMMISSION HEARING DATE: March 10, 2021  
 CITY COUNCIL HEARING DATE: March 16, 2021  
 REQUESTED CHANGE: AO to IL  
 STAFF RECOMMENDATION: *Approval*  
 PLANNING AND ZONING COMMISSION RECOMMENDATION: *Approval*

CASE NUMBER: ZC-21-02

**BACKGROUND DATA**

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APPLICANT: Hamish Macfarlane  
 OWNER: Blackjack Block 1, LLC  
 SITE LOCATION: 1205 Reed Drive  
 LEGAL DESCRIPTION: Lot 1, Block 1, Iron Ox Addition  
 SIZE OF PROPERTY: 24.575 acres  
 EXISTING USE OF PROPERTY: Vacant  
 LAND USE PLAN DESIGNATION: High Density Residential, Low Density Residential

**ANALYSIS OF ISSUES**

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REASON FOR REQUESTED ZONING CHANGE: The applicant proposes to construct a commercial greenhouse on the subject property. Commercial greenhouses are allowed by-right in the current AO zoning of the property, but structures can cover only up to 30 percent of the lot. The ultimate coverage by buildings is anticipated to exceed 30 percent, so the applicant is requesting a zoning change to IL, which allows a lot coverage by structures up to 50 percent. Because the business grows produce in the greenhouse, packages it, and sells it wholesale, it is also consistent with uses such as agricultural processing plants that are allowed in the IL district. The proposed development will face Reed Drive.

AREA CHARACTERISTICS:

	Existing Use	Zoning	Future Land Use Plan
North	Gravel quarry	AO	Low Density Residential
East	County annex, County fairground, County jail	PI, CHB, AO	Public and Institutional, General-Heavy Commercial
South	Industry, Prison	IH	Industry
West	Vacant land, Single-family dwellings	CHB, RHD	High Density Residential, Low Density Residential

TRANSITION OF ZONING DISTRICTS: There is no existing IL zoning abutting the subject property, but the entire south side of Blackjack Street is zoned IH, which is a more intense industrial classification than the requested IL zoning. The abutting districts on the west, north, and east boundaries are generally compatible, with the only actual development other than the quarry being the County facilities on the east side of Reed Drive.

**ADEQUACY OF INFRASTRUCTURE:** Both water and wastewater utilities are available and adequate. Vehicular access will be from Reed Drive, where traffic is very low due to the limited type and amount of development served by it.

**POTENTIAL NEIGHBORHOOD IMPACT:** The proposed use, where all production activity will be contained indoors, should not have any significant negative impacts on the surrounding area. There is a residential neighborhood roughly 400 feet to the west of the west property line, but the vehicular parking and truck loading areas will be along Reed Drive, on the opposite side of the site.

**CONSISTENCY WITH COMPREHENSIVE PLAN:** The proposed IL zoning classification is not consistent with the Land Use Plan map designations of future High Density Residential and Low Density Residential for this lot. However, the existing AO designation is also not consistent with the Land Use Plan.

**ALTERNATIVE CLASSIFICATIONS:** Either the current AO zoning or the proposed IL zoning would allow the intended use of the property. The IH zoning classification would also allow it, but the potential for higher intensity industrial development with greater impacts is not appropriate or necessary. The IL zoning provides the greater lot coverage limit that the applicant needs to accommodate planned expansion of the facilities.

**RESPONSE TO NOTIFICATION:** None, as of the date of this report.

**STAFF RECOMMENDATION:** Staff recommends approval of the proposed IL zoning classification.

CITY OF

# Lockhart

TEXAS

## ZONING CHANGE APPLICATION

(512) 398-3461 • FAX (512) 398-3833  
P.O. Box 239 • Lockhart, Texas 78644  
308 West San Antonio Street

### APPLICANT/OWNER

APPLICANT NAME Hamish Macfarlane

ADDRESS 1300 S El Camino Real

DAY-TIME TELEPHONE 650-787-1202

Suite #305

E-MAIL hmacfarlane@arcomurray.com

San Mateo, CA 94402

OWNER NAME Blackjack Block I, LLC.

ADDRESS 955 Terminal Way

DAY-TIME TELEPHONE 724-708-6995

San Carlos, CA 94070

E-MAIL luci@ironox.com

### PROPERTY

ADDRESS OR GENERAL LOCATION 1205 Reed Drive, Lockhart, TX 78644

LEGAL DESCRIPTION (IF PLATTED) See attached plat previously filed with City of Lockhart

SIZE 24.575 ACRE(S) LAND USE PLAN DESIGNATION Residential high density, residential low density

EXISTING USE OF LAND AND/OR BUILDING(S) Commercial greenhouse

PROPOSED NEW USE, IF ANY N/A

### REQUESTED CHANGE

FROM CURRENT ZONING CLASSIFICATION Agricultural Open

TO PROPOSED ZONING CLASSIFICATION Industrial Light District

REASON FOR REQUEST We are requesting a re-zoning to Industrial Light District to allow for a greater percentage of the site's area to be covered by greenhouse structures intended for crop production.

**SUBMITTAL REQUIREMENTS**

IF THE APPLICANT IS NOT THE OWNER, A LETTER SIGNED AND DATED BY THE OWNER CERTIFYING THEIR OWNERSHIP OF THE PROPERTY AND AUTHORIZING THE APPLICANT TO REPRESENT THE PERSON, ORGANIZATION, OR BUSINESS THAT OWNS THE PROPERTY.

NAME(S) AND ADDRESS(ES) OF PROPERTY LIEN-HOLDER(S), IF ANY.

IF NOT PLATTED, A METES AND BOUNDS LEGAL DESCRIPTION OF THE PROPERTY.

APPLICATION FEE OF \$ 641.50 PAYABLE TO THE CITY OF LOCKHART AS FOLLOWS:

1/4 acre or less	\$125
Between 1/4 and one acre	\$150
One acre or greater	\$170 plus \$20.00 per each acre over one acre

TO THE BEST OF MY KNOWLEDGE, THIS APPLICATION AND ASSOCIATED DOCUMENTS ARE COMPLETE AND CORRECT, AND IT IS UNDERSTOOD THAT I OR ANOTHER REPRESENTATIVE SHOULD BE PRESENT AT ALL PUBLIC MEETINGS CONCERNING THIS APPLICATION.

SIGNATURE Lucianne Kempton  
Digitally signed by Lucianne Kempton  
Date: 2021.02.03 18:26:59 -08'00'

DATE 2/03/2021

**OFFICE USE ONLY**

ACCEPTED BY Dan Gibson

RECEIPT NUMBER 991549

DATE SUBMITTED 2-22-21

CASE NUMBER ZC - 21 - 02

DATE NOTICES MAILED 2-23-2021

DATE NOTICE PUBLISHED 2-25-2021

PLANNING AND ZONING COMMISSION MEETING DATE 3-10-2021

PLANNING AND ZONING COMMISSION RECOMMENDATION Approval

CITY COUNCIL MEETING DATE 3-16-2021

DECISION \_\_\_\_\_

# City of Lockhart, Tx

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** March 16, 2021

**AGENDA ITEM CAPTION:** Presentation and/or Action for the City Council to consider acceptance of the City of Lockhart's and Lockhart Economic Development Corporation's Fiscal Year 2019-2020 Comprehensive Annual Finance Report by Harrison, Waldrop, & Uherek, L.L.P.

**ORIGINATING DEPARTMENT AND CONTACT:** Finance – Pam Larison

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

According to Article 3, Section 3.14 – Audit of City books and accounts; The city shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit.

The Comprehensive Annual Financial Report presented this evening includes three sections: Introduction, Financial, and Statistical. The most important element of the Introduction is the Transmittal Letter from the City Manager. The transmittal letter is one of the legal requirements for the annual report that typically includes the local government's profile, provides an economic update on the local economy, lists any major initiatives undertaken by the local government and states that financial reports are management's responsibility. The Financial Section includes all necessary financial information, narratives explaining financials, and an auditor's report. The third section is the statistical section. It outlines financial trends, revenue capacity, debt capacity, demographic information and other operating information about the local government.

The Comprehensive Annual Financial Report is presented with an Unqualified Opinion; or "Clean Opinion." An Unqualified Opinion is presumed to be free from material misstatements.

**AMOUNT & SOURCE OF FUNDING:**

Finance Review initials



**FISCAL NOTE (if applicable):**

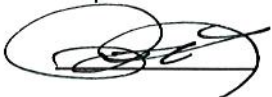
**Previous Council Action:**

**COMMITTEE/BOARD/COMMISSION ACTION:**

**STAFF RECOMMENDATION/REQUESTED MOTION:** Staff recommends acceptance of the Audited FY 2019-2020 Comprehensive Annual Financial Report.

**LIST OF SUPPORTING DOCUMENTS:** City of Lockhart, Texas FY 2019-2020 Comprehensive Annual Financial Report from Harrison, Waldrop, and Uherek, LLP.

Department Head initials:



City Manager's Review:



Comprehensive Annual Financial Report

City of Lockhart, Texas

Fiscal Year Ended September 30, 2020



  
**Lockhart**  
The BBQ Capital of Texas



**CITY OF LOCKHART, TEXAS**  
*COMPREHENSIVE ANNUAL FINANCIAL REPORT*  
*For the fiscal year ended September 30, 2020*

Issued By:  
Finance Department

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## INTRODUCTORY SECTION



March 16, 2021

Citizens of the City of Lockhart, Texas  
Honorable Mayor and City Council

The Texas Local Government Code states that a municipality shall have its records and accounts audited annually and shall have annual financial statements prepared based on the audit. The Code also states that the annual financial statements, including the auditor's opinion on the statements, shall be filed in the office of the municipal city secretary or clerk within 180 days after the last day of the municipality's fiscal year. The Comprehensive Annual Financial Report of the City of Lockhart, Texas (the City) for the year ended September 30, 2020, is hereby submitted to fulfill that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is established for this purpose. Because the cost of internal control should not exceed the anticipated benefits of providing the control, the objective is to provide sufficient, rather than absolute, assurance that the financial statements are free of any material misstatements.

Harrison, Waldrop, and Uherek, L.L.P. has issued an unmodified ("clean") opinion on the City of Lockhart financial statements for the year ended September 30, 2020. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this Letter of Transmittal and should be read in conjunction with it. We are pleased to report that the financial position of the City of Lockhart and its component units is strong.

### **Profile of the Government**

The City of Lockhart was founded in 1826 and officially incorporated as a city in 1852. Located in central Texas, Lockhart is 30 miles south of downtown Austin on U.S. Highway 183. It is 70 miles northeast of San Antonio and 156 miles west of Houston. According to the U.S. Census Bureau, the estimated population of the City of Lockhart is 13,925 as of July 1, 2017, and serves as the county seat of Caldwell County, Texas. Lockhart is a Home Rule Charter City and operates under the Council-Manager form of government. Lockhart is served by a seven-person city council. The elected body is made up of the mayor and two council members that are elected at large. The remaining four council members are elected from single-member districts. The length of office for all Council members and the Mayor are three-year terms. The City Council appoints the City Manager, the City Attorney, and the Municipal Court Judge. All other staff members work either directly or indirectly under the direction of the City Manager.

The Combined Financial Statements of the City include all governmental and business-type activities, organizations, and functions, for which the City exercises significant oversight responsibility. The criteria considered in determining governmental activities to be reported within the City's combined financial statements

are based upon and consistent with those set forth in GASB Statement No. 61, "The Financial Reporting Entity." Based on this criterion, the Lockhart Economic Development Corporation is included in this report.

The City provides a full range of municipal government services to more than 13,900 residents and numerous visitors annually. Municipal services provided include: police and fire protection; crime prevention, enforcement, and adjudication; electric services; water production and distribution; wastewater collection and treatment; solid waste collection and disposal; city code enforcement and building inspection; maintenance of streets; maintenance of park land and recreational facilities; library services; cemetery; airport; and economic development.

The annual budget of the City of Lockhart serves as the foundation for its financial plan and control. The budget is proposed by the City Manager and adopted by the City Council in accordance with policies and procedures established by the City Charter, ordinances, and state law. The budget process begins each year with the development of priority issues established by Council during a Strategic Goal Workshop. Departments submit their annual departmental budget requests to the City Manager for review. A proposed budget is prepared for presentation to the City Council. The City Council reviews the budget in subsequent work sessions and a formal budget is prepared and made available to the public for review. Prior to official adoption of the budget by Council, any required public hearings on the proposed budget are held to allow for public input and any required notices are published in the City's newspaper of record.

The Council is required to adopt a final budget by no later than ten days before the close of the fiscal year. This annual budget serves as a foundation for the City's financial planning and control. The budget is prepared by fund, department, and category (e.g., salary and benefits). Department managers may transfer resources within their department as they see fit. Transfers between departments, however, need special approval from the City Manager and the Finance department. City Council approval is needed for transfers between funds or between capital projects.

## **FACTORS AFFECTING FINANCIAL CONDITION**

### **Local Economy**

The City of Lockhart is the county seat for Caldwell County. With this designation comes commercial growth not typically seen for population of approximately 14,000 residents. Major industries located within the government's boundaries, or close proximately, include small and advanced manufacturing industries, information technology industries, retail and service industries, and agriculture. The school district has significant economic presence, employing in total more than 731 teachers, professionals, and support staff.

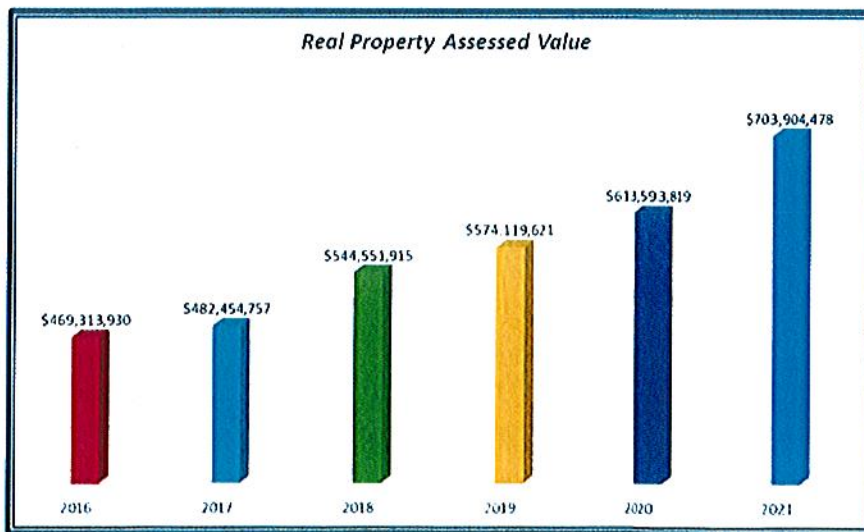
The onset of the COVID-19 pandemic created an unprecedented situation for the City of Lockhart and for every municipality in the United States. While the pandemic presented challenges for local residents and businesses, it also brought with it the passage of the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Coronavirus Response and Relief Supplemental Appropriations Act of 2021. Through these federal programs, states received money to distribute to local governments.

The City of Lockhart received an allotment of \$763,895. Using this funding, Lockhart apportioned \$235,000 for COVID relief grants and loans for businesses and utilized \$25,000 for COVID relief for utilities customers. Major capital purchases paid for using the allotment included a generator for the fire station (which doubles as the city's office of emergency management), air conditioning units for the police department, utilities payment kiosks at City Hall and the Municipal Court, and IT hardware and software for teleworking across all departments. The allotment also helped pay for public safety personnel costs.

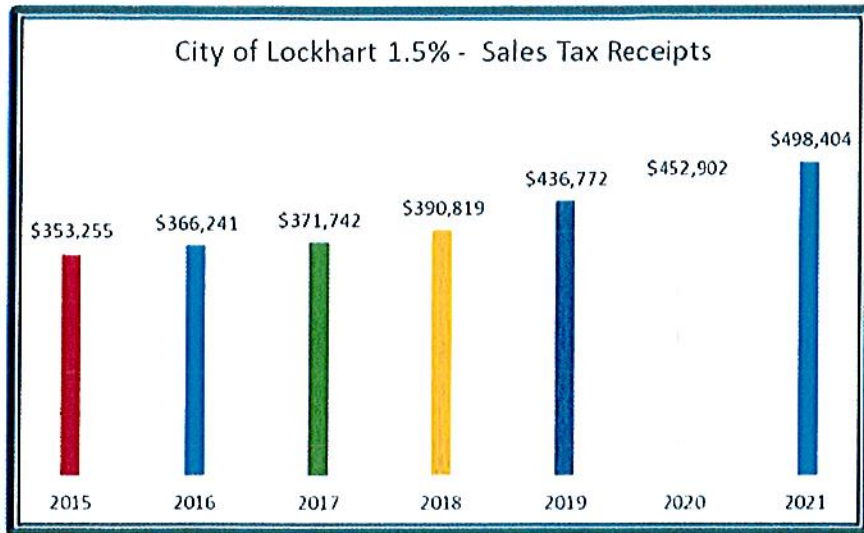
The City of Lockhart continues to experience unemployment rates consistently lower than the State of Texas average. The unemployment rate for the City of Lockhart is 3.8% compared to 4.2% for the State of Texas and slightly higher than the 3.7% nationally.

Due to the healthy economy, the City of Lockhart has a credit rating of AA- from Standard and Poor's as of March 2016. Over the past 10 years, the City has experienced significant economic growth and investment. Commercial development in 2010 saw an influx of medical facilities such as Jacob Family Eye Care, Pinnacle Health, and additional Seton Health clinics and physician offices. In 2011 and 2012, the City of Lockhart began to see an increase in housing opportunities with Springfield Villas and an assisted care living facility with Golden Age Home. Lockhart had two new banking options by way of Randolph-Brooks Credit Union and Austin Telco Credit Union. Plum Creek Plaza Shopping Center saw a boost in retail stores such as Factory Connection and Hibbett's in 2013-2015. The City of Lockhart's major manufacturing industry witnessed new companies, Fashion Glass and Mirror, Pure Castings, and Hill Country Foodworks: all incentive projects of the Lockhart Economic Development Corporation. AT&T and Verizon vied for locations within the City between 2015-2017. Chain restaurants such as Taco Bell, Kentucky Fried Chicken, Little Caesar's, and Domino's Pizza filled up State Highway 183 and the Woodland Properties and Lockhart Retail Center. The downtown did not go unnoticed; small retail shops and specialty restaurants filled up the courthouse square. In 2019, the City of Lockhart enticed members of the technology industries with the likes of PromoGo, a promotional marketing and branding company and Visionary Fiber Technologies, the global leader in fiber reactor separation technology. In 2020, the Lockhart Economic Development Corporation completed a Strategic Plan to assist in attracting businesses; helped Iron Ox, a robotic farming company to expand operations in Lockhart; established a new economic development office downtown; created the BIG Grant Program to improve downtown businesses and buildings and purchased property for a new 75-acre industrial/distribution park near SH 130.

The City of Lockhart's sound financial position is apparent because of its conservative budgeting practices, as evident from its healthy fund balances. The City experienced growth in assessed valuation of property taxes and collection of 1.5% sales taxes from Fiscal Year 2015 through 2020 and continues to grow. (see charts below). Valuation of property continues to increase at a steady rate. This increase could be attributable to the build out of Meadows at Clearfork Subdivision Phase 2 & 3 and Windridge Subdivision, along with the increase in assessed values of current properties including new commercial growth over the past several years. The last five years the City has seen a significant increase in sales tax revenues due to new businesses and a healthy area economy.







### Long-term Financial Planning

The City Council approved a budget that maintained fund balance at 33% for Fiscal Year 2020. This is above the 25% minimum reserve required by the Fund Balance – Stabilization and Excess of Reserves Policy. The budget funded \$1,125,500 in one-time capital projects that were needed to improve the services provided by the City.

The overriding goal of the Fund Balance – Stabilization and Excess of Reserves Policy is to enable the City to achieve a long-term stable and positive financial condition. In order to accomplish this, procedures such as accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash management, expenditure control, and debt management are practiced.

The City recognizes that debt is usually a more expensive financing method. Alternative financing resources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives that equal or exceed the average life of the debt issue. Debt payments are structured to provide that capital assets funded by debt have a longer life than the debt associated with those assets. Regarding general obligation debt, the City has followed a policy of structuring new debt issue payment schedules to maintain declining debt payment structures to keep tax increases at a minimum and maintain a constant interest & sinking tax rate.

### Relevant Financial Policies

The City of Lockhart practices a comprehensive set of financial policies and procedures. Annually or as needed, the City Council approves its financial policies, and an extensive review and revisions are provided to the City Council and the City Manager from the Finance Department. Each year the City Council approves the Investment Policy, which is intended to protect City assets by identifying investment objectives, addressing the issues of investment risks versus rewards, and providing the framework for the establishment of controls, limitations, and responsibilities of City employees in the performance of their fiduciary responsibilities. In Fiscal Year 2020, a revised purchasing policy was approved to maintain a cost-effective purchasing system conforming to good management practice. The establishment and maintenance of an effective purchasing policy is possible only through a cooperative effort. This policy will reaffirm the City of Lockhart's commitment to strengthen

purchasing and property controls to reasonably assure that assets are received and retained in the custody of the City of Lockhart.

### **Major Initiatives**

There was no issuance of debt by the City of Lockhart for the Fiscal Year 2020.

The City of Lockhart's Council placed a Strategic Goals Plan in action for Fiscal Year 2019-2020, which included economic development and planning; quality of life and facilities; staffing and personnel; IT software and hardware; and public safety initiatives. Economic development and planning include the City working closely with the Lockhart School District to entice students to seek local public service employment opportunities; work with the Downtown Association to increase new business activities on the square; and revised the Hotel Occupancy Tax Program to improve the effectiveness of HOT expenditures. The quality of life and facilities initiatives included increased street and sidewalk funding projects and a space needs and building program analysis. Implementation of a Classification and Compensation Study to ensure wages are competitive and adding three new positions: Economic Development Specialist, Public Information Officer, and Electric Administrative Assistant. IT software and hardware replacements within the City's server environment. The major initiatives in public safety include the construction of Fire Station No. 2; renovations to the dispatch communication center; and new public safety/public works handheld and mobile radios.

### **Financial Procedures and Internal Controls**

The City's accounting records for all governmental funds are maintained on the modified accrual basis of accounting. This method recognizes revenue when it is measurable and available and expenditures when goods and services are received. All proprietary funds are accounted for using the accrual basis of accounting; revenue is recognized when it is earned, and expenses are recognized when they are incurred. Management of the City is responsible for establishing and maintaining an internal control structure. This structure is designed to provide reasonable, but not absolute, assurance that: (1) City assets are protected from loss, theft or misuse; and (2) City financial records and data are accurate and reliable. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from it, and that the evaluation of cost and benefits requires estimates and judgements by management.

### **Budgetary Controls**

Each year, on or before September 30<sup>th</sup>, the City Council adopts an annual operating budget for the ensuing fiscal year. The operating budget includes anticipated revenues and expenditures for the General Fund, Proprietary Funds, Special Revenue Funds, Debt Service Fund, Airport Fund, EMS Fund, and Lockhart Economic Development. The budget is a planning device that defines the type, quality, and quantity of City goods and services that will be provided to our citizens. The budget is also a control device that serves as a system of "checks" and "balances" between levels of City government. The budgetary system is designed to ensure that individual departments contain their expenditures within limitations set by the City management, and that City management contains expenditures for the entire City within limitations set by the City Council. After adoption, change to a department budget may be made using a line-item transfer, initiated by a department manager, and approved by the City Manager and Finance Director. Any changes to the budget outside of an individual department can only be made by City Council.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lockhart for its comprehensive annual financial report for the fiscal year ended September 30, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to express our sincere appreciation to the City's employees for their dedication and commitment to the City. The preparation of this report could not be accomplished without the dedicated services of the entire staff of the Finance Department. Appreciation is expressed to the City employees throughout the organization, especially those responsible for the maintenance of records upon which this report is based. Acknowledgement is given to representatives of Harrison, Waldrop & Uherek, L.L.P. for their assistance in producing the final product.

### **Other Acknowledgements**


The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance and Administration Department.

We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit is also due to the mayor and the Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Lockhart's finances.

Respectfully Submitted,



Steve Lewis, City Manager



Pam M. Larison, Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Lockhart  
Texas**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

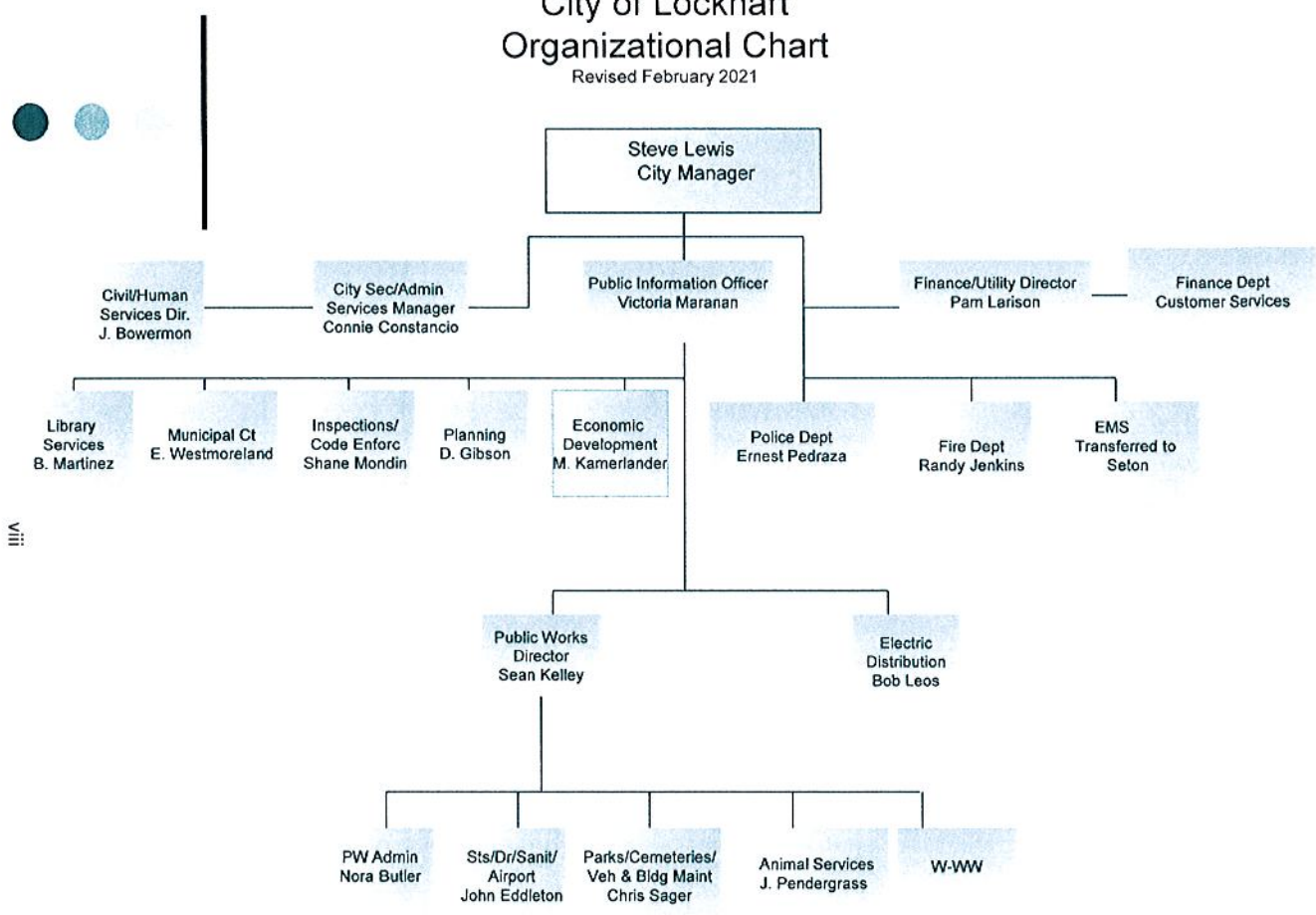
September 30, 2019

*Christopher P. Morill*

Executive Director/CEO

# City of Lockhart Organizational Chart

Revised February 2021



11/18



City Officials	Elective Position	Term Expires
Lew White	Mayor	2020
Angie Gonzales-Sanchez	Council Member – At-Large	2022
Juan Mendoza	Council Member – District 1	2022
David Bryant	Council Member – District 2	2022
Kara McGregor	Council Member – District 3	2020
Jeffry Michelson	Council Member – District 4	2020
Brad Westmoreland	Council Member – At-Large	2022



Front – Angie Gonzales-Sanchez, Mayor Lew White, Kara McGregor  
 Back – Brad Westmoreland, Juan Mendoza, David Bryant, Jeffry Michelson

Key Staff	Position
Steve Lewis	City Manager
Pam Larison	Finance Director
Robert Eggimann	City Controller

## FINANCIAL SECTION



CERTIFIED PUBLIC ACCOUNTANTS  
101 S. MAIN, SUITE 400  
VICTORIA, TEXAS 77901-8142

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DENNIS C. CHAL, CPA  
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## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members  
of the City Council  
City of Lockhart, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Lockhart, Texas (the "City") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Lockhart Economic Development Corporation were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



The Honorable Mayor and Members  
of the City Council  
City of Lockhart, Texas

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

The Honorable Mayor and Members  
of the City Council  
City of Lockhart, Texas

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Harrison, Waldrop & Uherek, LLP*

HARRISON, WALDROP & UHEREK, L.L.P.  
Certified Public Accountants

March 3, 2021

As management of the City of Lockhart, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2020.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year ended September 30, 2020, by \$45,965,385. Of this amount, \$16,788,607 of unrestricted net position is available to meet the City's ongoing obligations to citizens and creditors.
- The total cost of all City activities was \$29,899,332 for the fiscal year which is a decrease of \$12,930 from the prior year.
- During the year, the City's general revenues exceeded net expenses of all City activities by \$1,183,865. This represents a 3% increase in net position from the previous fiscal year as a result of operations.
- At September 30, 2020, the City's governmental funds reported combined ending fund balances of \$11,091,940, an increase of \$399,323 in comparison with the prior year. Included in this increase was an increase of General Fund's fund balance in the amount of \$1,295,804 and a decrease in the fund balances for the nonmajor governmental funds of \$896,481.
- At September 30, 2020, unassigned fund balance for the General Fund was \$6,673,086 or 62% of total General Fund expenditures. This meets the City's minimum unassigned fund balance policy of 25% of the subsequent year's budgeted expenditures and outgoing transfers.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Organization and Flow of Financial Section Information**

**Independent Auditors' Report**

*Provides the opinion of the Independent Auditors on the fair presentation of the basic financial statements.*

**Management's Discussion and Analysis**

*This supplementary information is required for state and local government financial statements and is intended to provide a narrative introduction and analysis.*

Pages 4 to 12

**Government-wide Financial Statements**

*Provides information on governmental and business-type activities of the primary government.*

Pages 13 to 16

**Fund Financial Statements**

*Provides information on the financial position of specific funds of the primary governments.*

Pages 17 to 32

**Notes to Financial Statements**

*Provides a summary of significant accounting policies and related disclosures.*

Pages 33 to 71

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## OVERVIEW OF THE FINANCIAL STATEMENTS - (Continued)

### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, parks and recreation, and interest on long-term debt. The business-type activities of the City include electric, water, wastewater, solid waste services, and an airport fund.

The government-wide financial statements include not only the City itself (known as the primary government) but also the component unit of Lockhart Economic Development Corporation, Inc.

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintained numerous individual governmental funds during the 2019-2020 fiscal year. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the General Fund which is considered the City's only major fund. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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## OVERVIEW OF THE FINANCIAL STATEMENTS - (Continued)

### Fund Financial Statements - (Continued)

The City adopts an annual appropriated budget for its General Fund and Debt Service Fund. A Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual, has been provided for the General Fund and Debt Service Fund to demonstrate compliance with this budget.

The City maintains only one type of *proprietary fund*. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for its electric, water, wastewater utility services, EMS, solid waste operations, and the airport operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in a more detailed format. The City has four major proprietary (enterprise) funds. They are the Electric Fund, the Water Fund, the Wastewater Fund, and EMS Fund. Separate financial statements are presented for the major funds. Individual fund data for each of the nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs/operations. The accounting used for fiduciary funds is similar to proprietary funds.

The basic fiduciary fund financial statements can be found on pages 31 through 32 of this report.

### Notes to Financial Statements

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

### Other Information

In addition to the basic financial statements and accompanying notes, required supplementary information is included which presents a budgetary comparison schedule for the City's General Fund, a schedule of changes in liability and related ratios for the TMRS Defined Benefit Pension Plan, a schedule of employer contributions for the TMRS Defined Benefit Pension Plan, a schedule of changes in Total OPEB liability and related ratios for the TMRS Supplemental Death Benefit Plan, a schedule of employer contributions for the TMRS Supplemental Death Benefit Plan, and a schedule of changes in Total OPEB liability and related ratios for the Retiree Healthcare Plan. Required supplementary information can be found on pages 72-81 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 82-104 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$45,965,385 at the close of the 2020 fiscal year.

By far, the largest portion of the City's net position, 56%, reflects its investment in capital assets (i.e., land, buildings, infrastructure, and machinery and equipment), less a related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of Lockhart, Texas**

**Net Position**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 12,822,504	\$ 11,837,641	\$ 18,498,454	\$ 21,552,196	\$ 31,320,958	\$ 33,389,837
Capital assets (net)	<u>21,278,461</u>	<u>22,065,245</u>	<u>26,000,273</u>	<u>23,018,134</u>	<u>47,278,734</u>	<u>45,083,379</u>
Total assets	<u>34,100,965</u>	<u>33,902,886</u>	<u>44,498,727</u>	<u>44,570,330</u>	<u>78,599,692</u>	<u>78,473,216</u>
Deferred outflow of resources	<u>852,823</u>	<u>1,946,123</u>	<u>363,167</u>	<u>671,329</u>	<u>1,215,990</u>	<u>2,617,452</u>
Current and other liabilities	1,721,855	1,533,610	2,570,700	2,609,895	4,292,555	4,143,505
Noncurrent liabilities	<u>15,421,508</u>	<u>17,981,146</u>	<u>13,018,414</u>	<u>14,004,838</u>	<u>28,439,922</u>	<u>31,985,984</u>
Total liabilities	<u>17,143,363</u>	<u>19,514,756</u>	<u>15,589,114</u>	<u>16,614,733</u>	<u>32,732,477</u>	<u>36,129,489</u>
Deferred inflow of resources	<u>835,570</u>	<u>141,527</u>	<u>282,250</u>	<u>38,132</u>	<u>1,117,820</u>	<u>179,659</u>
Net position:						
Net investment in capital assets	12,104,249	12,648,711	13,434,710	17,492,757	25,538,959	30,141,468
Restricted	1,603,237	1,571,133	2,034,582	1,661,480	3,637,819	3,232,613
Unrestricted	<u>3,267,369</u>	<u>1,972,882</u>	<u>13,521,238</u>	<u>9,434,557</u>	<u>16,788,607</u>	<u>11,407,439</u>
Total net position	<u>\$ 16,974,855</u>	<u>\$ 16,192,726</u>	<u>\$ 28,990,530</u>	<u>\$ 28,588,794</u>	<u>\$ 45,965,385</u>	<u>\$ 44,781,520</u>

An additional portion of the City's net position, 8%, represents resources that are subject to external restrictions on how they may be used (i.e., debt service). The remaining balance of unrestricted net position, \$16,788,607, may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position for the primary government as a whole.

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)**

**Governmental activities.** Governmental activities increased the City's net position by \$782,129. Key elements of this increase are as follows:

- Increase in charges for services of \$235,682. Included in charges for services were license and permits as well as impact fees. The increase in fiscal year 2020 is associated with an increase in construction. License and permits are reviewed by Council to be competitive with market rates.
- Increase in property taxes of \$378,950 due to an increase in valuations.
- Increase in general government expenses of \$223,237 due to increased costs related to the COVID-19 pandemic.
- Decrease in public safety expenses of \$96,113 due to reduced hours and employment freeze in respective governmental fund departments.
- Decrease in public works expenses of \$398,928 due to reduced hours and employment freeze in respective governmental fund departments.

**Business-type activities.** Business-type activities increased the City's net position by \$401,736 accounting for 34% of the total growth in the City's net position. Key elements of this change are as follows:

- Charges for services were \$670,872 less due to the COVID-19 pandemic. City Council approved a "non-disconnect" for utility bills which caused a decrease in services.
- Revenues exceeded expenses by \$3,547,264 before transfers to other funds.
- Expenses increased slightly over prior year by \$145,849 due to increase in costs of services.
- Transfers to other funds were \$3,145,528 which was increased from prior year by \$100,786 or 3%.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)**

**City of Lockhart, Texas**

**Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>REVENUES</b>						
Program revenues:						
Charges for services	\$ 1,453,937	\$ 1,218,255	\$ 20,008,493	\$ 20,679,365	\$ 21,462,430	\$ 21,897,620
Operating grants and contributions	1,037,366	579,539	44,680	68,272	1,082,046	647,811
Capital grants and contributions	257,055	96,263	23,750	-	280,805	96,263
General revenues:						
Property taxes	4,991,171	4,612,221	-	-	4,991,171	4,612,221
Sales taxes	1,992,939	1,767,048	-	-	1,992,939	1,767,048
Franchise taxes	349,849	360,589	-	-	349,849	360,589
Other taxes	102,063	111,841	-	-	102,063	111,841
Impact fees	-	-	296,093	195,808	296,093	195,808
Investment earnings	119,746	283,700	164,183	368,594	283,929	652,294
Miscellaneous	233,320	184,509	8,552	-	241,872	184,509
<b>Total revenues</b>	<b>10,537,446</b>	<b>9,213,965</b>	<b>20,545,751</b>	<b>21,312,039</b>	<b>31,083,197</b>	<b>30,526,004</b>
<b>EXPENSES</b>						
General government	2,455,580	2,232,343	-	-	2,455,580	2,232,343
Public safety	5,703,143	5,799,256	-	-	5,703,143	5,799,256
Public works	3,153,763	3,552,691	-	-	3,153,763	3,552,691
Health	144,615	18,250	-	-	144,615	18,250
Culture and recreation	1,052,444	1,041,842	-	-	1,052,444	1,041,842
Interest on long-term debt	391,300	415,242	-	-	391,300	415,242
Electric	-	-	8,564,816	9,242,068	8,564,816	9,242,068
Water	-	-	3,908,621	3,224,639	3,908,621	3,224,639
Wastewater	-	-	1,444,482	1,370,942	1,444,482	1,370,942
EMS	-	-	1,407,549	1,383,128	1,407,549	1,383,128
Sanitation	-	-	1,592,412	1,553,603	1,592,412	1,553,603
Airport	-	-	80,607	78,258	80,607	78,258
<b>Total expenses</b>	<b>12,900,845</b>	<b>13,059,624</b>	<b>16,998,487</b>	<b>16,852,638</b>	<b>29,899,332</b>	<b>29,912,262</b>
Change in net position before transfers	(2,363,399)	(3,845,659)	3,547,264	4,459,401	1,183,865	613,742
Transfers	3,145,528	3,044,742	(3,145,528)	(3,044,742)	-	-
Change in net position	782,129	(800,917)	401,736	1,414,659	1,183,865	613,742
Net position - beginning	16,192,726	16,993,643	28,588,794	27,174,135	44,781,520	44,167,778
Net position - ending	<u>\$ 16,974,855</u>	<u>\$ 16,192,726</u>	<u>\$ 28,990,530</u>	<u>\$ 28,588,794</u>	<u>\$ 45,965,385</u>	<u>\$ 44,781,520</u>



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## **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$11,091,940, an increase of \$399,323 from the prior year.

Approximately 57% of this total amount, \$6,269,739, constitutes unassigned fund balance, which is available for spending at the government's discretion. The City also has \$308,539 of fund balance that is committed for specific projects. In addition, there is \$4,397,592 of fund balance that is restricted for specific purposes and \$116,070 that is classified as nonspendable; being that it is not available for new spending because it has already been committed: 1) for prepaid expenditures \$106,720; and 2) for inventory \$9,350.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance was \$6,673,086. Unassigned fund balance represents 62% of total General Fund expenditures. The fund balance of the City's General Fund increased by \$1,295,804 during the current fiscal year which is attributable to an increase in revenues of \$707,590 and specifically property taxes in the amount of \$340,104. The nonmajor governmental funds had a decrease in fund balance in the amount of \$896,481. This decrease was mainly due to the spending of the 2015 Certificates of Obligations proceeds in the amount of \$551,827.

### **Proprietary Funds**

The City's proprietary funds, the Electric Fund, the Water Fund, the Wastewater Fund, the EMS Fund, the Sanitation Fund and the Airport Fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary funds at the end of the current fiscal year amounted to \$13,521,238. The total growth for the funds was \$401,736. The Electric Fund had the largest increase in net position of the proprietary funds, \$283,346, which represented 4% over the prior year. Transfers to other funds from the Electric Fund decreased \$169,132 from fiscal year 2019.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual fiscal year revenues in the General Fund were \$716,684 more than the final budgeted amounts. The positive variance over the anticipated amount is comprised of the following items:

- \$119,651 in property tax revenues due to an increase in valuations.
- \$509,731 in sales and other tax revenues due to an increase in activity within the City.
- \$44,000 in intergovernmental and grants revenues due to additional grants received in fiscal year 2020.

Actual fiscal year expenditures in the General Fund were \$880,381 less than the final budgeted amounts. The positive variance from the anticipated amount is comprised of the following items:

- \$338,464 in public safety due to spending less than anticipated.
- \$243,692 in capital outlay due to spending less than anticipated on capital projects.

**GENERAL FUND BUDGETARY HIGHLIGHTS - (Continued)**

Differences between the General Fund's original budget and final amended budget were a net decrease of \$424,353 and \$481,851 in revenues and expenditures, respectively. The decrease in revenue budget consisted of a decrease to sales tax revenue budget in the amount of \$242,000. The decrease in expenditure budget consisted of the following items:

- \$66,000 in mayor/council budget in contracts and services.
- \$70,000 in mayor/council and city manager budgets in capital outlay.
- \$71,400 in municipal court, police, and fire budgets in capital outlay.
- \$186,022 in public works, garage, and streets budgets in personnel.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets

The City's investment in capital assets for its governmental and business-type activities amounts to \$47,278,734 (net of accumulated depreciation) at the end of the current fiscal year. This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, infrastructure, and construction in progress. The net increase in the City's investment in capital assets was \$2,195,355 or 5%.

**City of Lockhart, Texas**

**Capital Assets**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 1,587,394	\$ 1,587,394	\$ 574,710	\$ 574,710	\$ 2,162,104	\$ 2,162,104
Construction in progress	8,550	1,059,346	3,089,937	1,667,224	3,098,487	2,726,570
Bids. and improvements	7,966,865	7,323,728	1,337,875	1,379,559	9,304,740	8,703,287
Infrastructure	10,110,624	10,660,837	19,622,582	18,294,603	29,733,206	28,955,440
Machinery and equipment	1,605,028	1,433,940	1,375,169	1,102,038	2,980,197	2,535,978
<b>Total</b>	<b><u>\$ 21,278,461</u></b>	<b><u>\$ 22,065,245</u></b>	<b><u>\$ 26,000,273</u></b>	<b><u>\$ 23,018,134</u></b>	<b><u>\$ 47,278,734</u></b>	<b><u>\$ 45,083,379</u></b>

Additional information on the City's capital assets can be found in Note 6 of this report.

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## **CAPITAL ASSETS AND DEBT ADMINISTRATION - (Continued)**

### **Long-Term Debt**

At the end of the current fiscal year, the City had total bonded debt outstanding of \$22,211,268. Of this amount, \$5,949,998 represents General Obligation Tax and Revenue Bonds. The remainder of the City's bonded debt is comprised of \$15,300,000 of Combination Tax and Revenue Certificates of Obligation and unamortized premiums of \$961,270. The City's bonded debt had a net decrease of \$1,158,789 during the fiscal year ended September 30, 2020. Additional information on the long-term debt can be found in Note 10.

The City maintains a bond rating of "AA-" from S&P Global.

As a Home Rule City, the City is not limited by law in the amount of debt it may issue; however, all new local bond issues must be approved by the State Attorney General. There is no direct limit on debt in the City Charter. As a matter of policy, the Attorney General of Texas, will not approve the issuance of bonds where the total debt service of all tax supported debt requires a tax rate more than \$1.50 per \$100 assessed valuation. The Truth in Taxation criterion specifies that debt (interest & sinking) requirements must be met first, and then the operations can be funded. The property tax rate to meet these needs cannot exceed \$2.50 per \$100 valuation.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City of Lockhart has seen a steady growth in tax revenue over the last five years. Sales tax revenue has increased by 34.8% since 2015 and property tax valuation has increased by 24.6%. Even with the 34.8% increase, the City continues to forecast sales tax in a conservative position. The total sales tax payments received in 2020 fiscal year equaled \$1,992,939. The City anticipates no increase for 2021.

Property valuations have increased due to new additions and property on the tax roll, along with the appraisal district reassessing valuations in 2020. The certified assessed taxable property valuations for the 2021 fiscal year (2020 tax roll) total \$715,504,486 with a tax rate of \$0.5621 per \$100 valuation for maintenance and operations and \$0.0833 per \$100 valuation for the interest and sinking fund. The total tax rate of \$0.6454 decreased 5.67% or \$0.0388 from 2019.

The City's capital plan for 2020-2021 continues to focus on infrastructure upgrades and improvements to streets and airport improvements. The City will be initiating the new fleet program by replacing one-fourth of its rolling stock. The increase in capital rolling stock is to provide a better quality of life and safety for the City of Lockhart citizens.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 308 W. San Antonio Street, Lockhart, Texas 78644.

## **Basic Financial Statements**

**CITY OF LOCKHART, TEXAS**  
**STATEMENT OF NET POSITION**  
September 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Lockhart Economic Development Corporation
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 11,083,851	\$ 13,691,505	\$ 24,775,356	\$ 3,281,848
Receivables (net)	864,591	4,317,411	5,182,002	168,446
Due from other governments	749,508	15,000	764,508	-
Prepaid expenses	115,204	19,674	134,878	-
Inventory	9,350	454,864	464,214	325,000
Total current assets	<u>12,822,504</u>	<u>18,498,454</u>	<u>31,320,958</u>	<u>3,775,294</u>
Noncurrent assets (net)				
Land and other assets not being depreciated	1,595,944	3,664,647	5,260,591	108,000
Buildings, improvements, and equipment (net)	<u>19,682,517</u>	<u>22,335,626</u>	<u>42,018,143</u>	<u>501,840</u>
Total noncurrent assets	<u>21,278,461</u>	<u>26,000,273</u>	<u>47,278,734</u>	<u>609,840</u>
<b>Total assets</b>	<u>34,100,965</u>	<u>44,498,727</u>	<u>78,599,692</u>	<u>4,385,134</u>
<b>DEFERRED OUTFLOWS</b>				
Deferred amount on refunding	210,977	148,031	359,008	-
Deferred outflow related to pension	543,645	188,724	732,369	-
Deferred outflow related to OPEB	98,201	26,412	124,613	-
<b>Total deferred outflow of resources</b>	<u>852,823</u>	<u>363,167</u>	<u>1,215,990</u>	<u>-</u>

The accompanying notes are an integral part of this statement.

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Lockhart Economic Development Corporation
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 474,593	\$ 1,339,275	\$ 1,813,868	\$ 17,200
Payroll related payables	249,911	70,294	320,205	8,095
Other payables	7,745	-	7,745	-
Accrued interest payable	66,582	74,531	141,113	-
Due to other governments	27,410	100,380	127,790	-
Deposits	-	375,858	375,858	-
Accrued compensated absences	149,892	81,170	231,062	4,384
Current portion of long-term liabilities	745,722	529,192	1,274,914	116,923
Total current liabilities	<u>1,721,855</u>	<u>2,570,700</u>	<u>4,292,555</u>	<u>146,602</u>
Noncurrent liabilities				
Accrued compensated absences	374,203	-	374,203	-
Net pension liability	2,827,953	784,199	3,612,152	-
OPEB liability	713,459	197,844	911,303	-
Noncurrent portion of long-term liabilities	11,505,893	12,036,371	23,542,264	457,154
Total noncurrent liabilities	<u>15,421,508</u>	<u>13,018,414</u>	<u>28,439,922</u>	<u>457,154</u>
<b>Total liabilities</b>	<u>17,143,363</u>	<u>15,589,114</u>	<u>32,732,477</u>	<u>603,756</u>
<b>DEFERRED INFLOWS</b>				
Deferred inflow related to pension	795,323	271,447	1,066,770	-
Deferred inflow related to OPEB	40,247	10,803	51,050	-
<b>Total deferred inflows</b>	<u>835,570</u>	<u>282,250</u>	<u>1,117,820</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	12,104,249	13,434,710	25,538,959	465,951
Restricted				
General government	139,166	-	139,166	-
Tourism	64,016	-	64,016	-
Public safety	179,496	-	179,496	-
Public works	1,063,841	-	1,063,841	-
Debt service	108,513	309,165	417,678	-
Capital projects	48,205	1,725,417	1,773,622	-
Unrestricted	<u>3,267,369</u>	<u>13,521,238</u>	<u>16,788,607</u>	<u>3,315,427</u>
<b>Total net position</b>	<u>\$ 16,974,855</u>	<u>\$ 28,990,530</u>	<u>\$ 45,965,385</u>	<u>\$ 3,781,378</u>

**CITY OF LOCKHART, TEXAS**  
**STATEMENT OF ACTIVITIES**  
For the year ended September 30, 2020

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental activities				
General government	\$ 2,455,580	\$ 730,384	\$ 122,877	\$ -
Public safety	5,703,143	355,773	894,114	-
Public works	3,153,763	358,837	-	-
Health	144,615	-	-	-
Culture and recreation	1,052,444	8,943	20,375	257,055
Interest on long-term debt	391,300	-	-	-
Total governmental activities	<u>12,900,845</u>	<u>1,453,937</u>	<u>1,037,366</u>	<u>257,055</u>
Business-type activities				
Electric	8,564,816	11,039,153	-	-
Water	3,908,621	3,555,391	-	23,750
Wastewater	1,444,482	2,277,346	-	-
EMS	1,407,549	1,071,931	37,237	-
Other	1,673,019	2,064,672	7,443	-
Total business-type activities	<u>16,998,487</u>	<u>20,008,493</u>	<u>44,680</u>	<u>23,750</u>
Total primary government	<u>\$ 29,899,332</u>	<u>\$ 21,462,430</u>	<u>\$ 1,082,046</u>	<u>\$ 280,805</u>
<b>Component Unit</b>				
Lockhart Economic Development Corporation	<u>\$ 835,474</u>	<u>\$ 73,125</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

Taxes:

Property taxes, levied for general purposes

Property taxes, levied for debt service

Sales taxes

Franchise taxes

Other taxes

Impact fees

Unrestricted investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			Component Unit
Primary Government			
Governmental Activities	Business- type Activities	Total	Lockhart Economic Development Corporation
\$ (1,602,319)	\$ -	\$ (1,602,319)	\$ -
(4,453,256)	-	(4,453,256)	-
(2,794,926)	-	(2,794,926)	-
(144,615)	-	(144,615)	-
(766,071)	-	(766,071)	-
(391,300)	-	(391,300)	-
<u>(10,152,487)</u>	<u>-</u>	<u>(10,152,487)</u>	<u>-</u>
-	2,474,337	2,474,337	-
-	(329,480)	(329,480)	-
-	832,864	832,864	-
-	(298,381)	(298,381)	-
-	399,096	399,096	-
-	<u>3,078,436</u>	<u>3,078,436</u>	-
<u>(10,152,487)</u>	<u>3,078,436</u>	<u>(7,074,051)</u>	-
-	-	-	<u>(762,349)</u>
4,276,918	-	4,276,918	-
714,253	-	714,253	-
1,992,939	-	1,992,939	996,470
349,849	-	349,849	-
102,063	-	102,063	-
-	296,093	296,093	-
119,746	164,183	283,929	33,044
233,320	8,552	241,872	-
<u>3,145,528</u>	<u>(3,145,528)</u>	<u>-</u>	<u>-</u>
<u>10,934,616</u>	<u>(2,676,700)</u>	<u>8,257,916</u>	<u>1,029,514</u>
782,129	401,736	1,183,865	267,165
<u>16,192,726</u>	<u>28,588,794</u>	<u>44,781,520</u>	<u>3,514,213</u>
<u>\$ 16,974,855</u>	<u>\$ 28,990,530</u>	<u>\$ 45,965,385</u>	<u>\$ 3,781,378</u>



**CITY OF LOCKHART, TEXAS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
September 30, 2020

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 6,772,295	\$ 4,311,556	\$ 11,083,851
Receivables (net)	668,758	195,833	864,591
Due from other funds	444,112	-	444,112
Due from other governments	351,288	398,220	749,508
Prepaid expenditures	27,327	87,877	115,204
Inventory	9,350	-	9,350
<b>Total assets</b>	<b><u>\$ 8,273,130</u></b>	<b><u>\$ 4,993,486</u></b>	<b><u>\$ 13,266,616</u></b>
<b>LIABILITIES</b>			
Accounts payable	\$ 468,405	\$ 6,188	\$ 474,593
Payroll related payables	249,911	-	249,911
Other payables	7,745	-	7,745
Due to other funds	-	444,112	444,112
Due to other governments	27,410	-	27,410
Accrued compensated absences	25,157	-	25,157
<b>Total liabilities</b>	<b><u>778,628</u></b>	<b><u>450,300</u></b>	<b><u>1,228,928</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	476,200	469,548	945,748
<b>Total deferred inflows of resources</b>	<b><u>476,200</u></b>	<b><u>469,548</u></b>	<b><u>945,748</u></b>
<b>FUND BALANCES</b>			
Nonspendable			
Prepaid expenditures	27,327	79,393	106,720
Inventory	9,350	-	9,350
Restricted			
General government	-	59,773	59,773
Tourism	-	64,016	64,016
Public safety	-	179,496	179,496
Public works	-	1,063,841	1,063,841
Debt service	-	115,835	115,835
Various capital projects	-	2,914,631	2,914,631
Committed			
Sidewalks	52,516	-	52,516
Industrial park	256,023	-	256,023
Unassigned	6,673,086	(403,347)	6,269,739
<b>Total fund balances</b>	<b><u>7,018,302</u></b>	<b><u>4,073,638</u></b>	<b><u>11,091,940</u></b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b><u>\$ 8,273,130</u></b>	<b><u>\$ 4,993,486</u></b>	<b><u>\$ 13,266,616</u></b>

The accompanying notes are an integral part of this statement.

**CITY OF LOCKHART, TEXAS**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION  
OF GOVERNMENTAL ACTIVITIES**

September 30, 2020

---

<b>Total governmental fund balances</b>		<b>\$ 11,091,940</b>
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The governmental capital assets at year-end consist of:		
Governmental capital assets costs	\$ 99,604,414	
Accumulated depreciation of governmental capital assets	<u>(78,325,953)</u>	21,278,461
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are "unavailable" in the funds.		373,801
Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example, receivables) are offset by unavailable revenues in the governmental funds and thus are not included in fund balance.		571,947
Deferred outflows of resources are not reported in the governmental funds:		
Deferred amount on refunding	210,977	
Deferred amount on pension	543,645	
Deferred amount on OPEB	<u>98,201</u>	852,823
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Bonds and certificates payable	(11,661,855)	
Bond premium	(589,760)	
Net pension liability	(2,827,953)	
OPEB liability	(713,459)	
Accrued interest payable	(66,582)	
Compensated absences	<u>(498,938)</u>	(16,358,547)
Deferred inflows of resources are not reported in the governmental funds:		
Deferred amount on pension	(795,323)	
Deferred amount on OPEB	<u>(40,247)</u>	<u>(835,570)</u>
<b>Net position of governmental activities</b>		<b>\$ <u>16,974,855</u></b>

The accompanying notes are an integral part of this statement.

**CITY OF LOCKHART, TEXAS****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****GOVERNMENTAL FUNDS**

For the year ended September 30, 2020

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Property taxes	\$ 4,307,097	\$ 721,278	\$ 5,028,375
Sales and other taxes	2,339,524	105,328	2,444,852
Fines, fees and forfeitures	363,324	827,082	1,190,406
Licenses and permits	243,196	-	243,196
Intergovernmental and grants	557,483	308,872	866,355
Charges for services	2,200	-	2,200
Investment	67,633	52,113	119,746
Miscellaneous	163,676	59,523	223,199
<b>Total revenues</b>	<u>8,044,133</u>	<u>2,074,196</u>	<u>10,118,329</u>
<b>EXPENDITURES</b>			
Current			
General government	2,333,952	-	2,333,952
Public safety	5,544,911	34,391	5,579,302
Public works	1,628,186	320,399	1,948,585
Health and welfare	22,240	117,445	139,685
Culture and recreation	1,149,641	1,075	1,150,716
Capital outlay	-	551,827	551,827
Debt service			
Principal retirement	-	727,163	727,163
Interest and fiscal charges	-	432,504	432,504
Paying agent and issue costs	-	800	800
<b>Total expenditures</b>	<u>10,678,930</u>	<u>2,185,604</u>	<u>12,864,534</u>
Excess (deficiency) of revenues over expenditures	(2,634,797)	(111,408)	(2,746,205)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	4,002,421	358,473	4,360,894
Transfers out	(71,820)	(1,143,546)	(1,215,366)
<b>Total other financing sources</b>	<u>3,930,601</u>	<u>(785,073)</u>	<u>3,145,528</u>
Net change in fund balances	1,295,804	(896,481)	399,323
Fund balances - beginning	5,722,498	4,970,119	10,692,617
<b>Fund balances - ending</b>	<u>\$ 7,018,302</u>	<u>\$ 4,073,638</u>	<u>\$ 11,091,940</u>

The accompanying notes are an integral part of this statement.

**CITY OF LOCKHART, TEXAS****RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
For the year ended September 30, 2020**


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**Total net change in fund balances - governmental funds** **\$ 399,323**

*Amounts reported for governmental activities in the statement of activities are different because:*

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Increase in capital assets	\$ 1,423,953	
Depreciation expense	<u>(2,210,737)</u>	(786,784)

Current year payments on long-term debt are expenditures in the fund financial statements, but they serve to reduce long-term liabilities in the government-wide financial statements. In the current year, these amounts consist of:

Bond principal retirement		727,163
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Because some property taxes will not be collected for several months after the City's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Similarly, other revenues are not currently available at year-end and are not reported as revenue in the governmental funds.

Property taxes	24,256	
Other revenues	<u>394,861</u>	419,117

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Increase in compensated absences	(28,783)	
Decrease in bond premium	61,511	
Decrease in loss on bond refunding	(23,442)	
Decrease in accrued interest	3,935	
Net pension costs	34,216	
Net OPEB costs	<u>(24,127)</u>	<u>23,310</u>

**Change in net position of governmental activities** **\$ 782,129**

The accompanying notes are an integral part of this statement.

**CITY OF LOCKHART, TEXAS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
*September 30, 2020*

	Business-type Activities		
	Electric	Water	Wastewater
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 3,456,580	\$ 5,626,106	\$ 3,081,889
Receivables (net)			
Customer accounts	1,949,530	568,061	337,709
Other	-	112,283	71,450
Due from other governments	-	15,000	-
Prepaid expenses	18,849	525	300
Inventory	454,864	-	-
Total current assets	<u>5,879,823</u>	<u>6,321,975</u>	<u>3,491,348</u>
Noncurrent assets			
Capital assets (net)			
Land and other assets not being depreciated	276,638	3,054,611	140,828
Buildings, improvements, and equipment (net)	<u>3,436,786</u>	<u>11,294,072</u>	<u>6,010,242</u>
Total noncurrent assets	<u>3,713,424</u>	<u>14,348,683</u>	<u>6,151,070</u>
<b>Total assets</b>	<u>9,593,247</u>	<u>20,670,658</u>	<u>9,642,418</u>
<b>DEFERRED OUTFLOWS</b>			
Deferred amount on refunding	-	128,329	19,702
Deferred outflow related to pension	127,099	354	42,258
Deferred outflow related to OPEB	<u>16,395</u>	<u>3,922</u>	<u>2,938</u>
<b>Total deferred outflow of resources</b>	<u>143,494</u>	<u>132,605</u>	<u>64,898</u>

The accompanying notes are an integral part of this statement.

<u>Business-type Activities</u>		
<u>EMS</u>	<u>Other Funds</u>	<u>Total</u>
\$ 558,662	\$ 968,268	\$ 13,691,505
981,574	296,804	4,133,678
-	-	183,733
-	-	15,000
-	-	19,674
-	-	454,864
<u>1,540,236</u>	<u>1,265,072</u>	<u>18,498,454</u>
-	192,570	3,664,647
<u>195,062</u>	<u>1,399,464</u>	<u>22,335,626</u>
<u>195,062</u>	<u>1,592,034</u>	<u>26,000,273</u>
<u>1,735,298</u>	<u>2,857,106</u>	<u>44,498,727</u>
-	-	148,031
-	19,013	188,724
-	3,157	26,412
-	22,170	363,167

(continued)

**CITY OF LOCKHART, TEXAS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
September 30, 2020

	Business-type Activities		
	Electric	Water	Wastewater
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	\$ 621,538	\$ 465,850	\$ 78,996
Payroll related payables	41,077	12,749	8,828
Accrued interest payable	6,155	56,911	11,465
Due to other governments	100,380	-	-
Customer deposits	257,725	113,258	-
Accrued compensated absences	53,924	11,847	8,410
Current portion of long-term obligations			
Capital leases	-	-	-
Bonds, certificates and notes	51,615	374,255	85,930
Total current liabilities	<u>1,132,414</u>	<u>1,034,870</u>	<u>193,629</u>
Noncurrent liabilities			
Net pension liability	493,059	106,920	88,859
OPEB liability	124,393	26,975	22,418
Noncurrent portion of long-term obligations	729,852	9,614,023	1,640,322
Total noncurrent liabilities	<u>1,347,304</u>	<u>9,747,918</u>	<u>1,751,599</u>
<b>Total liabilities</b>	<u>2,479,718</u>	<u>10,782,788</u>	<u>1,945,228</u>
<b>DEFERRED INFLOWS</b>			
Deferred inflow related to pension	183,338	16,636	35,319
Deferred inflow related to OPEB	6,619	1,695	1,321
<b>Total deferred inflows</b>	<u>189,957</u>	<u>18,331</u>	<u>36,640</u>
<b>NET POSITION</b>			
Net investment in capital assets	2,931,957	4,360,405	4,424,818
Restricted			
Capital improvements	167,997	800,947	756,473
Debt service	-	309,165	-
Unrestricted	3,967,112	4,531,627	2,544,157
<b>Total net position</b>	<u>\$ 7,067,066</u>	<u>\$ 10,002,144</u>	<u>\$ 7,725,448</u>

The accompanying notes are an integral part of this statement.

<u>Business-type Activities</u>		
<u>EMS</u>	<u>Other Funds</u>	<u>Total</u>
\$ 400	\$ 172,491	\$ 1,339,275
-	7,640	70,294
-	-	74,531
-	-	100,380
-	4,875	375,858
-	6,989	81,170
17,392	-	17,392
-	-	511,800
<u>17,792</u>	<u>191,995</u>	<u>2,570,700</u>
-	95,361	784,199
-	24,058	197,844
52,174	-	12,036,371
<u>52,174</u>	<u>119,419</u>	<u>13,018,414</u>
<u>69,966</u>	<u>311,414</u>	<u>15,589,114</u>
-	36,154	271,447
-	1,168	10,803
-	<u>37,322</u>	<u>282,250</u>
125,496	1,592,034	13,434,710
-	-	1,725,417
-	-	309,165
<u>1,539,836</u>	<u>938,506</u>	<u>13,521,238</u>
<u>\$ 1,665,332</u>	<u>\$ 2,530,540</u>	<u>\$ 28,990,530</u>

(concluded)



**CITY OF LOCKHART, TEXAS**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the year ended September 30, 2020

	Business-type Activities		
	Electric	Water	Wastewater
<b>OPERATING REVENUES</b>			
Charges for services	\$ 10,947,456	\$ 3,555,366	\$ 2,277,346
Miscellaneous	91,697	25	-
Total operating revenues	<u>11,039,153</u>	<u>3,555,391</u>	<u>2,277,346</u>
<b>OPERATING EXPENSES</b>			
Personnel services	1,358,142	322,038	255,678
Contracts and services	250,801	1,727,050	25,128
Materials and supplies	125,546	76,411	20,883
Maintenance and repairs	163,479	100,032	41,080
Power, water, and water treatment	6,224,997	921,664	796,330
Depreciation	338,043	424,232	250,163
Miscellaneous	83,409	2,300	2,149
Total operating expenses	<u>8,544,417</u>	<u>3,573,727</u>	<u>1,391,411</u>
<b>Operating income (loss) before nonoperating revenues (expenses), contributions and transfers</b>	2,494,736	(18,336)	885,935
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	37,971	81,028	30,238
Gain (loss) on disposition of capital assets	6,052	-	-
Impact fees	-	172,273	123,820
Noncapital grants and contributions	-	-	-
Interest expense	(20,399)	(334,894)	(53,071)
Net nonoperating revenues (expenses)	<u>23,624</u>	<u>(81,593)</u>	<u>100,987</u>
Income before contributions and transfers	2,518,360	(99,929)	986,922
Contributions and transfers			
Capital contributions	-	23,750	-
Transfers in	11,369	135,381	803
Transfers out	(2,246,383)	(5,079)	(776,316)
Total contributions and transfers	<u>(2,235,014)</u>	<u>154,052</u>	<u>(775,513)</u>
Change in net position	283,346	54,123	211,409
Net position - beginning	<u>6,783,720</u>	<u>9,948,021</u>	<u>7,514,039</u>
<b>Net position - ending</b>	<u>\$ 7,067,066</u>	<u>\$ 10,002,144</u>	<u>\$ 7,725,448</u>

The accompanying notes are an integral part of this statement.

Business-type Activities		
EMS	Other Funds	Total
\$ 1,071,931	\$ 2,061,874	\$ 19,913,973
-	2,798	94,520
<u>1,071,931</u>	<u>2,064,672</u>	<u>20,008,493</u>
-	268,456	2,204,314
1,280,903	1,309,037	4,592,919
20,538	8,956	252,334
1,619	13,065	319,275
-	-	7,942,991
104,489	73,505	1,190,432
-	-	87,858
<u>1,407,549</u>	<u>1,673,019</u>	<u>16,590,123</u>
(335,618)	391,653	3,418,370
6,514	8,432	164,183
-	2,500	8,552
-	-	296,093
37,237	7,443	44,680
-	-	(408,364)
<u>43,751</u>	<u>18,375</u>	<u>105,144</u>
(291,867)	410,028	3,523,514
-	-	23,750
-	-	147,553
-	(265,303)	(3,293,081)
-	(265,303)	(3,121,778)
(291,867)	144,725	401,736
<u>1,957,199</u>	<u>2,385,815</u>	<u>28,588,794</u>
<u>\$ 1,665,332</u>	<u>\$ 2,530,540</u>	<u>\$ 28,990,530</u>

**CITY OF LOCKHART, TEXAS****STATEMENT OF CASH FLOWS****PROPRIETARY FUNDS**

For the year ended September 30, 2020

	Business-type Activities		
	Electric	Water	Wastewater
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 11,055,316	\$ 3,528,816	\$ 2,395,978
Cash payments to suppliers for goods and services	(6,897,915)	(2,729,597)	(901,397)
Cash payments to employees for services	(1,248,801)	(353,998)	(251,021)
<b>Net cash provided by operating activities</b>	<u>2,908,600</u>	<u>445,221</u>	<u>1,243,560</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Increase (decrease) in customer deposits	(56,875)	1,700	-
Noncapital grants and contributions	-	-	-
Impact fees received	-	172,273	123,820
Transfers in from other funds	11,369	135,381	803
Transfers out to other funds	(2,246,383)	(5,079)	(776,316)
<b>Net cash used by noncapital financing activities</b>	<u>(2,291,889)</u>	<u>304,275</u>	<u>(651,693)</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(704,557)	(3,354,133)	(35,190)
Proceeds from sale of capital assets	6,052	-	-
Proceeds from capital grants and contributions	-	8,750	-
Principal paid on capital debt	(50,356)	(366,782)	(84,136)
Interest paid on capital debt	(20,796)	(336,901)	(52,685)
<b>Net cash used by capital financing activities</b>	<u>(769,657)</u>	<u>(4,049,066)</u>	<u>(172,011)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income	37,971	81,028	30,238
<b>Net cash provided (used) by investing activities</b>	<u>37,971</u>	<u>81,028</u>	<u>30,238</u>
Net increase (decrease) in cash and cash equivalents	(114,975)	(3,218,542)	450,094
Cash and cash equivalents at beginning of year	3,571,555	8,844,648	2,631,795
<b>Cash and cash equivalents at end of year</b>	<u>\$ 3,456,580</u>	<u>\$ 5,626,106</u>	<u>\$ 3,081,889</u>

The accompanying notes are an integral part of this statement.

<u>Business-type Activities</u>		
<u>EMS</u>	<u>Other Funds</u>	<u>Total</u>
\$ 1,355,212	\$ 2,046,591	\$ 20,381,913
(1,408,537)	(1,264,956)	(13,202,402)
-	(232,644)	(2,086,464)
<u>(53,325)</u>	<u>548,991</u>	<u>5,093,047</u>
-	-	(55,175)
37,237	7,443	44,680
-	-	296,093
-	-	147,553
-	(265,303)	(3,293,081)
<u>37,237</u>	<u>(257,860)</u>	<u>(2,859,930)</u>
-	(78,819)	(4,172,699)
-	2,627	8,679
-	-	8,750
(17,392)	-	(518,666)
-	-	(410,382)
<u>(17,392)</u>	<u>(76,192)</u>	<u>(5,084,318)</u>
6,514	8,432	164,183
<u>6,514</u>	<u>8,432</u>	<u>164,183</u>
(26,966)	223,371	(2,687,018)
<u>585,628</u>	<u>744,897</u>	<u>16,378,523</u>
<u>\$ 558,662</u>	<u>\$ 968,268</u>	<u>\$ 13,691,505</u>

(continued)

**CITY OF LOCKHART, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the year ended September 30, 2020

	Business-type Activities		
	Electric	Water	Wastewater
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 2,494,736	\$ (18,336)	\$ 885,935
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	338,043	424,232	250,163
Change in assets and liabilities:			
(Increase) decrease in receivables	15,901	(26,575)	118,632
(Increase) decrease in prepaid expenses	(3,435)	100	650
(Increase) decrease in inventory	10,961	-	-
(Increase) decrease in deferred outflow related to pension	176,817	53,802	39,481
(Increase) decrease in deferred outflow related to OPEB	(14,050)	(3,029)	(2,523)
Increase (decrease) in accounts payable	(57,209)	97,760	(16,477)
Increase (decrease) in payroll related payables	5,852	1,231	1,815
Increase (decrease) in due to other governments	262	-	-
Increase (decrease) in unearned revenue	-	-	-
Increase (decrease) in accrued compensated absences	8,065	3,160	2,134
Increase (decrease) in net pension liability	(259,808)	(99,109)	(67,889)
Increase (decrease) in OPEB liability	24,859	(264)	1,695
Increase (decrease) in deferred inflow related to pension	165,555	11,804	29,574
Increase (decrease) in deferred inflow related to OPEB	2,051	445	370
<b>Net cash provided by operating activities</b>	<b>\$ 2,908,600</b>	<b>\$ 445,221</b>	<b>\$ 1,243,560</b>

The accompanying notes are an integral part of this statement.

<u>Business-type Activities</u>		
<u>EMS</u>	<u>Other Funds</u>	<u>Total</u>
\$ (335,618)	\$ 391,653	\$ 3,418,370
104,489	73,505	1,190,432
283,281	(17,791)	373,448
-	-	(2,685)
-	-	10,961
-	27,493	297,593
-	(2,725)	(22,327)
(105,477)	66,102	(15,301)
-	907	9,805
-	-	262
-	(290)	(290)
-	258	13,617
-	(31,700)	(458,506)
-	7,260	33,550
-	33,922	240,855
-	397	3,263
<u>\$ (53,325)</u>	<u>\$ 548,991</u>	<u>\$ 5,093,047</u>

(concluded)

**CITY OF LOCKHART, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
*September 30, 2020*

	Private Purpose Trust	Agency Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 551	\$ 28,566
<b>Total assets</b>	<u>551</u>	<u>\$ 28,566</u>
<b>LIABILITIES</b>		
Due to others	-	\$ 28,566
<b>Total liabilities</b>	<u>-</u>	<u>\$ 28,566</u>
<b>NET POSITION</b>		
Held for various purposes	<u>\$ 551</u>	

The accompanying notes are an integral part of this statement.

**CITY OF LOCKHART, TEXAS**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

**FIDUCIARY FUNDS**

For the year ended September 30, 2020

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	<u>Private Purpose Trust</u>
<b>ADDITIONS</b>	
Investment income	\$ 9
<b>Total additions</b>	<u>9</u>
<b>DEDUCTIONS</b>	
Operating expenses	<u>1,239</u>
<b>Total deductions</b>	<u>1,239</u>
Change in net position	(1,230)
Net position - beginning	<u>1,781</u>
<b>Net position - ending</b>	<u>\$ 551</u>

The accompanying notes are an integral part of this statement.

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Lockhart, Texas (the "City") is a municipal corporation operating under a home rule charter as authorized in Article XI, Section 5 of the Constitution of the State of Texas. The City operates under a Council-Manager form of government in which all powers of the City are vested in an elective council. The City Council consists of the mayor and six council members. The mayor and two council members are elected at large with the remaining council members elected by district. The City provides services related to the following: public safety, public works, sanitation, health and welfare, culture and recreation, economic development, planning and zoning, and general administrative services.

**A. Reporting Entity**

The City's basic financial statements include the accounts of all City operations. The criteria for including legally separate organizations as component units within the City's reporting entity are set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

The Lockhart Economic Development Corporation (LEDC) is a nonprofit corporation that was incorporated under the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated, Article 5190.6 Section (a), to receive and account for the proceeds of a designated sales tax levied to benefit the economic development of Lockhart. The LEDC meets the criteria of a discretely presented component unit and is presented as a governmental fund type. Complete financial statements for the Lockhart Economic Development Corporation may be obtained at City Hall. No other organizations met the necessary criteria for inclusion as component units for the year ended September 30, 2020.

This component unit is discretely presented in the financial statements. Complete financial statements of the individual component unit can be obtained from the Office of the Finance Director, 308 W. San Antonio Street, Lockhart, Texas 78644.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when transactions occur and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, fines, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The General Fund is the City's main operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - (Continued)

The City reports the following major enterprise (proprietary) funds:

Enterprise Funds are used to account for operations: 1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The Electric Fund accounts for the activities of the City related to its provision of electricity.

The Water Fund is used to account for the establishment and maintenance of water facilities within the municipal boundaries of the City.

The Wastewater Fund is used to account for the establishment and maintenance of sewage and drainage facilities within the municipal boundaries of the City.

The Emergency Medical Services Fund (EMS) is used to account for the activities related to providing ambulance services for the City.

Additionally, the City reports the following fund types:

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term obligation debt of the governmental funds.

Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Separate financial statements are provided for governmental funds, proprietary funds, discretely presented component units, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Private Purpose Trust Funds - These funds are used to account for resources legally held in trust for use by organizations that are separate from the City. All resources of these funds, including any earnings on invested resources, may be used to support the organizations' activities. There is no requirement that any portion of these resources be preserved as capital.

Agency Funds - These funds are custodial in nature and are used to account for the receipt, temporary investment, and remittance of resources to third parties. Because of the nature of these funds, they do not present results of operations or have a measurement focus.

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - (Continued)

The proprietary funds are accounted for on a flow of *economic resources measurement focus* and utilize the *accrual basis of accounting*. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. The fund equity is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used between various City functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The Water Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost connecting new customers to the water system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Between 60 and 90 days prior to the beginning of each fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1<sup>st</sup>. The operating budget includes proposed expenditures and the means of financing them. A budget is prepared for the City's General Fund and Debt Service Fund.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is adopted by City Council through the passage of an ordinance no later than the beginning of each fiscal year, or as soon thereafter as is practical.
4. No funds may be expended or encumbered which will exceed appropriations; however, the City Manager is authorized to transfer budgeted amounts within and among departments of individual funds in amounts not to exceed \$5,000. Any revisions that alter the total expenditures/expenses of any fund must be approved by the City Council. Therefore, the level of control for each legally adopted budget is at the fund level.

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

D. Budgets and Budgetary Accounting - (Continued)

5. The budgets for the City's governmental funds are prepared in accordance with the basis of accounting utilized by those funds. The budgets for the enterprise funds are adopted under a basis consistent with generally accepted accounting principles (GAAP), except that depreciation, certain capital expenses, nonoperating income, and expense items are not considered.
6. Formal budgetary integration is employed as a management control device during the year for all governmental funds and proprietary funds.
7. All appropriations lapse at year-end.

E. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City Council has adopted a written investment policy regarding the investment of its funds as defined by the Public Funds Investment Act of 1995. The investments of the City are in compliance with the City Council's investment policies.

Investments for the City, as well as the component unit, are recorded at amortized cost, which as of September 30, 2020, approximates fair value. Because the fair value of the City's investments did not materially differ from cost, no adjustments were made to the City's reporting amounts. See Note 3 for further discussion.

F. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All receivables are reported net of an applicable allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 4.5% of outstanding property taxes at September 30, 2020.

The Caldwell County Appraisal District bills and collects property taxes for the City. These taxes are levied on October 1<sup>st</sup> of each year and are payable by the following January 31<sup>st</sup>, at which time penalties and interest charges are assessed on unpaid balances. An enforceable lien on property is attached on all ad valorem taxes unpaid as of January 1<sup>st</sup> following the year of levy.

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

G. Inventories and Prepaid Items

Inventory of the General Fund and the Electric Fund consists of supplies held for the City's use and are carried at cost. Inventory in the Lockhart Economic Development Corporation, the discretely presented component unit, is held for resale and is reported at lower of cost or market. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/expenditures in both government-wide and fund financial statements.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, drainage systems, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide statement of net position. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of assets are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the current year, no construction period interest expense was capitalized by the City's enterprise funds.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	10-50
Public Domain Infrastructure	10-40
Utility System Infrastructure	30-50
Machinery and Equipment	5-10

I. Compensated Absences

Vested or accumulated vacation and sick pay that is expected to be liquidated with expendable available resources is reported as an expenditure and fund liability of the governmental fund that will pay for it. Amounts of vested or accumulated vacation and sick pay that are not expected to be liquidated with expendable available financial resources are reported in the government wide financial statements. Vested or accumulated vacation and sick pay of the enterprise funds are recorded as an expense and liability of that fund as the benefits accrue to employees. The General Fund is the governmental fund that has typically been used in prior years to liquidate the liability for compensated absences.

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

J. Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts, and losses on refunding are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable deferred amounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

K. Deferred Outflows/Inflows of Resources

The statement of net position reports a separate section for deferred outflows of resources which follows the asset section. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. One is the deferred amount on refunding reported in the government-wide statement of net position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is the deferred amount calculated in the actuarial pension study required by GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" (GASB No. 68) and the current year pension payments reported in the government-wide statement of net position. The third item is the deferred amount calculated in the actuarial OPEB study required by GASB Statement No. 75 "Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions (OPEB)" (GASB No. 75) and the current year OPEB payments reported in the government-wide statement of net position.

In addition to liabilities, the statement of net position also reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that are considered deferred inflows of resources. One of the items arises only under a modified accrual basis of accounting and this item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from a variety of sources and are further defined in Note 4. The second item that qualifies for reporting as a deferred inflow of resources is calculated in the actuarial pension study required by GASB No. 68. The third item that qualifies for reporting as a deferred inflow of resources is calculated in the actuarial OPEB study required by GASB No. 75. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.



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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

L. Pensions and OPEB

For purposes of measuring the net pension liability, OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEBs, and pension and OPEB expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's pension and OPEB liability is obtained from TMRS through reports prepared for the City by TMRS' consulting actuary, Gabriel Roeder Smith & Company (GRS), in compliance with GASB No. 68 and No. 75.

M. Fund Balance Policies

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in spendable form (such as inventory or prepaid items) because they are either not in spendable form, or legally or contractually required to be maintained in-tact;
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation;
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority, to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint;
- Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the General Fund.

Fund balance classifications depict the nature of the net resources that are reported in a governmental fund. An individual governmental fund may include non-spendable resources and amounts that are restricted, committed, assigned, or any combination of those classifications. In addition, the General Fund may also include an unassigned amount.

Commitments will only be used for specific purposes pursuant to a formal action (ordinance) of the City Council. The action to commit funds must occur prior to fiscal year-end, to report such commitments in the balance sheet of the respective period, even though the amount may be determined subsequent to fiscal year-end. A two-thirds majority vote is required to approve a commitment and a two-thirds majority vote is required to remove a commitment.

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

N. Net Position Flow Assumptions

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the City to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the City that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

O. Minimum Fund Balance Policy

The City will maintain a minimum unassigned fund balance in its General Fund of 25 percent of the subsequent year's budgeted expenditures and outgoing transfers. This minimum fund balance is to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment. When fund balance falls below the 25 percent range, the City will replenish shortages/deficiencies. Should unassigned fund balance of the General Fund ever exceed the maximum 25 percent range, the City will consider such fund balance surpluses for one-time expenditures that are nonrecurring in nature and which will not require additional future expense outlays for maintenance, additional staffing or other recurring expenditures.

P. Use of Estimates

The preparation of the government-wide and fund financial statements in conformity with GAAP requires the City to make estimates and assessments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

**NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

A. Budgetary Compliance

Budgetary compliance is monitored at the fund level in both the General Fund and in the Debt Service Fund. There was one situation of expenditures exceeding the amount appropriated during the fiscal year 2019-2020.

<u>Fund/Department</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Negative Variance</u>
Debt Service Fund	\$ 1,061,843	\$ 1,160,467	\$ (98,624)

These over expenditures were funded by available fund balance in the Debt Service Fund.

B. Deficit Fund Equity

As of September 30, 2020, the CARES Relief Grant Fund and the Drainage System Improvements Fund, nonmajor Special Revenue Funds, reported deficit fund balances of \$318,827 and \$5,127, respectively. Steps will be taken to eliminate these deficits in the upcoming fiscal year.

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**NOTE 3: DEPOSITS AND INVESTMENTS**

The City's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas Public Funds Investment Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the City's and the depository bank's agent bank. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of FDIC insurance.

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

<u>Investment Type</u>	<u>Amortized Cost</u>	<u>Weighted Average Maturity (Days)</u>	<u>Credit Risk</u>	<u>Portfolio %age</u>
Public Funds Investment Pools				
TexPool	\$ 5,435,003	38	AAAm	22%
MBIA Texas CLASS	11,413,403	56	AAAm	45%
TexStar	<u>8,435,099</u>	39	AAAm	33%
Total fair value	<u>\$ 25,283,505</u>			

Following the criteria for GASB Statement No. 79, Certain External Investment Pools and Pool Participants, TexPool and TexStar use amortized cost and Texas CLASS uses the fair value method to value portfolio assets. The pools operate in a manner consistent with the Securities and Exchange Commission's (SEC) Rule 2(a)(7) of the Investment Company Act of 1940 but is not registered with the SEC as an investment company. Instead, the regulatory oversight for the pool is the State of Texas. Investments in the pools are classified as cash and cash equivalents for reporting purposes.

A. Interest Rate Risk

In accordance with the City's investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio for investments in non-operating funds to less than five years from the time of purchase. The weighted average maturity of investments of the City's operating funds cannot exceed one year from the time of purchase. The weighted average maturities of the investment pools did not exceed 60 days.

B. Concentration of Credit Risk

The City's investment policy requires that the investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce the risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific user. At year-end, the City was not exposed to concentration of credit risk.

C. Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires that deposits at financial institutions be insured by the FDIC and/or collateralized by securities pledged to the City by the depository in an amount equal to at least 102% of the carrying value of deposits held. During the fiscal year and at year-end, all deposits held in the depository bank were fully collateralized. The City's deposits are therefore not subject to custodial credit risk at September 30, 2020.

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**NOTE 3: DEPOSITS AND INVESTMENTS - (Continued)****D. Custodial Credit Risk - Investments**

For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that securities be held in the name of the City or held on behalf of the City and that all securities are purchased using the delivery versus payment method. As of September 30, 2020, and for the year then ended, the City was not exposed to any custodial credit risk.

Please see Note 18 for discussions relative to the investments of the City's component unit.

**NOTE 4: RECEIVABLES**

Receivables as of year-end for the City's individual major and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>EMS</u>	<u>Nonmajor Bus.-type Funds</u>	<u>Nonmajor Govt. Funds</u>	<u>Total</u>
Receivables:								
Ad valorem taxes	\$ 377,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,605	\$ 449,250
Franchise taxes	54,852	-	-	-	-	-	6,678	61,530
Municipal crt fines	1,547,321	-	-	-	-	-	120,679	1,668,000
Accounts	173,707	1,949,101	568,061	337,709	4,101,777	296,304	99,291	7,525,950
Occupancy taxes	-	-	-	-	-	-	21,145	21,145
Other	<u>137,706</u>	<u>429</u>	<u>112,283</u>	<u>71,450</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>322,368</u>
Gross receivables	2,291,231	1,949,530	680,344	409,159	4,101,777	296,804	319,398	10,048,243
Less: Allowance for uncollectibles	<u>(1,622,473)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,120,203)</u>	<u>-</u>	<u>(123,565)</u>	<u>(4,866,241)</u>
Net total receivables	<u>\$ 668,758</u>	<u>\$ 1,949,530</u>	<u>\$ 680,344</u>	<u>\$ 409,159</u>	<u>\$ 981,574</u>	<u>\$ 296,804</u>	<u>\$ 195,833</u>	<u>\$ 5,182,002</u>

The City is permitted by a local charter to levy taxes up to limits set by the Constitution and laws of the State of Texas. Currently, the State of Texas does not set limits on the rate at which ad valorem taxes may be assessed. The combined tax rate for the year ended September 30, 2020, was \$0.6842 per \$100 of assessed valuation. Property taxes attach as an enforceable lien on property as of January 1<sup>st</sup>. Taxes are levied on October 1<sup>st</sup> and payable by the following January 31<sup>st</sup>, which comprises the collection dates for the current tax roll.

**NOTE 4: RECEIVABLES - (Continued)**

The City's governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period (unavailable). The governmental funds may also defer revenue recognition in connection with resources that have been received, but not yet recognizable (unearned). At the end of the current fiscal year, the various components of unavailable and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
General Fund			
Ad valorem taxes	\$ 314,541	\$ -	\$ 314,541
Charges for services	161,659	-	161,659
Nonmajor Funds			
Ad valorem taxes	59,260	-	59,260
Grants	398,220	-	398,220
Charges for services	12,068	-	12,068
	<u>\$ 945,748</u>	<u>\$ -</u>	<u>\$ 945,748</u>

**NOTE 5: DUE FROM OTHER GOVERNMENTS**

The City reported amounts due from other governments as of the end of the current fiscal year. These amounts are comprised of the following at September 30, 2020:

	<u>General</u>	<u>Nonmajor Govt.</u>	<u>Total</u>
Sales taxes	\$ 351,288	\$ -	\$ 351,288
Federal and state grants	-	398,220	398,220
	<u>\$ 351,288</u>	<u>\$ 398,220</u>	<u>\$ 749,508</u>

**NOTE 6: CAPITAL ASSETS**

The capital asset activity of the City was as follows for the year ended September 30, 2020:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities</b>				
Capital assets, not being depreciated				
Land	\$ 1,587,394	\$ -	\$ -	\$ 1,587,394
Construction in progress	1,059,346	8,550	1,059,346	8,550
Total capital assets not being depreciated	<u>2,646,740</u>	<u>8,550</u>	<u>1,059,346</u>	<u>1,595,944</u>
Capital assets, being depreciated				
Machinery and equipment	6,934,923	518,353	-	7,453,276
Buildings	11,968,499	942,220	-	12,910,719
Infrastructure	76,630,299	1,014,176	-	77,644,475
Total capital assets being depreciated	<u>95,533,721</u>	<u>2,474,749</u>	<u>-</u>	<u>98,008,470</u>
Less accumulated depreciation for				
Machinery and equipment	5,500,983	347,265	-	5,848,248
Buildings	4,644,771	299,083	-	4,943,854
Infrastructure	65,969,462	1,564,389	-	67,533,851
Total accumulated depreciation	<u>76,115,216</u>	<u>2,210,737</u>	<u>-</u>	<u>78,325,953</u>
Total capital assets being depreciated, net	<u>19,418,505</u>	<u>264,012</u>	<u>-</u>	<u>19,682,517</u>
Governmental activities capital assets, net	<u>\$ 22,065,245</u>	<u>\$ 272,562</u>	<u>\$ 1,059,346</u>	<u>\$ 21,278,461</u>
<b>Business-type activities</b>				
Capital assets, not being depreciated				
Land	\$ 574,710	\$ -	\$ -	\$ 574,710
Construction in progress	1,667,224	3,630,771	2,208,058	3,089,937
Total capital assets not being depreciated	<u>2,241,934</u>	<u>3,630,771</u>	<u>2,208,058</u>	<u>3,664,647</u>
Capital assets, being depreciated				
Machinery and equipment	6,848,374	541,929	65,095	7,325,208
Buildings and improvements	4,500,538	-	-	4,500,538
Infrastructure	39,177,289	2,208,058	-	41,385,347
Total capital assets being depreciated	<u>50,526,201</u>	<u>2,749,987</u>	<u>65,095</u>	<u>53,211,093</u>
Less accumulated depreciation for				
Machinery and equipment	5,746,336	268,669	64,966	5,950,039
Buildings and improvements	3,120,979	41,684	-	3,162,663
Infrastructure	20,882,686	880,079	-	21,762,765
Total accumulated depreciation	<u>29,750,001</u>	<u>1,190,432</u>	<u>64,966</u>	<u>30,875,467</u>
Total capital assets being depreciated, net	<u>20,776,200</u>	<u>1,559,555</u>	<u>129</u>	<u>22,335,626</u>
Business-type activities capital assets, net	<u>\$ 23,018,134</u>	<u>\$ 5,190,326</u>	<u>\$ 2,208,187</u>	<u>\$ 26,000,273</u>

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**NOTE 6: CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to functions/programs of the City as follows:

<b>Governmental activities</b>	
General government	\$ 112,189
Public safety	315,739
Public works	1,650,280
Health	4,930
Parks and recreation	<u>127,599</u>
Total depreciation expense - governmental activities	<u>\$ 2,210,737</u>
<b>Business-type activities</b>	
Electric	\$ 338,043
Water	424,232
Wastewater	250,163
EMS	104,489
Sanitation	20,090
Airport	<u>53,415</u>
Total depreciation expense - business-type activities	<u>\$ 1,190,432</u>

**NOTE 7: DEFINED BENEFIT PENSION PLAN**

Plan Description

The City participates as one of 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the TMRS. TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the TMRS with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmrs.com](http://www.tmrs.com).

All eligible employees of the City are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a partial lump-sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

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**NOTE 7: DEFINED BENEFIT PENSION PLAN - (Continued)**

Benefits Provided - (Continued)

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions of the City for plan year 2020 were as follows:

Employee deposit rate	6.0%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20
Updated service credit	100.0% - transfers; 1999 - Auto Readoption
COLA (for retirees)	70.0%; 1999 - Auto Readoption
Military service credit	Yes, adopted 11-1990
Restricted prior service credit	Yes, adopted 1-1994
Buy back last adopted	1-1998

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	80
Inactive employees entitled to but not yet receiving benefits	119
Active employees	<u>138</u>
	<u>337</u>

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 6.00% of their annual gross earnings during the fiscal year. The contribution rates for the City were 13.00% and 12.81% in calendar years 2019 and 2020, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2020 were \$896,545, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall Payroll Growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation



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**NOTE 7: DEFINED BENEFIT PENSION PLAN - (Continued)**

Net Pension Liability - (Continued)

*Actuarial Assumptions - (Continued)*

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 through December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rate (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

**NOTE 7: DEFINED BENEFIT PENSION PLAN - (Continued)**

Net Pension Liability - (Continued)

*Actuarial Assumptions - (Continued)*

The target allocation and best estimates of arithmetic real rates of return for each major asset class in fiscal year 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	<u>10.00%</u>	7.75%
<b>Total</b>	<u>100.00%</u>	

*Discount Rate*

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	<b>Increase (Decrease)</b>		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
<b>Balance at 12/31/2018</b>	\$ 33,753,349	\$ 27,815,914	\$ 5,937,435
Changes for the year:			
Service cost	908,475	-	908,475
Interest	2,267,377	-	2,267,377
Difference between expected and actual experience	(28,525)	-	(28,525)
Change of assumptions	94,975	-	94,975
Contributions - Employer	-	884,655	(884,655)
Contributions - Employee	-	408,304	(408,304)
Net investment income	-	4,299,655	(4,299,655)
Benefit payments, including refunds of employee contributions	(1,233,643)	(1,233,643)	-
Administrative expense	-	(24,299)	24,299
Other changes	-	(730)	730
Net changes	<u>2,008,659</u>	<u>4,333,942</u>	<u>(2,325,283)</u>
<b>Balance at 12/31/2019</b>	<u>\$ 35,762,008</u>	<u>\$ 32,149,856</u>	<u>\$ 3,612,152</u>

**NOTE 7: DEFINED BENEFIT PENSION PLAN - (Continued)**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

The following presents the Net Pension Liability of the City, calculated using the discount rate of 6.75%, as well as what the City's Net Pension Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1.0% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1.0% Increase in Discount Rate (7.75%)
City's Net Pension Liability:	\$8,864,351	\$3,612,152	\$(658,835)

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in a separately-issued TMRS financial report. That report may be obtained on the internet at [www.tmr.com](http://www.tmr.com).

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2020, the City recognized pension expense of \$942,270.

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 94,788
Changes in actuarial assumptions	66,710	-
Difference between projected and actual investment earnings	-	971,982
Contributions subsequent to the measurement date	665,659	-
Total	\$ 732,369	\$ 1,066,770

\$665,659 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2019 (i.e. recognized in the City's financial statements for the year ending September 30, 2020). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2020	\$ (318,084)
2021	(281,465)
2022	83,908
2023	(484,417)
2024	-
Thereafter	-
Total	\$ (1,000,058)

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**NOTE 8: SUPPLEMENTAL DEATH BENEFIT PLAN (OPEB)**

Plan Description and Benefits Provided

TMRS administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

Membership

At the December 31, 2019 valuation and measurement date, the following is the number of members in the plan:

Inactive employees currently receiving benefits	56
Inactive employees entitled to but not yet receiving benefits	25
Active employees	<u>138</u>
Total	<u>219</u>

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retired term life insurance during employees' entire careers. Therefore, there are no assets that are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. The SDBF is considered an unfunded OPEB plan and benefit payments made by the City are treated as being equal to the City's yearly contribution for retirees.

The City's contribution rates for the program are as follows:

Plan/Calendar Year	Total SDB Contribution (Rate)	Retiree Portion of SDB Contribution (Rate)
2017	0.24%	0.06%
2018	0.25%	0.05%
2019	0.26%	0.05%
2020	0.24%	0.06%

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**NOTE 8: SUPPLEMENTAL DEATH BENEFIT PLAN (OPEB) - (Continued)**

Total OPEB Liability

The City's total OPEB liability and the OPEB expense is recognized on the City's financial statements. The OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability.

*Actuarial Assumptions*

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Inflation	2.5%
Salary increases	3.5% to 11.5% including inflation
Discount rate	2.75%*
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68
Mortality rates-service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates-disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

\* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2019.

**NOTE 8: SUPPLEMENTAL DEATH BENEFIT PLAN (OPEB) - (Continued)**

Total OPEB Liability - (Continued)

*Changes in Total OPEB Liability*

The following details the changes in the Total OPEB liability:

<b>Balance at 9/30/19</b>	<b>\$ 386,963</b>
Changes for the year:	
Service cost	17,693
Interest	14,621
Change of benefit terms	-
Difference between expected and actual experience	(18,892)
Change of assumptions	77,468
Benefit payments	(3,403)
Net changes	<u>87,487</u>
<b>Balance at 9/30/20</b>	<b>\$ 474,450</b>

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate*

The following presents the Total OPEB Liability of the City, calculated using the discount rate of 2.75%, as well as what the City's Total OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75%) or 1-percentage-point higher (3.75%) than the current rate:

	1.0% Decrease in Discount Rate (1.75%)	Discount Rate (2.75%)	1.0% Increase in Discount Rate (3.75%)
City's Total OPEB Liability:	\$571,638	\$474,450	\$398,530

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2020, the City recognized OPEB expense of \$41,025

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 25,812
Changes in actuarial assumptions	75,882	16,882
Contributions subsequent to the measurement date	3,118	-
<b>Total</b>	<b>\$ 79,000</b>	<b>\$ 42,694</b>

**NOTE 8: SUPPLEMENTAL DEATH BENEFIT PLAN (OPEB) - (Continued)**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - (Continued)

Deferred outflows and inflows of resources to be recognized in future OPEB expense (excluding City contributions subsequent to the measurement date) are as follows:

Year ended December 31:	OPEB Expense Amount
2020	\$ 8,711
2021	8,711
2022	3,797
2023	9,611
2024	2,361
Thereafter	-
Total	\$33,191

**NOTE 9: RETIREE HEALTH BENEFIT PLAN (OPEB)**

Plan Description

In addition to providing pension benefits, the City provides medical benefits to eligible retirees and dependents with postemployment health care benefits through a single-employer postemployment healthcare plan (the "plan") administered by Texas Municipal League Multistate Intergovernmental Employee Benefits Pool. A separate audited financial report is not issued on the plan. In order for a City employee to be eligible for this benefit, he or she needs 20 years of service and/or attained the age of 60 with five years of service. Medical benefits are available with four coverage tiers depending on dependent status and continue until Medicare eligible. A Medicare supplement policy is available to Medicare eligible retirees with the retiree paying the full premium.

Eligible retirees pay the full contribution rate for pre-65 medical coverage. The amount of the contribution depends on years of service with the City at retirement. The plan was changed effective June 1, 2015 to provide payment of higher retiree contribution rates for future retirees. Employees hired on or after this date will pay the full retiree contribution rate equal to 195% of the active employee contribution rate. Retirees hired prior to this date will pay the active employee contribution rate for either 2, 5 or 10 years (or to age 65, if earlier) depending on the years of service retirement. All retirees on the effective date will continue to pay the active employee contribution rate.

At the September 30, 2020 valuation and measurement date, the following represents the active employees and retirees that are eligible to participate in the plan:

	<u>Employees Only</u>	<u>Employee &amp; Dependents</u>
Retirees	3	2
Active employees	56	10

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**NOTE 9: RETIREE HEALTH BENEFIT PLAN (OPEB) - (Continued)**

Total OPEB Liability

The most recent actuarial valuation was performed as of September 30, 2020.

*Funded Status*

As of September 30, 2020, the measurement date, the Total OPEB Liability for benefits was \$436,853, all of which was unfunded. There are no assets that are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

*Actuarial Methods and Assumptions*

Actuarial values of the program involve estimates of the value of reported amounts and assumptions of the probability of occurrence of events far into the future. The actuarial methods and assumptions used in the September 30, 2020 valuation are as follows:

Actuarial method	Individual entry age normal cost method – level percentage of projected salary
Discount rate	2.25% (-0.25% real rate of return plus 2.50% inflation)
Health care cost trend	Level 4.50%
Mortality rates	RPH-2014 Total Table with Projection MP-2019
Turnover	Rates varying based on gender, age and select and ultimate at 9 years. Rates based on the TMRS actuarial assumptions from the 2017 retirement plan valuation report
Disability	None assumed
Retirement rates	Rates based on the TMRS actuarial assumptions from the 2017 retirement plan valuation report
Salary scale	3.50%

*Changes in Total OPEB Liability*

The following details the changes in the Total OPEB liability:

<b>Balance at 9/30/19</b>	<b>\$ 398,002</b>
Changes for the year:	
Service cost	11,786
Interest	15,971
Change of benefit terms	-
Difference between expected and actual experience	(9,846)
Change of assumptions	53,744
Benefit payments	(32,804)
Net changes	<u>38,851</u>
<b>Balance at 9/30/20</b>	<b><u>\$ 436,853</u></b>



**NOTE 9: RETIREE HEALTH BENEFIT PLAN (OPEB) - (Continued)**

Total OPEB Liability - (Continued)

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate*

The following presents the Total OPEB Liability of the City, calculated using the discount rate of 2.25%, as well as what the City's Total OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	1.0% Decrease in Discount Rate (1.25%)	Discount Rate (2.25%)	1.0% Increase in Discount Rate (3.25%)
City's Total OPEB Liability:	\$471,893	\$436,853	\$404,541

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate*

The following presents the Total OPEB Liability of the City, calculated using the trend rate of 4.50%, as well as what the City's Total OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current rate:

	1.0% Decrease in Trend Rate (3.50%)	Trend Rate (4.50%)	1.0% Increase in Trend Rate (5.50%)
City's Total OPEB Liability:	\$395,344	\$436,853	\$485,535

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2020, the City recognized OPEB expense of \$34,398.

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 8,356
Changes in actuarial assumptions	45,613	-
Differences between projected and actual investments	-	-
Total	\$ 45,613	\$ 8,356

Deferred outflows and inflows of resources to be recognized in future OPEB expense (excluding City contributions subsequent to the measurement date) are as follows:

Year ended September 30:	OPEB Expense Amount
2021	\$ 6,641
2022	6,641
2023	6,641
2024	6,641
2025	6,641
Thereafter	4,052
Total	\$ 37,257

**NOTE 9: RETIREE HEALTH BENEFIT PLAN (OPEB) - (Continued)**Summary of OPEB Accounts

Plan	OPEB Liability (Asset)	Deferred Outflows	Deferred Inflows	OPEB Expense (Reduction)
TMRS Supplemental Death Benefit	\$ 474,450	\$ 79,000	\$ 42,694	\$ 41,025
Retiree Health Benefit	436,853	45,613	8,356	34,398
Totals	<u>\$ 911,303</u>	<u>\$ 124,613</u>	<u>\$ 51,050</u>	<u>\$ 75,423</u>

**NOTE 10: LONG-TERM DEBT****A. Changes in Long-Term Liabilities**

Long-term liability activity for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Bonds and certificates payable					
Certificates of obligation	\$ 7,707,775	\$ -	\$ (498,900)	\$ 7,208,875	\$ 517,460
General obligation bonds	4,681,243	-	(228,263)	4,452,980	228,262
Total bonds and certificates payable	12,389,018	-	(727,163)	11,661,855	745,722
Bond premium	651,271	-	(61,511)	589,760	-
Compensated absences	470,155	408,247	(354,307)	524,095	149,892
OPEB liability	620,672	92,787	-	713,459	-
Net pension liability	4,694,730	-	(1,866,777)	2,827,953	-
Total governmental activity long-term liabilities	<u>\$ 18,825,846</u>	<u>\$ 501,034</u>	<u>\$ (3,009,758)</u>	<u>\$ 16,317,122</u>	<u>\$ 895,614</u>
<b>Business-type activities</b>					
Bonds and certificates payable					
Certificates of obligation	\$ 8,352,225	\$ -	\$ (261,100)	\$ 8,091,125	\$ 267,540
General obligation bonds	1,573,757	-	(76,739)	1,497,018	76,739
Total bonds and certificates payable	9,925,982	-	(337,839)	9,588,143	344,279
Bond premium	403,786	-	(32,276)	371,510	-
Direct borrowings					
State infrastructure note	2,699,779	-	(163,435)	2,536,344	167,521
Capital leases payable	86,958	-	(17,392)	69,566	17,392
Compensated absences	67,553	88,131	(74,514)	81,170	81,170
OPEB liability	164,294	33,550	-	197,844	-
Net pension liability	1,242,705	-	(458,506)	784,199	-
Total business-type activity long-term liabilities	<u>\$ 14,591,057</u>	<u>\$ 121,681</u>	<u>\$ (1,083,962)</u>	<u>\$ 13,628,776</u>	<u>\$ 610,362</u>

For governmental activities, compensated absences, OPEB liability, and net pension liability are generally liquidated by the General Fund.

**NOTE 10: LONG-TERM DEBT - (Continued)**

**B. Bonds and Certificates Payable - Governmental Activities**

Bonds and certificates payable of the City's governmental activities at September 30, 2020, were comprised of the following individual issues:

2006 Combination Certificates of Obligation due in annual installments ranging from \$30,000 to \$45,000 through August 1, 2021; interest rate at 4.10%.	\$ 45,000
2006-A Combination Certificates of Obligation due in annual installments ranging from \$167,436 to \$260,456 through August 1, 2021; interest rate at 4.12%.	260,400
2015 Combination Certificates of Obligation due in annual installments ranging from \$184,400 to \$596,995 through August 1, 2035; interest rate at 3.39%.	6,903,475
2016 General Obligation Refunding Bonds due in annual installments ranging from \$205,700 to \$680,680 through August 1, 2028; interest rate at 3.6%.	<u>4,452,980</u>
	<u>\$ 11,661,855</u>

Annual debt service requirements to maturity for the City's governmental activity bonds and certificates are as follows:

Year Ending September 30	Principal	Interest	Total
2021	\$ 745,722	\$ 408,367	\$ 1,154,089
2022	903,038	382,584	1,285,622
2023	947,672	348,209	1,295,881
2024	968,986	320,190	1,289,176
2025	1,007,573	287,156	1,294,729
2026-2030	4,295,204	846,778	5,141,982
2031-2035	<u>2,793,660</u>	<u>290,810</u>	<u>3,084,470</u>
	<u>\$ 11,661,855</u>	<u>\$ 2,884,094</u>	<u>\$ 14,545,949</u>

General obligation debt provides funds for the acquisition and construction of major capital equipment and facilities. They are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the City. The City is required to compute, at the time property taxes are levied, the rate of tax required to provide (in each year outstanding) a fund to pay interest and principal at maturity. The City is in compliance with this requirement.

The City is scheduled to receive annual installments ranging from \$48,093 to \$65,676 from LEDC and annual installments ranging from \$170,304 to \$290,798 from Wastewater Utility Fund for the 2015 Combination Certificates of Obligation through August 1, 2035.

**NOTE 10: LONG-TERM DEBT - (Continued)**

**C. Bonds and Certificates Payable - Business-type Activities**

Bonds and certificates payable of the City's business-type activities at September 30, 2020, were comprised of the following individual issues:

2006-A Combination Certificates of Obligation due in annual installments ranging from \$16,403 to \$19,544 through August 1, 2012; interest rate at 4.12%.	\$ 19,600
2015 Combination Certificates of Obligation due in annual installments ranging from \$215,600 to \$698,005 through August 1, 2035; interest rate at 3.39%.	8,071,525
2016 General Obligation Refunding Bonds due in annual installments of \$69,300 to \$229,320 through February 1, 2028; interest rate at 3.60%.	1,497,018
	<u>\$ 9,588,143</u>

The annual debt service requirements to maturity for the above-listed obligations of the City's business-type activities are as follows:

Year Ending September 30	Principal	Interest	Total
2021	\$ 344,279	\$ 334,590	\$ 678,869
2022	606,962	324,041	931,003
2023	637,328	297,316	934,644
2024	656,014	275,147	931,161
2025	682,427	250,831	933,258
2026-2030	3,394,793	858,009	4,252,802
2031-2035	3,266,340	340,015	3,606,355
	<u>\$ 9,588,143</u>	<u>\$ 2,679,949</u>	<u>\$ 12,268,092</u>

**D. State Infrastructure Notes - Business-type Activities**

2013 State Infrastructure Bank Loan is a direct borrowing of the City and is due in annual installments of \$230,000 through June 2033, interest rate of 2.5%.

Annual debt service requirements to maturity for the City's business-type activity State Infrastructure Notes are as follows:

Year Ending September 30	Principal	Interest	Total
2021	\$ 167,521	\$ 63,409	\$ 230,930
2022	171,709	59,221	230,930
2023	176,002	54,928	230,930
2024	180,402	50,528	230,930
2025	184,912	46,018	230,930
2026-2030	996,257	158,392	1,154,649
2031-2033	659,541	33,248	692,789
	<u>\$ 2,536,344</u>	<u>\$ 465,744</u>	<u>\$ 3,002,088</u>

**NOTE 10: LONG-TERM DEBT - (Continued)**

**E. Capital Lease - Business-type Activities**

The City has entered into a lease agreement (direct borrowing) to purchase EMS and physio equipment from Stryker Sales Corporation. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

The assets acquired through the capital lease are as follows:

	<u>Business-type Activities</u>
Machinery and equipment	\$ 121,741
	121,741
Less: Accumulated depreciation	<u>(46,378)</u>
	<u>\$ 75,363</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020, are as follows:

<u>Year Ending September 30</u>	<u>Business-type Activities</u>
2021	\$ 17,392
2022	17,392
2023	17,391
2024	17,391
2025	-
Total minimum lease payments	<u>69,566</u>
Less: Amount representing interest	-
Present value of minimum lease payments	<u>\$ 69,566</u>

**F. Debt Reserves**

There are certain reserve requirements for the various debt issues that are currently outstanding. The following are the reserve requirements by issue:

	<u>Reserve Requirement</u>
2006 Combination Certificates of Obligation	\$ 900
2006A Combination Certificates of Obligation	5,600
2015 Combination Certificates of Obligation	299,500
2016 General Obligation Refunding Bonds	119,000
	<u>\$ 425,000</u>

The cash balances reserved for the reserve requirements are as follows:

<u>Fund</u>	<u>Cash</u>
Debt Service I & S Fund	\$ 233,238
Water Utility Fund	191,762
	<u>\$ 425,000</u>

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**NOTE 11: CONDUIT DEBT OBLIGATIONS**

Lockhart-Luling Water Delivery System

The Guadalupe-Blanco River Authority (GBRA) contracted with the City in 2002 to provide a reliable quantity of treated water through the Luling Water Treatment Plant. For the mutual benefit of the parties, GBRA, the City of Luling, and the City of Lockhart entered into an agreement that enabled GBRA to pump treated water from the Luling Water Treatment Plant to the Lockhart Treatment Plant ground storage reservoir through the water delivery system.

GBRA issued \$4,950,000 in Contract Revenue Refunding Bonds in fiscal year 2014 for the water delivery system. As of September 30, 2020, there was \$3,400,000 bonds outstanding. Through the agreement, the City has agreed to pay GBRA on an annual basis for twenty-five years the following:

(a.) principal and interest on any bonds issued to pay off the financing, refinancing, design, permitting, construction, and equipping the project; (b.) operation and maintenance of the water delivery system; (c.) operation and maintenance of the Luling Water Treatment Plant; (d.) reserve and contingency fund payments, if any; and (e.) capital recovery charges.

**NOTE 12: RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended September 30, 2020, the City purchased insurance through the Texas Municipal League (TML) to cover its risk of loss in these areas. Substantially all risk of loss for events occurring during the current year has been transferred to TML by the payment of insurance premiums. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

The City has also entered into an interlocal agreement with the TML Group Benefits Risk Pool for health insurance for its employees. The City pays the health care premiums for City employees. Employees have the option of paying dependent coverage via payroll deductions. The City has no liability for any claims incurred by participants in this plan.

**NOTE 13: RELATED PARTY TRANSACTIONS**

During the fiscal year ending September 30, 2020, LEDC (a discretely presented component unit of the City) transferred a total of \$93,667 to the City. The City's Debt Service Fund, a nonmajor governmental fund, received \$48,103 to be used to pay debt service costs related to qualifying economic development projects previously paid for by debt issued by the City. The remaining transfers pertained to the reimbursement of eligible current period expenditures incurred by the City related to economic development activities and administrative services provided to LEDC by the City.

**NOTE 14: CONTINGENCIES AND COMMITMENTS**

A. Litigation

The City was not involved in any significant litigation as of September 30, 2020, and management was not aware of any threatened litigation or unasserted claims as of that date.

B. Grant Programs

The City participates in grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any monies received may be required, and the collectability of any related receivables at September 30, 2020, may be impaired. In the opinion of the administration of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the City's various grant programs.

C. Water Purchase Commitment

The City has entered into an agreement with the Guadalupe-Blanco River Authority (GBRA) that obligates the City to purchase its water from GBRA through December 31, 2027.

D. Construction Commitments

As of September 30, 2020, the City had entered into contractual commitments with contractors for various City projects. The commitments with contractors were as follows:

<u>Project Description</u>	<u>Remaining Commitment</u>
TCEQ 319 Stormwater/Town Branch Urban Trail Riparian Grant Project	\$ 12,674
City Line Road Pump Station	122,964
Water Tower	207,739
Town Branch Trail Phae II	<u>163,847</u>
	<u>\$ 507,224</u>
<u>Funding Source</u>	<u>Amount</u>
Unspent bond proceeds	\$ 330,703
Grant reimbursements	<u>176,521</u>
	<u>\$ 507,224</u>

**NOTE 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

A. Interfund Receivables and Payables

At times during the fiscal year the various funds of the City were involved in transactions that created interfund receivable and payable balances. These transactions related to such things as the purchase of goods by one fund on behalf of another and the receipt of revenue in one fund that belongs to or is designated for another fund. Interfund receivable and payable balances as of September 30, 2020, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	<u>\$ 444,112</u>

B. Interfund Transfers

Each year various funds of the City transfer funds to other funds. These transfers are intended to provide the necessary resources to meet the operating and debt service obligations of the receiving funds. During the current fiscal year, transfers between funds consisted of the following:

<u>Transfers Out</u>	<u>Transfers In</u>					<u>Total</u>
	<u>General</u>	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Nonmajor Govt.</u>	
General	\$ -	\$ -	\$ -	\$ -	\$ 71,820	\$ 71,820
Nonmajor govt.	1,029,780	11,369	1,594	803	100,000	1,143,546
Electric	2,246,383	-	-	-	-	2,246,383
Water	5,079	-	-	-	-	5,079
Wastewater	455,876	-	133,787	-	186,653	776,316
Nonmajor business-type	265,303	-	-	-	-	265,303
	<u>\$ 4,002,421</u>	<u>\$ 11,369</u>	<u>\$ 135,381</u>	<u>\$ 803</u>	<u>\$ 358,473</u>	<u>\$ 4,508,447</u>



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**NOTE 16: FUND BALANCES**

The following is a detail of the governmental fund balances as of September 30, 2020:

	<u>Governmental Fund Balances</u>				
	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Unassigned</u>	<u>Total</u>
General					
Prepaid expenditures	\$ 27,327	\$ 79,393	\$ -	\$ -	\$ 106,720
Inventory	9,350	-	-	-	9,350
Sidewalks	-	-	-	52,516	52,516
Industrial park	-	-	-	256,023	256,023
Unassigned	-	-	-	6,673,086	6,673,086
Nonmajor Governmental					
Various capital projects	-	2,914,631	-	-	2,914,631
General government	-	59,773	-	-	59,773
Tourism	-	64,016	-	-	64,016
Public safety	-	179,496	-	-	179,496
Public works	-	1,063,841	-	-	1,063,841
Debt service	-	115,835	-	-	115,835
Unassigned	-	-	-	(403,347)	(403,347)
	<u>\$ 36,677</u>	<u>\$ 4,476,985</u>	<u>\$ -</u>	<u>\$ 6,578,278</u>	<u>\$11,091,940</u>

**NOTE 17: TAX ABATEMENTS AND REBATES**

The City of Lockhart enters into tax abatement and rebate agreements with local businesses under the state local government code, title 12, subtitle A, chapter 380. Under the code, the governing body of a municipality may establish and provide for the administration of one or more programs, including programs for making loans or grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality. For the fiscal year ended September 30, 2020, the City of Lockhart rebated property taxes totaling \$31,476. The following tax rebate agreements exceeded 10 percent of the total amount rebated:

\$11,895 (100%) in property taxes on new improvements to building and furniture, fixtures and equipment. \$31,170 of property tax rebates were paid to the same company for improvements made to real property over the last four years.

\$14,526 (100%) of real property and personal property taxes was rebated to a manufacturing company that produces investment castings in ferrous and non-ferrous materials for purchasing land and building for manufacturing and distribution facility.

\$5,055 (100%) of real property and personal property taxes was rebated to a manufacturing company that commercializes fiber reactor technology to enhance and improve manufacturing environments by increasing the efficiency of existing refining operations utilizing two-phase chemistry.

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**NOTE 18: LOCKHART ECONOMIC DEVELOPMENT CORPORATION**

As described in Note 1, the Lockhart Economic Development Corporation is a component unit of the City. It is reported in a separate column to emphasize that it is legally separate for accounting purposes from the City. Following are note disclosures relating to this component unit:

A. Organization

The Lockhart Economic Development Corporation (LEDC), a public instrumentality and nonprofit corporation, was created under Section 4B of the Development Corporation Act of 1979, Article 5190.6 of the Revised Civil Statutes of Texas (the "Act") on June 26, 1996. Under the Act, the Board of Directors consists of seven members appointed by and who serve at the pleasure of the City Council of the City for two-year terms.

LEDC may enter into any project authorized by the Act including, but not limited to, such projects as promotion and development of new and expanded business enterprises, job training centers, infrastructure improvements, public safety, municipal buildings, civic centers, recreation facilities, and other related facilities.

LEDC prepares annual financial statements as of September 30<sup>th</sup> of each year. LEDC reports its financial results as a governmental type of entity.

B. Summary of Significant Accounting Policies

The accounting and reporting policies of LEDC conform to GAAP, as applicable to governmental units. The more significant of LEDC's accounting policies are described below.

1. Reporting Entity - Component Unit Status

LEDC meets the criteria established by GASB to be a component unit of the City, due to the fact that the City Council of Lockhart appoints each member of its Board of Directors. LEDC is included in the City's annual financial statements as a discretely presented component unit.

2. Government-wide and Fund Accounting

The combined government-wide and fund financial statements (i.e., the Statement of Net Position and Governmental Fund Balance Sheet and the Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance) report information on all activities of LEDC.

The combined Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance demonstrate the degree to which the direct expenses of LEDC are offset by program revenues. Direct expenses are those that are clearly identifiable with the LEDC's specific function, that of economic development. Program revenues include a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. For the year ended September 30, 2019, all of LEDC's revenues were classified as general revenues.

The government-wide and fund financial statements are provided for LEDC with a column for adjustments between the two statements.

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**NOTE 18: LOCKHART ECONOMIC DEVELOPMENT CORPORATION - (Continued)**

B. Summary of Significant Accounting Policies - (Continued)

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide information (i.e., the columns labeled "Statement of Net Position" and "Statement of Activities") in the financial statements is reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund (i.e., the column labeled "General Fund") financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, LEDC considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred.

Sales taxes and interest revenue associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when LEDC receives cash.

The Corporation reports the following governmental fund type:

General Fund - The General Fund is LEDC's operating fund. All financial resources are accounted for in the General Fund. The General Fund's transactions consist primarily of revenues realized from the collection of sales tax revenue dedicated to the purpose of economic development and transfers to the City (reported as economic development expenditures) to be used for purposes authorized by LEDC's enabling legislation.

LEDC reports no other funds.

4. Cash, Cash Equivalents, and Investments

Cash includes all amounts on deposit with financial institutions in demand accounts. All short-term investments that are highly liquid are considered to be cash equivalents. An investment is considered highly liquid if it is convertible to a known amount of cash and has a maturity date of no longer than three months from the date the investment was purchased.

LEDC may invest in any instruments authorized by the Public Funds Investment Act of the State of Texas. These instruments include, but are not limited to, the following: obligations of the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies and instrumentalities; certificates of deposit issued by state or national banks which are guaranteed or insured by the FDIC; and deposits in statewide investment pools which meet certain restrictive criteria. LEDC reports its investments at fair value.

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**NOTE 18: LOCKHART ECONOMIC DEVELOPMENT CORPORATION - (Continued)**

B. Summary of Significant Accounting Policies - (Continued)

5. Budgets and Budgetary Accounting

The Board of Directors submits an annual budget to the City for approval in accordance with the Texas Municipal Budget Act. By September of each year, the Board of Directors, with approval by the City, adopts an annual fiscal year budget for the General Fund. Once approved, the Board of Directors may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

The budget of LEDC is prepared on a modified accrual basis of accounting. Revenues are budgeted in the year receipts are expected, and expenditures are budgeted in the year that the applicable purchase occurs. Any unencumbered appropriations for annually budgeted funds lapse at fiscal year-end.

6. Federal Income Taxes

LEDC is exempt from Federal income taxes due to its classification as a governmental entity under the guidelines of the Internal Revenue Service.

7. Use of Estimates

The preparation of the government-wide and fund financial statements in conformity with GAAP requires LEDC to make estimates and assessments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

C. Deposits and Investments

LEDC pools its funds with the City for investment, and as such, follows the City's policies and procedures pertaining to investment transactions. Following is a discussion of various risks associated with the City's (and accordingly LEDC's) investments as of and for the year ending September 30, 2020:

1. Interest Rate Risk

In accordance with the City's investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio for investments to one year or less from the time of purchase.

2. Credit Risk

As previously mentioned, it is LEDC's policy to limit its investments to those that are authorized under the Texas Public Funds Investment Act. Additionally, any money market mutual funds or local government investment pools must be rated no lower than AAA by at least one nationally recognized rating service. As of September 30, 2020, the investment pools were rated AAAM by Standard and Poor's.

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**NOTE 18: LOCKHART ECONOMIC DEVELOPMENT CORPORATION - (Continued)**

C. Deposits and Investments - (Continued)

3. Concentration of Credit Risk

The City's investment policy requires that the investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce the risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific user. As such, at year-end LEDC was not exposed to concentration of credit risk.

4. Custodial Credit Risk - Deposits

Custodial credit risk refers to the risk that in the event of a bank failure, LEDC's deposits may not be returned to it. The City's investment policies require that deposits at financial institutions be insured by the FDIC and/or collateralized by securities pledged to the City by the depository in an amount equal to at least 102% of the carrying value of deposits held. As of September 30, 2020, and for the year then ended, the City and LEDC were not exposed to any custodial credit risk.

It is managements' understanding that the LEDC, a discretely presented component unit, and any other 4A and 4B economic development entity is not considered a "political subdivision" as defined by Section 330.15 of the FDIC's regulation. Therefore, the Corporation's bank deposits may not be insured above \$250,000 even though they are secured by the pledged collateral agreement of the City.

5. Custodial Credit Risk - Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that securities be held in the name of the City and that all securities are purchased using the delivery versus payment method. As of September 30, 2020, and for the year then ended, the City and LEDC were not exposed to any custodial credit risk.

D. Sales Taxes

LEDC, by law, is to receive one-half cent of the sales tax earned by the City and paid monthly to the City by the State of Texas. LEDC's outstanding receivable of the sales tax earned by the City for the year ended September 30, 2020, was \$168,446. The City collects the sales tax from the State of Texas and then pays LEDC's portion monthly when collected.

E. Restricted Net Position

The legislation under which LEDC was created restricts the use of sales tax revenue received by LEDC to projects related to quality of life improvements, including economic development that will attract and retain primary employers. Some of the types of projects authorized in the legislation are listed previously. There were no restrictions on LEDC's net position as of September 30, 2020, other than those imposed through the enabling legislation.

F. Inventory

Inventory consists of various tracts of land that LEDC has purchased to be used for future economic development projects. There was no change in the inventory from the previous year.

**NOTE 18: LOCKHART ECONOMIC DEVELOPMENT CORPORATION - (Continued)**

**G. Capital Assets**

The LEDC's capital asset activity for the year ended September 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Discretely presented component unit</b>				
Capital assets, not being depreciated				
Land	\$ 108,000	\$ -	\$ -	\$ 108,000
Total capital assets not being depreciated	<u>108,000</u>	<u>-</u>	<u>-</u>	<u>108,000</u>
Capital assets, being depreciated				
Buildings	612,000	-	-	612,000
Total capital assets being depreciated	<u>612,000</u>	<u>-</u>	<u>-</u>	<u>612,000</u>
Less accumulated depreciation for				
Buildings	97,920	12,240	-	110,160
Total accumulated depreciation	<u>97,920</u>	<u>12,240</u>	<u>-</u>	<u>110,160</u>
Total capital assets being depreciated, net	<u>514,080</u>	<u>(12,240)</u>	<u>-</u>	<u>501,840</u>
Discretely presented component unit capital assets, net	<u>\$ 622,080</u>	<u>\$ (12,240)</u>	<u>\$ -</u>	<u>\$ 609,840</u>

Depreciation expense was charged to functions/programs of the LEDC as follows:

**Discretely presented component unit**

General government	<u>\$ 12,240</u>
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**H. Long-Term Debt**

An analysis of changes in long term-debt is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Discretely presented component unit</b>					
Notes payable	\$ 164,600	\$ 500,000	\$ (90,523)	\$ 574,077	\$ 116,923
Compensated absences	1,814	6,453	(3,883)	4,384	4,384
Total discretely presented component unit	<u>\$ 166,414</u>	<u>\$ 506,453</u>	<u>\$ (94,406)</u>	<u>\$ 578,461</u>	<u>\$ 121,307</u>

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**NOTE 18: LOCKHART ECONOMIC DEVELOPMENT CORPORATION - (Continued)**

H. Long-Term Debt - (Continued)

Maturities of long term-debt is as follows:

<u>Year Ending</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 116,923	\$ 20,186	\$ 137,109
2022	121,350	15,759	137,109
2023	125,945	11,164	137,109
2024	130,721	6,389	137,110
2025	52,925	2,151	55,076
2026	<u>26,213</u>	<u>655</u>	<u>26,868</u>
	<u>\$ 574,077</u>	<u>\$ 56,304</u>	<u>\$ 630,381</u>

I. Contingencies and Commitments

1. Litigation

LEDC was not involved in any litigation as of September 30, 2020, and management was not aware of any threatened litigation or unasserted claims as of that date.

2. Commitments

The LEDC is scheduled to make annual installments ranging from \$48,093 to \$65,676 to the City for the 2015 Combination Certificates of Obligation through August 1, 2035.

J. Tax Abatements and Rebates

The Lockhart Economic Development Corporation enters into tax rebate agreements with local businesses under the state local government code, title 12, subtitle C1, chapter 505. Under the code, the governing body of a municipality may create a Type B corporation and provide for the administration of one or more programs, including programs for making loans or grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality. For the fiscal year ended September 30, 2020, the Lockhart Economic Development Corporation did not enter into any tax rebate agreements or rebate any taxes.

K. Subsequent Event

In December 2020, the Lockhart Economic Development Corporation issued Sales Tax Revenue Bonds, Series 2020 of \$1,645,000. The bonds are due in annual installments ranging from \$105,000 to \$130,000 through 2035 with interest at 2.47%. The proceeds from the sale of the bonds will be used to acquire land for an industrial park and may include related water and sewer facilities, streets and roads, drainage and related improvements, general municipal buildings, and public park purposes and park facilities, including the maintenance and operating costs of any such projects and other expenditures connected therewith.

**Required Supplementary Information**



**CITY OF LOCKHART, TEXAS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

**BUDGET AND ACTUAL**

**GENERAL FUND**

For the year ended September 30, 2020

With comparative totals for the year ended September 30, 2019

	2020			Variance Positive (Negative)	2019 Actual
	Original Budget	Final Budget	Actual		
<b>REVENUES</b>					
Property taxes	\$ 4,187,446	\$ 4,187,446	\$ 4,307,097	\$ 119,651	\$ 3,642,474
Sales and other taxes	2,088,729	1,829,793	2,339,524	509,731	2,013,845
Fines, fees, and forfeitures	409,315	357,528	363,324	5,796	364,423
Licenses and permits	243,622	204,681	243,196	38,515	192,622
Intergovernmental and grants	553,872	513,483	557,483	44,000	323,298
Charges for services	2,220	2,220	2,200	(20)	2,200
Investment	107,742	73,442	67,633	(5,809)	89,701
Miscellaneous	158,856	158,856	163,676	4,820	261,484
<b>Total revenues</b>	<u>7,751,802</u>	<u>7,327,449</u>	<u>8,044,133</u>	<u>716,684</u>	<u>6,890,047</u>
<b>EXPENDITURES</b>					
Current					
General government	2,585,703	2,411,233	2,333,952	77,281	1,891,347
Public safety	5,969,327	5,883,375	5,544,911	338,464	4,978,250
Public works	1,902,955	1,716,933	1,628,186	88,747	1,593,994
Health and welfare	16,425	16,425	22,240	(5,815)	11,396
Culture and recreation	1,109,952	1,074,545	936,533	138,012	938,896
Capital outlay	456,800	456,800	213,108	243,692	126,365
<b>Total expenditures</b>	<u>12,041,162</u>	<u>11,559,311</u>	<u>10,678,930</u>	<u>880,381</u>	<u>9,540,248</u>
Excess (deficiency) of revenues over expenditures	(4,289,360)	(4,231,862)	(2,634,797)	1,597,065	(2,650,201)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	3,617,881	3,617,881	4,002,421	384,540	3,333,060
Transfers out	(97,320)	(97,320)	(71,820)	25,500	(95,613)
<b>Total other financing sources (uses)</b>	<u>3,520,561</u>	<u>3,520,561</u>	<u>3,930,601</u>	<u>410,040</u>	<u>3,237,447</u>
Net change in fund balance	(768,799)	(711,301)	1,295,804	2,007,105	587,246
Fund balance - beginning	5,722,498	5,722,498	5,722,498	-	5,054,441
<b>Fund balance - ending</b>	<u>\$ 4,953,699</u>	<u>\$ 5,011,197</u>	<u>\$ 7,018,302</u>	<u>\$ 2,007,105</u>	<u>\$ 5,641,687</u>

The accompanying notes to required supplementary information are an integral part of this schedule.

**CITY OF LOCKHART, TEXAS**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

**TEXAS MUNICIPAL RETIREMENT SYSTEM - PENSION**

Last ten years

	Measurement Year		
	2014	2015	2016
<b>Total Pension Liability</b>			
Service cost	\$ 659,622	\$ 755,292	\$ 809,909
Interest (on the total pension liability)	1,759,695	1,840,606	1,924,544
Difference between expected and actual experience	(275,265)	541,546	213,804
Change of assumptions	-	143,888	-
Benefit payments, including refunds of employee contributions	(987,219)	(1,084,811)	(1,097,681)
<b>Net Change in Total Pension Liability</b>	1,156,833	2,196,521	1,850,576
<b>Total Pension Liability - Beginning</b>	25,302,299	26,459,132	28,655,653
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 26,459,132</u>	<u>\$ 28,655,653</u>	<u>\$ 30,506,229</u>
<b>Plan Fiduciary Net Position</b>			
Contributions - Employer	\$ 662,456	\$ 721,903	\$ 708,591
Contributions - Employee	321,581	352,824	358,731
Net investment income	1,282,369	34,935	1,599,743
Benefit payments, including refunds of employee contributions	(987,219)	(1,084,811)	(1,097,681)
Administrative expense	(13,388)	(21,283)	(18,076)
Other	(1,101)	(1,051)	(974)
<b>Net Change in Plan Fiduciary Net Position</b>	1,264,698	2,517	1,550,334
<b>Plan Fiduciary Net Position - Beginning</b>	22,415,156	23,679,854	23,682,371
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 23,679,854</u>	<u>\$ 23,682,371</u>	<u>\$ 25,232,705</u>
<b>Net Pension Liability - Ending (a) - (b)</b>	<u>\$ 2,779,278</u>	<u>\$ 4,973,282</u>	<u>\$ 5,273,524</u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	89.50%	82.64%	82.71%
<b>Covered Payroll</b>	\$ 5,359,686	\$ 5,730,595	\$ 5,937,749
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	51.86%	86.78%	88.81%

NOTE: Information for the prior four years was not readily available. The City will compile the respective information over the next four years as provided by TMRS on a "measurement date" basis.

The accompanying notes to required supplementary information are an integral part of this schedule.

Measurement Year		
2017	2018	2019
\$ 803,650	\$ 861,176	\$ 908,475
2,050,665	2,158,275	2,267,377
(95,374)	(144,312)	(28,525)
-	-	94,975
<u>(1,055,658)</u>	<u>(1,331,302)</u>	<u>(1,233,643)</u>
1,703,283	1,543,837	2,008,659
<u>30,506,229</u>	<u>32,209,512</u>	<u>33,753,349</u>
<u>\$ 32,209,512</u>	<u>\$ 33,753,349</u>	<u>\$ 35,762,008</u>
\$ 779,767	\$ 848,460	\$ 884,655
358,239	385,314	408,304
3,497,425	(862,453)	4,299,655
(1,055,658)	(1,331,302)	(1,233,643)
(18,124)	(16,669)	(24,299)
<u>(918)</u>	<u>(872)</u>	<u>(730)</u>
3,560,731	(977,522)	4,333,942
<u>25,232,705</u>	<u>28,793,436</u>	<u>27,815,914</u>
<u>\$ 28,793,436</u>	<u>\$ 27,815,914</u>	<u>\$ 32,149,856</u>
<u>\$ 3,416,076</u>	<u>\$ 5,937,435</u>	<u>\$ 3,612,152</u>
89.39%	82.41%	89.90%
\$ 5,970,653	\$ 6,421,896	\$ 6,805,058
57.21%	92.46%	53.08%

**CITY OF LOCKHART, TEXAS**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**TEXAS MUNICIPAL RETIREMENT SYSTEM - PENSION**  
*Last ten fiscal years*

	Fiscal Year		
	2015	2016	2017
Actuarially Determined Contribution	\$ 692,664	\$ 734,637	\$ 754,327
Contribution in relation to the actuarially determined contribution	<u>(692,664)</u>	<u>(734,637)</u>	<u>(754,327)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,617,224	\$ 6,129,529	\$ 5,911,532
Contributions as a percentage of covered payroll	12.33%	11.99%	12.76%

NOTE: Information for the prior four fiscal years was not readily available. The City will compile the respective information over the next four fiscal years.

The accompanying notes to required supplementary information are an integral part of this schedule.

Fiscal Year		
2018	2019	2020
\$ 829,948	\$ 872,807	\$ 896,545
<u>(829,948)</u>	<u>(872,807)</u>	<u>(896,545)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,300,160	\$ 6,687,118	\$ 6,972,445
13.17%	13.05%	12.86%

**CITY OF LOCKHART, TEXAS****SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH BENEFIT  
Last ten years**

	Measurement Year		
	2017	2018	2019
<b>Total OPEB Liability</b>			
Service cost	\$ 15,524	\$ 19,266	\$ 17,693
Interest (on the total OPEB liability)	13,276	13,571	14,621
Change of benefit terms	-	-	-
Difference between expected and actual experience	-	(17,158)	(18,892)
Change of assumptions	31,482	(27,464)	77,468
Benefit payments	<u>(3,582)</u>	<u>(3,211)</u>	<u>(3,403)</u>
<b>Net Change in Total OPEB Liability</b>	56,700	(14,996)	87,487
<b>Total OPEB Liability - Beginning</b>	<u>345,259</u>	<u>401,959</u>	<u>386,963</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 401,959</u>	<u>\$ 386,963</u>	<u>\$ 474,450</u>
<b>Covered Payroll</b>	\$ 5,970,653	\$ 6,421,896	\$ 6,805,058
<b>Total OPEB Liability as a Percentage of Covered Payroll</b>	6.73%	6.03%	6.97%

NOTE: Information for the prior seven years was not readily available. The City will compile the respective information over the next seven years as provided by TMRS on a "measurement date" basis.

The accompanying notes to required supplementary information are an integral part of this schedule.

**CITY OF LOCKHART, TEXAS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

**TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH BENEFIT**

*Last ten fiscal years*

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	Fiscal Year		
	2018	2019	2020
Actuarially Determined Contribution	\$ 3,303	\$ 3,344	\$ 4,006
Contribution in relation to the actuarially determined contribution	<u>(3,303)</u>	<u>(3,344)</u>	<u>(4,006)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 6,300,160	\$ 6,687,118	\$ 6,972,445
Contributions as a percentage of covered payroll	0.0524%	0.0500%	0.0575%

NOTE: Information for the prior seven years was not readily available. The City will compile the respective information over the next seven years.

The accompanying notes to required supplementary information are an integral part of this schedule.

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**CITY OF LOCKHART, TEXAS****SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS****RETIREE HEALTHCARE**

Last ten years

	Measurement Year		
	2018	2019	2020
<b>Total OPEB Liability</b>			
Service cost	\$ 11,326	\$ 11,786	\$ 11,786
Interest (on the total OPEB liability)	15,641	15,460	15,971
Change of benefit terms	-	-	-
Difference between expected and actual experience	-	-	(9,846)
Change of assumptions	-	-	53,744
Benefit payments	<u>(20,086)</u>	<u>(20,086)</u>	<u>(32,804)</u>
<b>Net Change in Total OPEB Liability</b>	6,881	7,160	38,851
<b>Total OPEB Liability - Beginning</b>	<u>383,961</u>	<u>390,842</u>	<u>398,002</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 390,842</u>	<u>\$ 398,002</u>	<u>\$ 436,853</u>
<b>Covered Payroll</b>	\$ 3,778,438	\$ 3,778,438	\$ 3,307,156
<b>Total OPEB Liability as a Percentage of Covered Payroll</b>	10.34%	10.53%	13.21%

NOTE: Information for the prior seven years was not readily available. The City will compile the respective information over the next seven years as provided by actuaries on a "measurement date" basis.

The accompanying notes to required supplementary information are an integral part of this schedule.



**NOTE 1: BUDGETARY BASIS OF ACCOUNTING**

The City annually adopts budgets that are prepared using the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.

**NOTE 2: BUDGETARY LEGAL COMPLIANCE**

For the year ended September 30, 2020 the City complied with budgetary restrictions.

**NOTE 3: DEFINED BENEFIT PENSION PLAN**

Valuation Date

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	26 years
Asset Valuation Method	10 year Smoothed Market; 12% Soft Corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety tables used for males and the General employee tables used for females. The rates are projected on a fully generational basis with scale UMP.

Other information

There were no benefit changes during the year.

**NOTE 4: SUPPLEMENTAL DEATH BENEFIT PLAN - OPEB**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

There were no changes in plan provisions during the year.

**NOTE 4: SUPPLEMENTAL DEATH BENEFIT PLAN - OPEB - (Continued)**

Changes in Assumptions

- Salary increases changed to 3.5% to 11.5% including inflation from 3.5% to 10.5% including inflation.
- Discount rate decreased to 2.75% from 3.71%.
- Changed to using the 2019 Municipal Retirees of Texas Mortality Tables from the RP2000 Combined Mortality Table along with a change in projected rates.

**NOTE 5: RETIREE HEALTH BENEFIT PLAN - OPEB**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

There were no changes in plan provisions during the year.

Changes in Assumptions

- Discount rate decreased to 2.25% from 4.06%.
- Health care cost trend decreased to level 4.50% from level 5.00%

**Combining and Individual Fund Statements and Schedules**

## NONMAJOR GOVERNMENTAL FUNDS

**Special Revenue Funds** are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

**Radio Tower Equipment Replacement** - Used to account for funds received for the specific use of repairs and replacement costs associated with the City-owned radio communication tower.

**Forfeited Property** - Accounts for items seized by the City through the police department as a result of criminal investigations. The funds are used for one-time equipment purchases and other purchases to assist in police activities.

**Hotel/Motel Occupancy Tax** - Accounts for the collection of hotel and motel taxes collected within the City. The City uses these funds to directly enhance and promote tourism and the convention and hotel industry or other expenses as approved by State law.

**CARES Relief Grant** - Accounts for the proceeds from the Coronavirus Relief Fund and the disbursement of such on the City's unforeseen financial needs and risks created by the COVID-19 public health emergency.

**Road Impact Fees #1** - Accounts for funds received from a fee for roadway imposed on new development by the City pursuant to Chapter 13 of the City of Lockhart's Code of Ordinances, in order to generate revenue to fund or recoup all or part of the costs of capital improvements or facility expansion necessitated by and attributable to such new development in an area known as area #1.

**Road Impact Fees #2** - Accounts for funds received from a fee for roadway imposed on new development by the City pursuant to Chapter 13 of the City of Lockhart's Code of Ordinances, in order to generate revenue to fund or recoup all or part of the costs of capital improvements or facility expansion necessitated by and attributable to such new development in an area known as area #2.

**Municipal Court Technology** - Accounts for fees collected on conviction of certain municipal court offenses and funds are intended to enhance this specific area.

**Radio System Maintenance** - Accounts for funds received from radio communication system participants to cover costs associated directly or indirectly with the radio communication system.

**Municipal Court Security** - Accounts for fees collected on conviction of certain municipal court offenses and funds are intended to enhance this specific area.

**Child Safety** - Accounts for fees collected on conviction of certain municipal court offenses and funds are intended to enhance this specific area.

**Court Efficiency** - Accounts for fees collected on conviction of certain municipal court offenses and funds are intended to enhance this specific area.

**Juvenile Case Manager** - Accounts for fees collected on conviction of certain municipal court offenses and funds are intended to enhance this specific area.

**Truancy Court** - Accounts for fees collected on conviction of certain municipal court offenses and funds are intended to enhance this specific area.

**Local Municipal Jury** - Accounts for fees collected on conviction of certain municipal court offenses and funds are intended to enhance this specific area.

**Cable Education (PEG)** - Accounts for one percent cable franchise fee, which is dedicated to capital assets associated to the operation of a public, education and government television channel.

## NONMAJOR GOVERNMENTAL FUNDS

### **Special Revenue Funds - (Continued)**

**Transportation System Improvements** - Accounts for monies received from fees collected for the improvement and construction of City streets.

**Drainage System Improvements** - Accounts for monies received from fees collected for the improvement and construction of City's drainage system.

**Law Enforcement Education (LEOSE)** - Accounts for funds received to provide for the continuing education of persons licensed under Chapter 1701, Occupations Code, or to provide the necessary training, as determined by the agency head, to full-time, fully paid law enforcement support personnel.

**Debt Service Funds** are used to account for and report financial resources that are restricted, committed or assigned to expenditure for general government debt principal and interest.

**Capital Project Funds** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities or other capital assets. Capital Project Funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

**Clearfork Section 1 Sidewalk** - Accounts for funds for future development of public sidewalks from developer of Meadows at Clearfork in lieu of construction.

**Maple 2201 Trail Project** - Accounts for funds for future development of public sidewalk and trail along Cesar Chavez Parkway from developer at 2201 Maple Street in lieu of construction.

**2009 Certificates of Obligation** - Accounts for the proceeds and expenditures of the City's 2009 Certificates of Obligation.

**2015 Certificates of Obligation** - Accounts for the proceeds and expenditures of the City's 2015 Certificates of Obligation.

**CITY OF LOCKHART, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
*September 30, 2020*

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Project Funds	Total
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 1,281,090	\$ 115,835	\$ 2,914,631	\$ 4,311,556
Receivables (net)	136,573	59,260	-	195,833
Due from other governments	398,220	-	-	398,220
Prepaid expenditures	87,877	-	-	87,877
<b>Total assets</b>	<b>\$ 1,903,760</b>	<b>\$ 175,095</b>	<b>\$ 2,914,631</b>	<b>\$ 4,993,486</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 6,188	\$ -	\$ -	\$ 6,188
Due to other funds	444,112	-	-	444,112
<b>Total liabilities</b>	<b>450,300</b>	<b>-</b>	<b>-</b>	<b>450,300</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	410,288	59,260	-	469,548
<b>Total deferred inflows of resources</b>	<b>410,288</b>	<b>59,260</b>	<b>-</b>	<b>469,548</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepaid expenditures	79,393	-	-	79,393
Restricted				
General government	59,773	-	-	59,773
Tourism	64,016	-	-	64,016
Public safety	179,496	-	-	179,496
Public works	1,063,841	-	-	1,063,841
Debt service	-	115,835	-	115,835
Various capital projects	-	-	2,914,631	2,914,631
Unassigned	(403,347)	-	-	(403,347)
<b>Total fund balances</b>	<b>1,043,172</b>	<b>115,835</b>	<b>2,914,631</b>	<b>4,073,638</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 1,903,760</b>	<b>\$ 175,095</b>	<b>\$ 2,914,631</b>	<b>\$ 4,993,486</b>

**CITY OF LOCKHART, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2020

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Project Funds	Total
<b>REVENUES</b>				
Property taxes	\$ -	\$ 721,278	\$ -	\$ 721,278
Sales and other taxes	105,328	-	-	105,328
Fines, fees, and forfeitures	827,082	-	-	827,082
Intergovernmental and grants	308,872	-	-	308,872
Investment	12,707	5,832	33,574	52,113
Miscellaneous	-	59,523	-	59,523
<b>Total revenues</b>	<u>1,253,989</u>	<u>786,633</u>	<u>33,574</u>	<u>2,074,196</u>
<b>EXPENDITURES</b>				
Current				
General government	34,391	-	-	34,391
Public safety	320,399	-	-	320,399
Public works	113,134	-	4,311	117,445
Culture and recreation	1,075	-	-	1,075
Capital outlay	-	-	551,827	551,827
Debt service				
Principal retirement	-	727,163	-	727,163
Interest and fiscal charges	-	432,504	-	432,504
Paying agent and issue costs	-	800	-	800
<b>Total expenditures</b>	<u>468,999</u>	<u>1,160,467</u>	<u>556,138</u>	<u>2,185,604</u>
Excess (deficiency) of revenues over expenditures	784,990	(373,834)	(522,564)	(111,408)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	71,820	286,653	-	358,473
Transfers out	(1,143,546)	-	-	(1,143,546)
<b>Total other financing sources (uses)</b>	<u>(1,071,726)</u>	<u>286,653</u>	<u>-</u>	<u>(785,073)</u>
Net change in fund balances	(286,736)	(87,181)	(522,564)	(896,481)
Fund balances - beginning	<u>1,329,908</u>	<u>203,016</u>	<u>3,437,195</u>	<u>4,970,119</u>
<b>Fund balances - ending</b>	<u>\$ 1,043,172</u>	<u>\$ 115,835</u>	<u>\$ 2,914,631</u>	<u>\$ 4,073,638</u>

**CITY OF LOCKHART, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**September 30, 2020**

	Radio Tower Equipment Replacement	Forfeited Property	Hotel / Motel Occupancy Tax	CARES Relief Grant	Road Impact Fees #1	Road Impact Fees #2
<b>ASSETS</b>						
Current assets						
Cash and cash equivalents	\$ 25,822	\$ 10,737	\$ 50,450	\$ -	\$ 642,532	\$ 250,977
Receivables (net)	-	-	21,145	-	-	-
Due from other governments	-	-	-	398,220	-	-
Prepaid expenditures	-	-	-	79,393	-	-
<b>Total assets</b>	<b>\$ 25,822</b>	<b>\$ 10,737</b>	<b>\$ 71,595</b>	<b>\$ 477,613</b>	<b>\$ 642,532</b>	<b>\$ 250,977</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ 5,418	\$ -	\$ -
Due to other funds	-	-	7,579	392,802	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>7,579</b>	<b>398,220</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	-	-	-	398,220	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>398,220</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>						
Nonspendable						
Prepaid expenditures	-	-	-	79,393	-	-
Restricted						
General government	-	-	-	-	-	-
Tourism	-	-	64,016	-	-	-
Public safety	25,822	10,737	-	-	-	-
Public works	-	-	-	-	642,532	250,977
Unassigned	-	-	-	(398,220)	-	-
<b>Total fund balances</b>	<b>25,822</b>	<b>10,737</b>	<b>64,016</b>	<b>(318,827)</b>	<b>642,532</b>	<b>250,977</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 25,822</b>	<b>\$ 10,737</b>	<b>\$ 71,595</b>	<b>\$ 477,613</b>	<b>\$ 642,532</b>	<b>\$ 250,977</b>



<u>Municipal Court Technology</u>	<u>Radio System Maintenance</u>	<u>Municipal Court Security</u>	<u>Child Safety</u>	<u>Court Efficiency</u>	<u>Juvenile Case Manager</u>	<u>Truancy Court</u>
\$ -	\$ 22,819	\$ 11,293	\$ 30,203	\$ 15,978	\$ 38,420	\$ 6,958
2,496	-	2,256	2,357	1,527	2,383	1,029
-	-	-	-	-	-	-
8,484	-	-	-	-	-	-
<u>\$ 10,980</u>	<u>\$ 22,819</u>	<u>\$ 13,549</u>	<u>\$ 32,560</u>	<u>\$ 17,505</u>	<u>\$ 40,803</u>	<u>\$ 7,987</u>
\$ 83	\$ 687	\$ -	\$ -	\$ -	\$ -	\$ -
8,401	-	-	-	-	-	-
<u>8,484</u>	<u>687</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,496	-	2,256	2,357	1,527	2,383	1,029
<u>2,496</u>	<u>-</u>	<u>2,256</u>	<u>2,357</u>	<u>1,527</u>	<u>2,383</u>	<u>1,029</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	22,132	11,293	30,203	15,978	38,420	6,958
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>22,132</u>	<u>11,293</u>	<u>30,203</u>	<u>15,978</u>	<u>38,420</u>	<u>6,958</u>
<u>\$ 10,980</u>	<u>\$ 22,819</u>	<u>\$ 13,549</u>	<u>\$ 32,560</u>	<u>\$ 17,505</u>	<u>\$ 40,803</u>	<u>\$ 7,987</u>

(continued)

**CITY OF LOCKHART, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**September 30, 2020**

	Local Municipal Jury	Cable Education	Trans- portation System Improvmts	Drainage System Improvmts	Law Enforcement Education - Police	Total
<b>ASSETS</b>						
Current assets						
Cash and cash equivalents	\$ 51	\$ 53,095	\$ 103,853	\$ -	\$ 17,902	\$ 1,281,090
Receivables (net)	20	6,678	66,479	30,203	-	136,573
Due from other governments	-	-	-	-	-	398,220
Prepaid expenditures	-	-	-	-	-	87,877
<b>Total assets</b>	<b>\$ 71</b>	<b>\$ 59,773</b>	<b>\$ 170,332</b>	<b>\$ 30,203</b>	<b>\$ 17,902</b>	<b>\$ 1,903,760</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,188
Due to other funds	-	-	-	35,330	-	444,112
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,330</b>	<b>-</b>	<b>450,300</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	20	-	-	-	-	410,288
<b>Total deferred inflows of resources</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>410,288</b>
<b>FUND BALANCES</b>						
Nonspendable						
Prepaid expenditures	-	-	-	-	-	79,393
Restricted						
General government	-	59,773	-	-	-	59,773
Tourism	-	-	-	-	-	64,016
Public safety	51	-	-	-	17,902	179,496
Public works	-	-	170,332	-	-	1,063,841
Unassigned	-	-	-	(5,127)	-	(403,347)
<b>Total fund balances</b>	<b>51</b>	<b>59,773</b>	<b>170,332</b>	<b>(5,127)</b>	<b>17,902</b>	<b>1,043,172</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 71</b>	<b>\$ 59,773</b>	<b>\$ 170,332</b>	<b>\$ 30,203</b>	<b>\$ 17,902</b>	<b>\$ 1,903,760</b>

(concluded)

**CITY OF LOCKHART, TEXAS**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES*

*NONMAJOR SPECIAL REVENUE FUNDS*

*September 30, 2020*

	Radio Tower Equipment Replacement	Forfeited Property	Hotel / Motel Occupancy Tax	CARES Relief Grant	Road Impact Fees #1	Road Impact Fees #2
<b>REVENUES</b>						
Sales and other taxes	\$ -	\$ -	\$ 78,696	\$ -	\$ -	\$ -
Fines, fees, and forfeitures	-	2,603	-	-	4,903	155,373
Intergovernmental and grants	-	-	-	152,779	-	-
Investment	602	102	299	-	6,669	1,328
<b>Total revenues</b>	<u>602</u>	<u>2,705</u>	<u>78,995</u>	<u>152,779</u>	<u>11,572</u>	<u>156,701</u>
<b>EXPENDITURES</b>						
Current						
General government	-	-	20,541	-	-	-
Public safety	36,125	-	-	33,060	-	-
Public works	-	-	-	-	-	-
Culture and recreation	-	-	1,075	-	-	-
<b>Total expenditures</b>	<u>36,125</u>	<u>-</u>	<u>21,616</u>	<u>33,060</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(35,523)	2,705	57,379	119,719	11,572	156,701
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(438,546)	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(438,546)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(35,523)	2,705	57,379	(318,827)	11,572	156,701
Fund balances - beginning	61,345	8,032	6,637	-	630,960	94,276
<b>Fund balances - ending</b>	<u>\$ 25,822</u>	<u>\$ 10,737</u>	<u>\$ 64,016</u>	<u>\$(318,827)</u>	<u>\$642,532</u>	<u>\$250,977</u>

<u>Municipal Court Technology</u>	<u>Radio System Maintenance</u>	<u>Municipal Court Security</u>	<u>Child Safety</u>	<u>Court Efficiency</u>	<u>Juvenile Case Manager</u>	<u>Truancy Court</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,317	-	5,713	5,962	3,864	8,593	903
-	153,852	-	-	-	-	-
-	-	127	287	131	351	66
<u>6,317</u>	<u>153,852</u>	<u>5,840</u>	<u>6,249</u>	<u>3,995</u>	<u>8,944</u>	<u>969</u>
-	-	-	-	-	-	-
12,914	230,735	6,237	-	-	441	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>12,914</u>	<u>230,735</u>	<u>6,237</u>	<u>-</u>	<u>-</u>	<u>441</u>	<u>-</u>
(6,597)	(76,883)	(397)	6,249	3,995	8,503	969
10,120	61,700	-	-	-	-	-
-	-	-	-	-	-	-
<u>10,120</u>	<u>61,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3,523	(15,183)	(397)	6,249	3,995	8,503	969
(3,523)	37,315	11,690	23,954	11,983	29,917	5,989
<u>\$ -</u>	<u>\$ 22,132</u>	<u>\$ 11,293</u>	<u>\$ 30,203</u>	<u>\$ 15,978</u>	<u>\$ 38,420</u>	<u>\$ 6,958</u>

(continued)

**CITY OF LOCKHART, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**NONMAJOR SPECIAL REVENUE FUNDS**

September 30, 2020

	Local Municipal Jury	Cable Education	Trans- portation System Improvmts	Drainage System Improvmts	Law Enforcement Education - Police	Total
<b>REVENUES</b>						
Sales and other taxes	\$ -	\$ 26,632	\$ -	\$ -	\$ -	\$ 105,328
Fines, fees, and forfeitures	51	-	434,239	198,561	-	827,082
Intergovernmental and grants	-	-	-	-	2,241	308,872
Investment	-	489	1,067	1,016	173	12,707
<b>Total revenues</b>	<u>51</u>	<u>27,121</u>	<u>435,306</u>	<u>199,577</u>	<u>2,414</u>	<u>1,253,989</u>
<b>EXPENDITURES</b>						
Current						
General government	-	13,850	-	-	-	34,391
Public safety	-	-	-	-	887	320,399
Public works	-	-	3,014	110,120	-	113,134
Culture and recreation	-	-	-	-	-	1,075
<b>Total expenditures</b>	<u>-</u>	<u>13,850</u>	<u>3,014</u>	<u>110,120</u>	<u>887</u>	<u>468,999</u>
Excess (deficiency) of revenues over expenditures	51	13,271	432,292	89,457	1,527	784,990
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	71,820
Transfers out	-	-	(450,000)	(255,000)	-	(1,143,546)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(450,000)</u>	<u>(255,000)</u>	<u>-</u>	<u>(1,071,726)</u>
Net change in fund balances	51	13,271	(17,708)	(165,543)	1,527	(286,736)
Fund balances - beginning	-	46,502	188,040	160,416	16,375	1,329,908
<b>Fund balances - ending</b>	<u>\$ 51</u>	<u>\$ 59,773</u>	<u>\$ 170,332</u>	<u>\$ (5,127)</u>	<u>\$ 17,902</u>	<u>\$ 1,043,172</u>

(concluded)

**CITY OF LOCKHART, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
September 30, 2020

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2009 Certificates of Obligation	2015 Certificates of Obligation	Total
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	\$ 33,205	\$ 15,000	\$ 270,747	\$ 2,595,679	\$2,914,631
<b>Total assets</b>	<u>\$ 33,205</u>	<u>\$ 15,000</u>	<u>\$ 270,747</u>	<u>\$ 2,595,679</u>	<u>\$2,914,631</u>
<b>LIABILITIES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>FUND BALANCES</b>					
Restricted					
Various capital projects	33,205	15,000	270,747	2,595,679	2,914,631
<b>Total fund balances</b>	<u>33,205</u>	<u>15,000</u>	<u>270,747</u>	<u>2,595,679</u>	<u>2,914,631</u>
<b>Total liabilities and fund balances</b>	<u>\$ 33,205</u>	<u>\$ 15,000</u>	<u>\$ 270,747</u>	<u>\$ 2,595,679</u>	<u>\$2,914,631</u>

**CITY OF LOCKHART, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECT FUNDS**

September 30, 2020

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2009 Certificates of Obligation	2015 Certificates of Obligation	Total
<b>REVENUES</b>					
Investment	\$ 346	\$ -	\$ 2,868	\$ 30,360	\$ 33,574
<b>Total revenues</b>	<u>346</u>	<u>-</u>	<u>2,868</u>	<u>30,360</u>	<u>33,574</u>
<b>EXPENDITURES</b>					
Current					
Public works	-	-	4,311	-	4,311
Capital outlay	-	-	-	551,827	551,827
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>4,311</u>	<u>551,827</u>	<u>556,138</u>
Excess (deficiency) of revenues over expenditures	346	-	(1,443)	(521,467)	(522,564)
Fund balances - beginning	<u>32,859</u>	<u>15,000</u>	<u>272,190</u>	<u>3,117,146</u>	<u>3,437,195</u>
<b>Fund balances - ending</b>	<u>\$ 33,205</u>	<u>\$ 15,000</u>	<u>\$ 270,747</u>	<u>\$ 2,595,679</u>	<u>\$ 2,914,631</u>

DEBT SERVICE FUND



**CITY OF LOCKHART, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUND - DEBT SERVICE FUND  
 For the year ended September 30, 2020  
 With comparative totals for the year ended September 30, 2019

	2020			2019
	Final Budget	Actual	Variance Positive (Negative)	Actual
<b>REVENUES</b>				
Taxes				
Ad valorem	\$ 726,287	\$ 721,278	\$ (5,009)	\$ 709,460
Investment	6,500	5,832	(668)	15,090
Miscellaneous	48,103	59,523	11,420	59,498
<b>Total revenues</b>	<u>780,890</u>	<u>786,633</u>	<u>5,743</u>	<u>784,048</u>
<b>EXPENDITURES</b>				
Debt service				
Principal retirement	727,163	727,163	-	690,799
Interest and fiscal charges	333,880	432,504	(98,624)	456,409
Paying agent fees and issue costs	800	800	-	800
<b>Total expenditures</b>	<u>1,061,843</u>	<u>1,160,467</u>	<u>(98,624)</u>	<u>1,148,008</u>
Excess (deficiency) of revenues over expenditures	(280,953)	(373,834)	(92,881)	(363,960)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	286,653	286,653	-	326,302
<b>Total other financing sources (uses)</b>	<u>286,653</u>	<u>286,653</u>	<u>-</u>	<u>326,302</u>
Net change in fund balance	\$ <u>5,700</u>	(87,181)	\$ <u>(92,881)</u>	(37,658)
Fund balance at beginning of year		<u>203,016</u>		<u>240,674</u>
<b>Fund balance at end of year</b>		<u>\$ 115,835</u>		<u>\$ 203,016</u>

**NONMAJOR ENTERPRISE FUNDS**

**Sanitation Fund** - Accounts for operations of the solid waste removal services provided to the residents of the City through a private company.

**Airport Fund** - Accounts for the operation of the City's airport.

**CITY OF LOCKHART, TEXAS**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
*September 30, 2020*

	<u>Sanitation</u>	<u>Airport</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 732,259	\$ 236,009	\$ 968,268
Receivables (net)	296,304	500	296,804
Total current assets	<u>1,028,563</u>	<u>236,509</u>	<u>1,265,072</u>
Noncurrent assets			
Capital assets			
Land and other assets not being depreciated	120,409	72,161	192,570
Buildings, improvements, and equipment (net)	<u>97,542</u>	<u>1,301,922</u>	<u>1,399,464</u>
Total noncurrent assets	<u>217,951</u>	<u>1,374,083</u>	<u>1,592,034</u>
<b>Total assets</b>	<u>1,246,514</u>	<u>1,610,592</u>	<u>2,857,106</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflow related to pension	19,013	-	19,013
Deferred outflow related to OPEB	<u>3,157</u>	-	<u>3,157</u>
<b>Total deferred outflows of resources</b>	<u>22,170</u>	<u>-</u>	<u>22,170</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	169,469	3,022	172,491
Payroll related payables	7,375	265	7,640
Customer deposits	150	4,725	4,875
Accrued compensated absences	<u>6,332</u>	<u>657</u>	<u>6,989</u>
Total current liabilities	<u>183,326</u>	<u>8,669</u>	<u>191,995</u>
Noncurrent liabilities			
Net pension liability	95,361	-	95,361
OPEB liability	<u>24,058</u>	-	<u>24,058</u>
Total noncurrent liabilities	<u>119,419</u>	<u>-</u>	<u>119,419</u>
<b>Total liabilities</b>	<u>302,745</u>	<u>8,669</u>	<u>311,414</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflow related to pension	36,154	-	36,154
Deferred inflow related to OPEB	<u>1,168</u>	-	<u>1,168</u>
<b>Total deferred inflows of resources</b>	<u>37,322</u>	<u>-</u>	<u>37,322</u>
<b>NET POSITION</b>			
Net investment in capital assets	217,951	1,374,083	1,592,034
Unrestricted	<u>710,666</u>	<u>227,840</u>	<u>938,506</u>
<b>Total net position</b>	<u>\$ 928,617</u>	<u>\$ 1,601,923</u>	<u>\$ 2,530,540</u>

**CITY OF LOCKHART, TEXAS****COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION****NONMAJOR ENTERPRISE FUNDS**

For the year ended September 30, 2020

	<u>Sanitation</u>	<u>Airport</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,979,065	\$ 82,809	\$ 2,061,874
Miscellaneous	2,798	-	2,798
Total operating revenues	<u>1,981,863</u>	<u>82,809</u>	<u>2,064,672</u>
<b>OPERATING EXPENSES</b>			
Personnel services	258,634	9,822	268,456
Contracts and services	1,299,016	10,021	1,309,037
Materials and supplies	8,956	-	8,956
Maintenance and repairs	5,716	7,349	13,065
Depreciation	20,090	53,415	73,505
Total operating expenses	<u>1,592,412</u>	<u>80,607</u>	<u>1,673,019</u>
<b>Operating income before nonoperating revenues (expenses) and transfers</b>	389,451	2,202	391,653
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	6,346	2,086	8,432
Gain (loss) on disposition of capital assets	-	2,500	2,500
Noncapital grants and contributions	-	7,443	7,443
Net nonoperating revenues (expenses)	<u>6,346</u>	<u>12,029</u>	<u>18,375</u>
Income (loss) before transfers	395,797	14,231	410,028
Transfers out	<u>(265,303)</u>	<u>-</u>	<u>(265,303)</u>
Change in net position	130,494	14,231	144,725
Net position - beginning	<u>798,123</u>	<u>1,587,692</u>	<u>2,385,815</u>
<b>Net position - ending</b>	<u>\$ 928,617</u>	<u>\$ 1,601,923</u>	<u>\$ 2,530,540</u>

**CITY OF LOCKHART, TEXAS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
For the year ended September 30, 2020

	<u>Sanitation</u>	<u>Airport</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 1,964,072	\$ 82,519	\$ 2,046,591
Cash payments to suppliers for goods and services	(1,249,607)	(15,349)	(1,264,956)
Cash payments to employees for services	(222,971)	(9,673)	(232,644)
<b>Net cash provided by operating activities</b>	<u>491,494</u>	<u>57,497</u>	<u>548,991</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Noncapital grants and contributions	-	7,443	7,443
Transfers out to other funds	(265,303)	-	(265,303)
<b>Net cash provided (used) by noncapital financing activities</b>	<u>(265,303)</u>	<u>7,443</u>	<u>(257,860)</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(62,529)	(16,290)	(78,819)
Proceeds from sale of capital assets	-	2,627	2,627
<b>Net cash provided (used) by capital financing activities</b>	<u>(62,529)</u>	<u>(13,663)</u>	<u>(76,192)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income	6,346	2,086	8,432
<b>Net cash provided (used) by investing activities</b>	<u>6,346</u>	<u>2,086</u>	<u>8,432</u>
Net increase in cash and cash equivalents	170,008	53,363	223,371
Cash and cash equivalents at beginning of year	562,251	182,646	744,897
<b>Cash and cash equivalents at end of year</b>	<u>\$ 732,259</u>	<u>\$ 236,009</u>	<u>\$ 968,268</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ 389,451	\$ 2,202	\$ 391,653
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	20,090	53,415	73,505
Change in assets and liabilities:			
(Increase) decrease in receivables	(17,791)	-	(17,791)
(Increase) decrease in deferred outflow related to pension	27,493	-	27,493
(Increase) decrease in deferred outflow related to OPEB	(2,725)	-	(2,725)
Increase (decrease) in accounts payable	64,081	2,021	66,102
Increase (decrease) in payroll related payables	864	43	907
Increase (decrease) in unearned revenue	-	(290)	(290)
Increase (decrease) in accrued compensated absences	152	106	258
Increase (decrease) in net pension liability	(31,700)	-	(31,700)
Increase (decrease) in OPEB liability	7,260	-	7,260
Increase (decrease) in deferred inflow related to pension	33,922	-	33,922
Increase (decrease) in deferred inflow related to OPEB	397	-	397
<b>Net cash provided by operating activities</b>	<u>\$ 491,494</u>	<u>\$ 57,497</u>	<u>\$ 548,991</u>

## FIDUCIARY FUNDS

**Fiduciary Funds** are used to account for and report assets held in trust for others.

**Private Purpose Trust Funds** - Used to account for resources legally held in trust for use by organizations that are separate from the City. All resources of these funds, including any earnings on invested resources, may be used to support the organizations' activities. There is no requirement that any portion of these resources be preserved as capital.

**Agency Funds** - Custodial in nature and are used to account for the receipt, temporary investment, and remittance of resources to third parties. Because of the nature of these funds, they do not present results of operations or have a measurement focus.

**CITY OF LOCKHART, TEXAS**  
**COMBINING STATEMENT OF NET POSITION**  
**FIDUCIARY FUNDS**  
*September 30, 2020*

	Private Purpose Trusts		Total
	Glosserman Trust	Brock Cabin Trust	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 539	\$ 12	\$ 551
<b>Total assets</b>	<u>539</u>	<u>12</u>	<u>551</u>
<b>LIABILITIES</b>			
Due to others	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>			
Held for various purposes	\$ 539	\$ 12	\$ 551

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Agency Funds

<u>Confiscated Property</u>	<u>Unclaimed Property</u>	<u>Bicycle Helmet</u>	<u>Total</u>
\$ 17,447	\$ 10,002	\$ 1,117	\$ 28,566
<u>\$ 17,447</u>	<u>\$ 10,002</u>	<u>\$ 1,117</u>	<u>\$ 28,566</u>
\$ 17,447	\$ 10,002	\$ 1,117	\$ 28,566
<u>\$ 17,447</u>	<u>\$ 10,002</u>	<u>\$ 1,117</u>	<u>\$ 28,566</u>



**CITY OF LOCKHART, TEXAS****COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION****PRIVATE PURPOSE TRUSTS**

For the year ended September 30, 2020

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	Glosserman Trust	Brock Cabin Trust	Total
<b>ADDITIONS</b>			
Investment income	\$ 5	\$ 4	\$ 9
<b>Total additions</b>	<u>5</u>	<u>4</u>	<u>9</u>
<b>DEDUCTIONS</b>			
Operating expenses	-	1,239	1,239
<b>Total deductions</b>	<u>-</u>	<u>1,239</u>	<u>1,239</u>
Change in net position	5	(1,235)	(1,230)
Net position - beginning	<u>534</u>	<u>1,247</u>	<u>1,781</u>
<b>Net position - ending</b>	<u>\$ 539</u>	<u>\$ 12</u>	<u>\$ 551</u>

**CITY OF LOCKHART, TEXAS**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
*For the year ended September 30, 2020*

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
<b>CONFISCATED PROPERTY</b>				
Assets				
Cash and cash equivalents	\$ 11,470	\$ 5,977	\$ -	\$ 17,447
Liabilities				
Due to others	\$ 11,470	\$ 5,977	\$ -	\$ 17,447
<b>UNCLAIMED PROPERTY</b>				
Assets				
Cash and cash equivalents	\$ 9,356	\$ 883	\$ 237	\$ 10,002
Liabilities				
Due to others	\$ 9,356	\$ 883	\$ 237	\$ 10,002
<b>BICYCLE HELMET</b>				
Assets				
Cash and cash equivalents	\$ 1,105	\$ 12	\$ -	\$ 1,117
Liabilities				
Due to others	\$ 1,105	\$ 12	\$ -	\$ 1,117
<b>TOTAL - ALL AGENCY FUNDS</b>				
Assets				
Cash and cash equivalents	\$ 21,931	\$ 6,872	\$ 237	\$ 28,566
<b>Total assets</b>	<b>\$ 21,931</b>	<b>\$ 6,872</b>	<b>\$ 237</b>	<b>\$ 28,566</b>
Liabilities				
Due to others	\$ 21,931	\$ 6,872	\$ 237	\$ 28,566
<b>Total liabilities</b>	<b>\$ 21,931</b>	<b>\$ 6,872</b>	<b>\$ 237</b>	<b>\$ 28,566</b>

**STATISTICAL SECTION**

## STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.....	106
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property taxes and water and sewer revenues.....	117
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future .....	132
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.....	137
<b>Operating Information</b> These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.....	139

**CITY OF LOCKHART, TEXAS**  
**NET POSITION BY COMPONENT (1)**  
*Last ten fiscal years*

	Fiscal Year			
	2011	2012	2013	2014
<b>Governmental activities</b>				
Net investment in capital assets	\$ 19,526,461	\$ 18,958,675	\$ 18,393,579	\$ 16,591,140
Restricted	1,061,870	910,946	1,162,143	2,123,629
Unrestricted	3,304,898	3,139,585	2,880,516	2,859,520
<b>Total governmental activities net position</b>	<b>\$ 23,893,229</b>	<b>\$ 23,009,206</b>	<b>\$ 22,436,238</b>	<b>\$ 21,574,289</b>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 10,801,725	\$ 12,161,005	\$ 10,349,284	\$ 10,193,932
Restricted	361,783	363,365	3,449,423	2,924,473
Unrestricted	8,568,802	7,710,870	7,243,346	8,125,881
<b>Total business-type activities net position</b>	<b>\$ 19,732,310</b>	<b>\$ 20,235,240</b>	<b>\$ 21,042,053</b>	<b>\$ 21,244,286</b>
<b>Primary government</b>				
Net investment in capital assets	\$ 30,328,186	\$ 31,119,680	\$ 28,742,863	\$ 26,785,072
Restricted	1,423,653	1,274,311	4,611,566	5,048,102
Unrestricted	11,873,700	10,850,455	10,123,862	10,985,401
<b>Total primary government activities net position</b>	<b>\$ 43,625,539</b>	<b>\$ 43,244,446</b>	<b>\$ 43,478,291</b>	<b>\$ 42,818,575</b>

(1) Accrual basis of accounting

NOTES The City implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard.

The City implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this new standard.

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 16,376,825	\$ 15,001,030	\$ 14,162,688	\$ 13,774,228	\$ 12,648,711	\$ 12,104,249
1,211,989	1,093,907	1,141,195	1,396,101	1,571,133	1,603,237
<u>1,328,814</u>	<u>2,137,425</u>	<u>1,886,148</u>	<u>1,823,314</u>	<u>1,972,882</u>	<u>3,267,369</u>
<u>\$ 18,917,628</u>	<u>\$ 18,232,362</u>	<u>\$ 17,190,031</u>	<u>\$ 16,993,643</u>	<u>\$ 16,192,726</u>	<u>\$ 16,974,855</u>
\$ 15,283,769	\$ 15,074,665	\$ 16,507,663	\$ 16,961,238	\$ 17,492,757	\$ 13,434,710
1,023,082	1,071,089	1,163,687	1,421,535	1,661,480	2,034,582
<u>5,315,836</u>	<u>7,979,875</u>	<u>7,489,601</u>	<u>8,791,362</u>	<u>9,434,557</u>	<u>13,521,238</u>
<u>\$ 21,622,687</u>	<u>\$ 24,125,629</u>	<u>\$ 25,160,951</u>	<u>\$ 27,174,135</u>	<u>\$ 28,588,794</u>	<u>\$ 28,990,530</u>
\$ 31,660,594	\$ 30,075,695	\$ 30,670,351	\$ 30,735,466	\$ 30,141,468	\$ 25,538,959
2,235,071	2,164,996	2,304,882	2,817,636	3,232,613	3,637,819
<u>6,644,650</u>	<u>10,117,300</u>	<u>9,375,749</u>	<u>10,614,676</u>	<u>11,407,439</u>	<u>16,788,607</u>
<u>\$ 40,540,315</u>	<u>\$ 42,357,991</u>	<u>\$ 42,350,982</u>	<u>\$ 44,167,778</u>	<u>\$ 44,781,520</u>	<u>\$ 45,965,385</u>

**CITY OF LOCKHART, TEXAS**  
**CHANGES IN NET POSITION (1)**  
*Last ten fiscal years*

	2011	2012	2013	2014
<b>Governmental activities</b>				
Expenses				
General government	\$ 1,390,295	\$ 1,191,024	\$ 1,952,419	\$ 2,096,530
Public safety	5,790,930	5,599,728	5,550,020	5,584,295
Public works	2,829,285	2,870,543	2,509,328	2,507,776
Health and welfare	5,086	5,834	26,528	6,091
Culture and recreation	807,824	823,923	783,053	771,470
Interest on long-term debt	489,844	456,409	416,095	383,683
Total expenses	<u>11,313,264</u>	<u>10,947,461</u>	<u>11,237,443</u>	<u>11,349,845</u>
Program revenues				
Charges for services				
General government	649,335	527,226	517,628	608,232
Public safety	1,520,339	1,028,070	1,180,320	1,362,136
Public works	-	-	-	-
Health and welfare	-	11,498	-	-
Culture and recreation	30,080	28,384	32,437	27,773
Operating grants and contributions	178,104	842,045	935,161	432,581
Capital grants and contributions	133,700	156,886	157,320	103,808
Total program revenues	<u>2,511,558</u>	<u>2,594,109</u>	<u>2,822,866</u>	<u>2,534,530</u>
Total governmental activities net program expense	(8,801,706)	(8,353,352)	(8,414,577)	(8,815,315)
General revenues and other changes in net position				
Taxes				
Property taxes, general	2,860,273	2,869,130	2,843,226	2,933,089
Property taxes, debt service	542,098	542,274	538,316	555,028
Sales taxes	1,213,592	1,292,841	1,296,151	1,381,748
Franchise taxes	293,304	293,375	308,180	319,982
Other taxes	99,570	104,650	81,614	93,825
Unrestricted investment earnings	14,162	24,992	22,967	18,355
Miscellaneous	351,463	195,425	162,186	505,461
Transfers	2,314,129	2,146,642	2,588,969	2,595,561
Total general revenues and other changes in net position	<u>7,688,591</u>	<u>7,469,329</u>	<u>7,841,609</u>	<u>8,403,049</u>
<b>Total governmental activities change in net position</b>	<u>\$ (1,113,115)</u>	<u>\$ (884,023)</u>	<u>\$ (572,968)</u>	<u>\$ (412,266)</u>

	2015	2016	2017	2018	2019	2020
\$	2,476,203	\$ 1,879,383	\$ 2,083,166	\$ 2,045,364	\$ 2,232,343	\$ 2,455,580
	5,626,336	5,230,470	5,086,371	5,401,024	5,799,256	5,703,143
	2,448,572	2,586,206	2,644,292	3,084,192	3,552,691	3,153,763
	13,489	17,068	22,137	16,326	18,250	144,615
	964,757	933,135	1,006,038	1,077,697	1,041,842	1,052,444
	612,529	621,121	459,629	441,769	415,242	391,300
	<u>12,141,886</u>	<u>11,267,383</u>	<u>11,301,633</u>	<u>12,066,372</u>	<u>13,059,624</u>	<u>12,900,845</u>
	1,131,977	191,100	181,313	223,254	601,870	730,384
	1,531,653	330,826	334,769	1,005,749	295,192	355,773
	-	723,832	549,097	423,575	291,604	358,837
	-	-	-	-	-	-
	28,878	33,926	32,699	37,991	29,589	8,943
	391,200	615,542	202,393	566,039	579,539	1,037,366
	-	-	-	278,000	96,263	257,055
	<u>3,083,708</u>	<u>1,895,226</u>	<u>1,300,271</u>	<u>2,534,608</u>	<u>1,894,057</u>	<u>2,748,358</u>
	(9,058,178)	(9,372,157)	(10,001,362)	(9,531,764)	(11,165,567)	(10,152,487)
	2,975,409	3,016,649	3,217,538	3,620,758	3,914,885	4,276,918
	561,588	687,845	692,161	704,442	697,336	714,253
	1,484,020	1,478,065	1,549,695	1,650,931	1,767,048	1,992,939
	325,911	316,353	312,433	357,278	360,589	349,849
	106,712	132,234	96,529	106,756	111,841	102,063
	23,881	59,851	99,353	190,320	283,700	119,746
	493,852	239,590	289,291	192,281	184,509	233,320
	<u>2,356,889</u>	<u>2,448,575</u>	<u>2,896,410</u>	<u>3,094,654</u>	<u>3,044,742</u>	<u>3,145,528</u>
	<u>8,328,262</u>	<u>8,379,162</u>	<u>9,153,410</u>	<u>9,917,420</u>	<u>10,364,650</u>	<u>10,934,616</u>
\$	<u>(729,916)</u>	<u>(992,995)</u>	<u>(847,952)</u>	<u>385,656</u>	<u>(800,917)</u>	<u>782,129</u>

(continued)



**CITY OF LOCKHART, TEXAS**  
**CHANGES IN NET POSITION (1)**  
*Last ten fiscal years*

	2011	2012	2013	2014
<b>Business-type activities</b>				
Expenses				
Electric	\$ 8,858,995	\$ 8,928,955	\$ 8,722,855	\$ 9,725,877
Water	2,821,798	2,974,676	2,874,616	2,685,091
Wastewater	1,815,146	1,937,230	1,836,078	1,936,142
EMS	-	-	-	-
Sanitation	1,112,592	1,069,763	1,090,003	1,077,505
Airport	76,657	75,469	76,188	79,443
Total expenses	<u>14,685,188</u>	<u>14,986,093</u>	<u>14,599,740</u>	<u>15,504,058</u>
Program revenues				
Charges for services				
Electric	10,599,526	10,678,214	10,388,956	11,521,734
Water	3,400,574	3,193,225	3,050,522	3,100,358
Wastewater	2,038,277	2,065,623	2,108,828	2,188,454
EMS	-	-	-	-
Sanitation	1,315,748	1,323,672	1,349,400	1,332,323
Airport	70,163	70,727	67,799	69,035
Operating grants and contributions	50,251	-	34,606	-
Capital grants and contributions	-	257,900	942,271	37,035
Total program revenues	<u>17,474,539</u>	<u>17,589,361</u>	<u>17,942,382</u>	<u>18,248,939</u>
Total business-type activities net program expense	2,789,351	2,603,268	3,342,642	2,744,881
General revenues and other changes in net position				
Impact fees	67,816	32,398	37,846	218,458
Unrestricted investment earnings	6,848	13,906	15,294	14,881
Miscellaneous	-	-	-	-
Transfers	(2,314,129)	(2,146,642)	(2,588,969)	(2,595,561)
Total general revenues and other changes in net position	<u>(2,239,465)</u>	<u>(2,100,338)</u>	<u>(2,535,829)</u>	<u>(2,362,222)</u>
<b>Total business-type activities change in net position</b>	<u>\$ 549,886</u>	<u>\$ 502,930</u>	<u>\$ 806,813</u>	<u>\$ 382,659</u>
<b>Total primary government change in net position</b>	<u>\$ (563,229)</u>	<u>\$ (381,093)</u>	<u>\$ 233,845</u>	<u>\$ (29,607)</u>

(1) Accrual basis of accounting

NOTES The City implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard.

The City implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this new standard.

	2015	2016	2017	2018	2019	2020
\$	9,753,464	\$ 8,664,234	\$ 8,722,211	\$ 9,132,038	\$ 9,242,068	\$ 8,564,816
	3,258,446	3,257,979	3,545,084	3,428,101	3,224,639	3,908,621
	1,849,338	2,089,407	1,824,111	1,281,066	1,370,942	1,444,482
	-	1,230,254	1,289,014	1,334,506	1,383,128	1,407,549
	1,166,275	1,215,636	1,345,466	1,461,111	1,553,603	1,592,412
	82,646	69,911	76,438	100,130	78,258	80,607
	<u>16,110,169</u>	<u>16,527,421</u>	<u>16,802,324</u>	<u>16,736,952</u>	<u>16,852,638</u>	<u>16,998,487</u>
	12,039,498	10,974,720	11,444,388	12,238,369	12,193,929	11,039,153
	3,090,312	3,100,239	3,287,603	3,336,689	3,267,558	3,555,391
	2,195,102	2,265,298	2,578,386	2,339,875	2,278,003	2,277,346
	-	2,007,847	1,354,810	1,438,174	978,097	1,071,931
	1,402,428	1,464,121	1,593,359	1,708,812	1,872,719	1,981,863
	68,520	68,927	71,489	71,433	89,059	82,809
	11,821	-	7,016	24,925	68,272	44,680
	-	1,042,796	195,261	-	-	23,750
	<u>18,807,681</u>	<u>20,923,948</u>	<u>20,532,312</u>	<u>21,158,277</u>	<u>20,747,637</u>	<u>20,076,923</u>
	2,697,512	4,396,527	3,729,988	4,421,325	3,894,999	3,078,436
	255,462	263,817	83,585	244,561	195,808	296,093
	21,733	61,357	118,159	236,101	368,594	164,183
	6,858	-	-	23,598	-	8,552
	<u>(2,356,889)</u>	<u>(2,448,575)</u>	<u>(2,896,410)</u>	<u>(3,094,654)</u>	<u>(3,044,742)</u>	<u>(3,145,528)</u>
	<u>(2,072,836)</u>	<u>(2,123,401)</u>	<u>(2,694,666)</u>	<u>(2,590,394)</u>	<u>(2,480,340)</u>	<u>(2,676,700)</u>
\$	<u>624,676</u>	<u>2,273,126</u>	<u>1,035,322</u>	<u>1,830,931</u>	<u>1,414,659</u>	<u>401,736</u>
\$	<u>(105,240)</u>	<u>1,280,131</u>	<u>187,370</u>	<u>2,216,587</u>	<u>613,742</u>	<u>1,183,865</u>

(concluded)

**CITY OF LOCKHART, TEXAS**  
**FUND BALANCES, GOVERNMENTAL FUNDS (1)**  
*Last ten fiscal years*

	Fiscal Year			
	2011	2012	2013	2014
General Fund				
Nonspendable				
Prepaid items	\$ 14,428	\$ 19,180	\$ 20,452	\$ 19,116
Inventory	34,896	31,110	32,669	19,327
Restricted	-	94,718	92,510	166,141
Committed	941,384	794,336	745,659	742,680
Unassigned	1,902,921	2,126,968	2,456,454	2,655,076
<b>Total general fund</b>	<b>\$ 2,893,629</b>	<b>\$ 3,066,312</b>	<b>\$ 3,347,744</b>	<b>\$ 3,602,340</b>
All Other Governmental Funds				
Nonspendable				
Prepaid items	\$ -	\$ -	\$ -	\$ 10,373
Restricted				
Retirement of long-term debt	605,361	499,163	515,468	429,226
Special revenue funds	522,734	473,266	590,589	690,237
General government	-	-	-	-
Tourism	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Various capital projects	4,220,049	3,197,595	2,122,420	838,025
Unassigned	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 5,348,144</b>	<b>\$ 4,170,024</b>	<b>\$ 3,228,477</b>	<b>\$ 1,967,861</b>

(1) Modified accrual basis of accounting

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 23,103	\$ 15,728	\$ 23,642	\$ 37,870	\$ 30,627	\$ 27,327
14,578	13,699	11,272	11,563	13,572	9,350
91,955	-	-	-	-	-
602,435	604,252	609,054	553,877	574,446	308,539
<u>3,196,967</u>	<u>3,423,228</u>	<u>3,897,547</u>	<u>4,451,131</u>	<u>5,103,853</u>	<u>6,673,086</u>
<u>\$ 3,929,038</u>	<u>\$ 4,056,907</u>	<u>\$ 4,541,515</u>	<u>\$ 5,054,441</u>	<u>\$ 5,722,498</u>	<u>\$ 7,018,302</u>
\$ 2,673	\$ 4,512	\$ 680	\$ 2,765	\$ -	\$ 79,393
362,919	278,089	285,621	240,674	203,016	115,835
757,115	-	-	-	-	-
-	627,417	664,319	35,067	46,502	59,773
-	8,248	8,485	2,721	6,637	64,016
-	180,153	206,068	227,044	206,600	179,496
-	-	-	903,976	1,073,692	1,063,841
8,386,106	6,792,536	5,160,201	4,531,457	3,437,195	2,914,631
-	-	-	-	(3,523)	(403,347)
<u>\$ 9,508,813</u>	<u>\$ 7,890,955</u>	<u>\$ 6,325,374</u>	<u>\$ 5,943,704</u>	<u>\$ 4,970,119</u>	<u>\$ 4,073,638</u>

**CITY OF LOCKHART, TEXAS**

*CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)*

*Last ten fiscal years*

	Fiscal Year			
	2011	2012	2013	2014
<b>Revenues</b>				
Property taxes	\$ 3,371,583	\$ 3,402,052	\$ 3,381,542	\$ 3,488,117
Sales and other taxes	1,606,466	1,690,866	1,697,976	1,795,555
Fines, fees and forfeitures	1,669,314	1,725,665	1,099,975	824,213
Licenses and permits	92,987	61,138	63,152	147,923
Intergovernmental and grants	585,165	655,203	544,888	381,406
Charges for services	-	45,155	812,579	1,103,401
Investment	14,162	24,991	23,005	18,355
Miscellaneous	446,946	602,542	739,044	502,274
<b>Total revenues</b>	<u>7,786,623</u>	<u>8,207,612</u>	<u>8,362,161</u>	<u>8,261,244</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	1,160,275	1,134,953	1,947,463	1,955,191
Public safety	5,618,557	5,426,686	5,425,960	5,639,925
Public works	1,459,776	1,611,562	974,409	1,006,216
Health and welfare	4,745	5,434	26,176	5,739
Culture and recreation	753,617	772,519	782,139	737,113
Capital outlay	490,958	1,033,268	1,088,877	1,334,223
Debt service				
Principal retirement	927,393	914,253	945,374	795,796
Interest and fiscal charges	494,805	460,616	420,448	388,222
Paying agent and issue costs	400	400	400	400
<b>Total expenditures</b>	<u>10,910,526</u>	<u>11,359,691</u>	<u>11,611,246</u>	<u>11,862,825</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(3,123,903)	(3,152,079)	(3,249,085)	(3,601,581)
<b>Other financing sources (uses)</b>				
Debt issued	-	-	-	-
Premium on issuance of bonds	-	-	-	-
Payment to escrow	-	-	-	-
Transfers in	3,326,029	2,674,959	3,393,219	3,143,246
Transfers out	(1,011,900)	(528,317)	(804,250)	(547,685)
<b>Total other financing sources (uses)</b>	<u>2,314,129</u>	<u>2,146,642</u>	<u>2,588,969</u>	<u>2,595,561</u>
<b>Change in fund balances</b>	<u>\$ (809,774)</u>	<u>\$ (1,005,437)</u>	<u>\$ (660,116)</u>	<u>\$ (1,006,020)</u>
<b>Debt service as a percentage of noncapital expenditures</b>	<u>13.95%</u>	<u>14.02%</u>	<u>13.58%</u>	<u>11.90%</u>

(1) Modified accrual basis of accounting

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 3,531,590	\$ 3,757,254	\$ 3,971,301	\$ 4,352,825	\$ 4,676,453	\$ 5,028,375
1,916,643	1,921,425	1,990,221	2,114,965	2,239,478	2,444,852
1,021,043	1,115,233	927,273	1,227,557	1,127,998	1,190,406
288,438	173,641	125,761	192,622	142,721	243,196
391,200	184,438	202,393	458,624	554,354	866,355
1,383,027	-	-	-	2,200	2,200
23,881	59,851	99,353	190,320	283,700	119,746
493,852	550,390	288,003	323,296	275,443	223,199
<u>9,049,674</u>	<u>7,762,232</u>	<u>7,604,305</u>	<u>8,860,209</u>	<u>9,302,347</u>	<u>10,118,329</u>
1,946,091	1,853,485	1,847,858	1,933,687	2,107,937	2,333,952
5,767,328	4,680,022	4,751,069	5,212,519	5,631,506	5,579,302
930,794	1,069,441	1,168,180	1,727,405	1,601,001	1,948,585
11,970	12,138	17,207	11,396	13,320	139,685
880,443	834,815	890,047	949,731	912,739	1,150,716
665,475	1,589,287	1,818,019	828,872	1,238,106	551,827
358,092	855,322	587,160	601,470	690,799	727,163
825,385	566,342	500,948	483,207	456,409	432,504
132,458	151,889	1,200	1,000	800	800
<u>11,518,036</u>	<u>11,612,741</u>	<u>11,581,688</u>	<u>11,749,287</u>	<u>12,652,617</u>	<u>12,864,534</u>
(2,468,362)	(3,850,509)	(3,977,383)	(2,889,078)	(3,350,270)	(2,746,205)
7,700,735	4,887,402	-	-	-	-
278,388	593,157	-	-	-	-
-	(5,455,484)	-	-	-	-
2,958,448	3,451,810	3,440,098	3,688,600	3,796,267	4,360,894
(601,559)	(1,003,235)	(543,688)	(593,946)	(751,525)	(1,215,366)
<u>10,336,012</u>	<u>2,473,650</u>	<u>2,896,410</u>	<u>3,094,654</u>	<u>3,044,742</u>	<u>3,145,528</u>
\$ <u>7,867,650</u>	\$ <u>(1,376,859)</u>	\$ <u>(1,080,973)</u>	\$ <u>205,576</u>	\$ <u>(305,528)</u>	\$ <u>399,323</u>
<u>10.91%</u>	<u>14.68%</u>	<u>11.64%</u>	<u>10.42%</u>	<u>10.23%</u>	<u>10.14%</u>

**CITY OF LOCKHART, TEXAS****TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (1)***Last ten fiscal years*

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<u>Fiscal Year</u>	<u>Ad Valorem</u>	<u>Penalty and Interest</u>	<u>Sales</u>	<u>Franchise</u>	<u>Hotel/Motel</u>	<u>Other</u>	<u>Total</u>
2011	\$ 3,331,978	\$ 39,605	\$ 1,213,592	\$ 293,304	\$ 88,250	\$ 11,320	\$ 4,978,049
2012	3,351,984	50,068	1,292,841	293,375	93,052	11,598	5,092,918
2013	3,333,978	47,564	1,293,019	308,180	81,614	15,163	5,079,518
2014	3,441,616	46,232	1,381,748	319,982	83,831	10,263	5,283,672
2015	3,487,044	44,546	1,479,056	325,911	100,522	11,154	5,448,233
2016	3,704,494	43,744	1,478,065	339,459	90,542	22,375	5,678,679
2017	3,909,699	58,868	1,549,695	336,068	87,766	19,426	5,961,522
2018	4,304,798	48,027	1,650,931	357,278	82,180	24,576	6,467,790
2019	4,620,916	55,537	1,767,048	360,589	87,078	24,763	6,915,931
2020	4,959,883	68,493	1,992,939	349,849	78,696	23,367	7,473,227

(1) Modified accrual basis of accounting

**CITY OF LOCKHART, TEXAS**

*ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY*

*Last ten fiscal years*

Fiscal Year	Tax Roll	Real Property				Minerals	Less: Tax Exempt Real Property	Total Taxable Assessed Value Before Freeze
		Residential Property	Non-Residential Property	Personal Property				
2011	2010	\$ 409,176,284	\$ 126,629,089	\$ 55,479,950	\$ 10,290	\$ 106,020,524	\$ 485,275,089	
2012	2011	410,135,248	128,443,852	54,648,590	23,060	115,156,405	478,094,345	
2013	2012	416,425,765	129,671,339	46,217,410	14,400	114,848,768	477,480,146	
2014	2013	427,236,194	131,330,390	53,978,110	14,400	118,025,207	494,533,887	
2015	2014	449,920,448	132,450,610	53,836,070	5,040	139,636,140	496,576,028	
2016	2015	469,313,930	135,525,093	55,579,530	7,091	141,581,487	518,844,157	
2017	2016	482,454,757	141,155,970	53,621,290	7,091	144,119,120	533,119,988	
2018	2017	544,551,915	189,973,297	54,203,240	11,626	178,676,169	610,063,909	
2019	2018	574,119,621	214,527,344	57,249,280	10,524	175,188,050	670,718,719	
2020	2019	553,623,275	326,454,397	58,419,990	10,732	206,639,213	731,869,181	

NOTE: Property in the City is reassessed annually. The City assesses property at 100% of actual taxable value for all types of real and personal property. Tax rates are per \$100 of assessed value.

SOURCE: Caldwell County Appraisal District



<u>Total Freeze Taxable</u>	<u>Freeze Adjusted Taxable</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Tax Value Before Freeze Ceiling</u>	<u>Freeze Ceiling</u>	<u>Estimated Tax Value Including Freeze Ceiling</u>	<u>Assessed Value as a Percentage of Actual Value</u>
\$ (66,589,508)	\$ 418,685,581	\$ 0.7292	\$ 3,053,055	\$ (386,607)	\$ 2,666,448	100.00%
(68,288,668)	409,805,677	0.7228	2,962,075	(410,114)	2,551,961	100.00%
(64,845,430)	412,634,716	0.7227	2,982,111	(394,028)	2,588,083	100.00%
(68,854,298)	425,679,589	0.7227	3,076,386	(431,018)	2,645,368	100.00%
(74,867,624)	421,708,404	0.7227	3,047,687	(480,236)	2,567,451	100.00%
(73,449,458)	445,394,699	0.7333	3,266,079	(466,371)	2,799,708	100.00%
(82,590,348)	450,529,640	0.7333	3,303,734	(536,304)	2,767,430	100.00%
(99,921,193)	510,142,716	0.7260	3,703,636	(604,104)	3,099,532	100.00%
(102,926,905)	567,791,814	0.7107	4,035,296	(593,298)	3,441,998	100.00%
(118,099,443)	613,769,738	0.6842	4,199,413	(839,333)	3,360,080	100.00%

**CITY OF LOCKHART, TEXAS**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**PER \$100 OF ASSESSED VALUE**  
*Last ten fiscal years*

Fiscal Year	City Direct Rates			Overlapping Rates					
	Debt Service	General Fund	Total	Lockhart ISD	Plum Creek Underground Water	Plum Creek Conservation District	Caldwell County	Farm to Market Rd	Total
2011	\$ 0.1160	\$ 0.6132	\$ 0.7292	\$ 1.1948	\$ 0.0195	\$ 0.0195	\$ 0.6909	\$ 0.0001	\$ 1.9248
2012	0.1150	0.6078	0.7228	1.1882	0.0200	0.0200	0.6908	0.0001	1.9191
2013	0.1150	0.6077	0.7227	1.1868	0.0210	0.0210	0.6907	0.0001	1.9196
2014	0.1150	0.6077	0.7227	1.1795	0.0220	0.0220	0.6906	0.0001	1.9142
2015	0.1150	0.6077	0.7227	1.4291	0.0220	0.0220	0.6905	0.0001	2.1637
2016	0.1366	0.5967	0.7333	1.3305	0.0215	0.0225	0.7174	0.0001	2.0920
2017	0.1300	0.6033	0.7333	1.3324	0.0215	0.0230	0.7752	0.0001	2.1522
2018	0.1183	0.6077	0.7260	1.3324	0.0214	0.0232	0.7752	0.0001	2.1523
2019	0.1076	0.6031	0.7107	1.3324	0.0214	0.0232	0.7752	0.0001	2.1523
2020	0.0980	0.5862	0.6842	1.2624	0.0207	0.0225	0.7430	0.0001	2.0487

SOURCE: Caldwell County Tax Office

**CITY OF LOCKHART, TEXAS**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**(UNAUDITED)**  
*Current Year and Nine Years Ago*

2020		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Wal-Mart Stores Texas	\$ 10,256,860	1.40%
Economy Realty, LTD	7,986,370	1.09%
Stanton XT VRH Holdings	7,233,980	0.99%
LCRA Transmission Group	6,218,550	0.85%
H.E.B. Grocery	5,413,450	0.74%
Lockhart DMA Housing LLC	5,412,220	0.74%
Lockhart Village Partners	4,004,560	0.55%
Wal-Mart Properties, Inc.	4,000,000	0.55%
Dormae Products, Inc.	3,412,660	0.47%
Boyd Lockhart RE LLC	3,126,120	0.43%
	<u>\$ 57,064,770</u>	<u>7.81%</u>

2011		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
TJ Lambert Construction	\$ 7,407,220	1.53%
Dormae Products, Inc.	4,357,500	0.90%
Lockhart DMA Housing LLC	3,982,460	0.83%
LCRA Transmission Svc Corp	3,592,760	0.75%
H.E.B. Grocery	3,547,240	0.72%
Wal-Mart Properties, Inc.	3,136,970	0.63%
Caterpillar Financial	2,881,000	0.56%
Tri-State Facilities Lockhart, LLC	2,808,410	0.53%
Economy Realty LTD	6,561,300	1.08%
Lockhart Place	2,323,080	0.35%
	<u>\$ 40,597,940</u>	<u>7.88%</u>

SOURCE: Caldwell County Appraisal District

**CITY OF LOCKHART, TEXAS**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
*Last ten fiscal years*

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year (Original Levy)</u>	<u>Adjustments</u>	<u>Total Adjusted Levy</u>	<u>Collections within the Fiscal Year of the Levy</u>	
				<u>Amount</u>	<u>Percentage of Levy</u>
2011	\$ 3,425,914	\$ (62,055)	\$ 3,363,859	\$ 3,258,658	96.87%
2012	3,358,174	(1,511)	3,356,663	3,260,872	97.15%
2013	3,358,263	(12,721)	3,345,542	3,254,196	97.27%
2014	3,441,841	(11,181)	3,430,660	3,350,075	97.65%
2015	3,511,080	(3,381)	3,507,699	3,412,941	97.30%
2016	3,712,656	(4,329)	3,708,327	3,620,368	97.63%
2017	3,896,845	(18,278)	3,878,567	3,798,713	97.94%
2018	4,295,180	38,590	4,333,770	4,226,010	97.51%
2019	4,608,371	(11,053)	4,597,318	4,515,714	98.22%
2020	5,013,498	(12,231)	5,001,267	4,881,568	97.61%

NOTES: Collections do not include penalty and interest.

The information above is presented to illustrate the City's ability to collect the amount it levies for a fiscal year, rather than provide a detailed breakdown of the revenue recognized in a fiscal year.

SOURCE: Caldwell County Tax Office

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Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 96,554	\$ 3,355,212	99.74%
85,078	3,345,950	99.68%
79,406	3,333,602	99.64%
67,807	3,417,882	99.63%
78,770	3,491,711	99.54%
71,450	3,691,818	99.55%
56,099	3,854,812	99.39%
74,742	4,300,752	99.24%
30,288	4,546,002	98.88%
-	4,881,568	97.61%

**CITY OF LOCKHART, TEXAS**  
**ELECTRIC PURCHASED AND CONSUMED**  
*Last ten fiscal years*

Fiscal Year	KWH Electric Purchased	KWH Electric Consumed	KWH Electric Unbilled	Average Percent Unbilled	Total Direct Rate Electric	
					Base Rate	Usage Rate
2011	116,507,675	108,976,737	7,530,938	6%	\$ 10.00	\$ 0.0202
2012	112,093,344	97,543,951	14,549,393	13%	10.00	0.0202
2013	108,361,349	98,539,092	9,822,257	9%	10.82	0.0202
2014	111,416,750	103,167,845	8,248,905	7%	10.82	0.0202
2015	113,918,033	104,171,535	9,746,498	9%	10.82	0.0202
2016	112,447,919	101,868,831	10,579,088	9%	11.32	0.01896
2017	114,910,305	104,995,443	9,914,862	9%	22.20	0.01896
2018	122,944,319	114,446,577	8,497,742	7%	22.60	0.02156
2019	122,837,459	114,115,638	8,721,821	7%	23.10	0.02156
2020	120,845,231	112,276,873	8,568,358	7%	23.10	0.02156

NOTE: Full detail of rate information can be found on schedule titled "Electric Rates".

**CITY OF LOCKHART, TEXAS**

*ELECTRIC RATES*

*Last ten fiscal years*

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	Fiscal Year			
	2011	2012	2013	2014
Electric Rates (per KWH)				
Base Rate	\$ 10.00	\$ 10.00	\$ 10.82	\$ 10.82
Electric Usage Rate				
0 - 1,200 kwh	0.02020	0.02020	0.02020	0.02020
1,201 +	0.02910	0.02910	0.02910	0.02910
+ all kwh	-	-	-	-

NOTE: Increases in electric rates are approved by the City Council.

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 10.82	\$ 11.32	\$ 22.20	\$ 22.60	\$ 23.10	\$ 23.10
0.02020	0.01896	0.01896	0.02156	0.02156	0.02156
0.02910	0.03250	0.03250	0.03510	0.03510	0.03510
-	0.00225	0.00225	0.00225	0.00225	0.00225



**CITY OF LOCKHART, TEXAS**  
**TEN LARGEST ELECTRIC CUSTOMERS**  
**(UNAUDITED)**  
*Current Year and Nine Years Ago*

2020			
<u>Customer</u>	<u>Type of Business</u>	<u>12-Month Electric Consumption per kWh</u>	<u>Percent of Total Billed</u>
MTC/Lockhart Correctional Facility	Private Public Safety	3,724,960	3.29%
H.E.B. Stores	Retail	2,578,000	2.28%
Pure Castings	Retail	2,152,500	1.90%
Livingood Feeds	Retail	1,327,500	1.17%
Caldwell County Jail	Government	1,125,000	0.99%
G.B.R.A.	Service	1,106,640	0.98%
Lockhart High School	Public School	1,074,000	0.95%
Dormae/Serta Products	Production	1,030,200	0.91%
City of Lockhart Parks	Government	1,011,300	0.89%
Bluebonnet Elementary	Public School	983,250	0.87%
2011			
<u>Customer</u>	<u>Type of Business</u>	<u>12-Month Electric Consumption per kWh</u>	<u>Percent of Total Billed</u>
H.E.B. Stores	Retail	2,574,900	2.56%
Dormae/Serta Products	Production	1,423,800	1.41%
Caldwell County Jail	Government	1,401,000	1.39%
G.B.R.A.	Service	1,213,800	1.21%
Livingood Feeds	Retail	1,149,300	1.14%
Lockhart High School	Public School	1,033,200	1.03%
Pinnacle Health	Healthcare	999,840	0.99%
Henderson Controls	Retail	828,000	0.82%
Bluebonnet Elementary	Public School	654,300	0.65%
Kinlock, LLC DBA McDonalds	Service	590,040	0.59%

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**CITY OF LOCKHART, TEXAS**

**WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED**

*Last ten fiscal years*

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<u>Fiscal Year</u>	<u>Gallons of Water Produced</u>	<u>Gallons of Water Consumed</u>	<u>Gallons of Water Unbilled</u>	<u>Average Percent Unbilled</u>	<u>Gallons of Wastewater Treated</u>
2011	608	550	58	10%	416
2012	589	514	75	13%	481
2013	546	465	81	15%	398
2014	534	478	56	11%	414
2015	522	476	46	9%	482
2016	545	461	84	15%	487
2017	544	466	77	14%	451
2018	575	481	95	16%	399
2019	526	460	66	13%	367
2020	553	452	101	18%	373

NOTES: Water and sewer usage rates shown are for 2,001-6,000 gallon usage range.

Gallons produced and consumed are represented in million gallons.

Full detail of rate information can be found on schedule titled "Water and Sewer Rates".

Total Direct Rate			
Water		Sewer	
Base Rate	Usage Rate	Base Rate	Usage Rate
\$ 20.75	\$ 3.90	\$ 14.16	\$ 4.67
20.75	3.90	14.16	4.67
22.10	3.90	15.51	4.67
22.10	3.90	15.51	4.67
22.10	3.90	15.51	4.67
22.10	3.90	15.51	4.67
22.10	3.90	15.51	4.67
22.60	4.50	15.51	4.67
23.10	4.80	15.51	4.67
23.60	4.80	15.51	4.67

**CITY OF LOCKHART, TEXAS**  
**WATER AND SEWER RATES**  
*Last ten fiscal years*

	Fiscal Year			
	2011	2012	2013	2014
Water Rates (per 2,000 gallons)				
Base Rate	\$ 20.75	\$ 20.75	\$ 22.10	\$ 22.10
Water Usage Rate				
2,001-6,000	3.90	3.90	3.90	3.90
6,001-8,000	4.15	4.15	4.15	4.15
8,001-10,000	4.40	4.40	4.40	4.40
>10,001	5.15	5.15	5.15	5.15
Sewer Rates (per 2,000 gallons)				
Base Rate	14.16	14.16	15.51	15.51
Sewer Usage Rate				
>2,000	4.67	4.67	4.67	4.67

NOTES: Increases in water and sewer are approved by the City Council.

Sewer consumption rates for residential customers are based on the average of the last three-month period of December, January, and February that preceded the billing date.

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 22.10	\$ 22.10	\$ 22.10	\$ 22.60	\$ 23.10	\$ 23.60
3.90	3.90	3.90	4.50	4.80	4.80
4.15	4.15	4.15	4.75	5.05	5.05
4.40	4.40	4.40	5.00	5.30	5.30
5.15	5.15	5.15	5.75	6.05	6.05
15.51	15.51	15.51	15.51	15.51	15.51
4.67	4.67	4.67	4.67	4.67	4.67

**CITY OF LOCKHART, TEXAS**  
**TEN LARGEST WATER CUSTOMERS**  
**(UNAUDITED)**  
*Current Year and Nine Years Ago*

2020			
<u>Customer</u>	<u>Type of Business</u>	<u>12-Month Water Consumption</u>	<u>Percent of Total Billed</u>
MTC/Lockhart Correctional Facility	Private Public Safety	54,841	30.64%
Caldwell County Jail	Government	8,902	4.97%
Pinnacle Health Facility	Healthcare	5,180	2.89%
City of Lockhart Airport	Government	4,089	2.28%
Federal Housing - Landing	Government	3,952	2.21%
Wal-Mart Store	Retail	3,082	1.72%
Plum Creek Hospitality	Hospitality	2,965	1.66%
Hill Country Foodworks	Manufacturing	2,718	1.52%
Brite & Shiny Carwash	Service	2,563	1.43%
Town Laundromat	Service	2,062	1.15%
2011			
<u>Customer</u>	<u>Type of Business</u>	<u>12-Month Water Consumption</u>	<u>Percent of Total Billed</u>
Caldwell County Jail	Government	7,931	4.78%
Lockhart High School Track	Public School	6,437	3.88%
Lockhart ISD	Public School	4,811	2.90%
Pinnacle Health Facility	Healthcare	4,765	2.87%
Diversicare Corporation	Healthcare	2,026	1.22%
Federal Housing - Landing	Government	1,879	1.13%
JAADI Corporation	Hospitality	1,689	1.02%
G&G Laundromat	Service	1,612	0.97%
TXI Operations, LP	Service	1,555	0.94%
Brite & Shiny Carwash	Service	1,523	0.92%

**CITY OF LOCKHART, TEXAS**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
*Last ten fiscal years*

Fiscal Year	Governmental Activities				Business-type Activities	
	Certificates of Obligation	General Obligation Bonds	Direct Borrowing Capital Leases	Plus: Issuance Premiums	Certificates of Obligation	General Obligation Bonds
2011	\$ 8,552,366	\$ 2,227,282	\$ 352,141	\$ -	\$ 382,634	\$ 5,202,718
2012	8,225,979	1,812,396	179,161	-	319,021	4,577,604
2013	7,889,937	1,382,225	-	-	250,061	3,927,775
2014	7,539,595	936,771	-	-	180,404	3,253,229
2015	14,875,686	476,031	-	278,388	9,089,313	2,553,969
2016	9,381,395	4,887,402	-	835,806	9,073,608	1,877,593
2017	8,794,235	4,887,052	-	774,293	8,850,765	1,762,948
2018	8,192,765	4,887,052	-	712,782	8,607,235	1,642,948
2019	7,707,775	4,681,243	-	651,271	8,352,225	1,573,757
2020	7,208,875	4,452,980	-	589,760	8,091,125	1,497,018

NOTE: Details regarding the City's outstanding debt can be found in the notes to financial statements.

Business-type Activities					
Direct Borrowings					
Capital Leases	State Infrastructure Loan	Plus: Issuance Premiums	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 2,429,499	\$ -	\$ -	\$ 19,146,640	4.8%	\$ 1,509
2,111,646	-	3,054	17,228,861	4.3%	1,358
1,766,382	3,600,000	2,036	18,818,416	4.7%	1,483
1,420,920	3,459,070	1,018	16,791,007	4.2%	1,323
1,045,473	3,314,617	324,792	31,958,269	8.0%	2,519
643,534	3,166,553	500,572	30,366,463	7.5%	2,393
219,939	3,014,787	468,308	28,772,327	6.9%	2,268
104,350	2,859,227	436,047	27,442,406	6.0%	1,971
86,958	2,699,779	403,786	26,156,794	5.7%	1,879
69,566	2,536,344	371,510	24,817,178	8.5%	1,782



**CITY OF LOCKHART, TEXAS****RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING***Last ten fiscal years*

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Fiscal Year	General Bonded Debt Outstanding				Debt Service Monies Available
	Certificates of Obligation	General Obligation Bonds	Plus: Issuance Premiums	Total	
2011	\$ 8,552,366	\$ 2,227,282	\$ -	\$ 10,779,648	\$ 650,361
2012	8,225,979	1,812,396	-	10,038,375	499,163
2013	7,889,937	1,382,225	-	9,272,162	515,468
2014	7,539,595	936,771	-	8,476,366	429,226
2015	14,875,686	476,031	278,388	15,630,105	362,919
2016	9,381,395	4,887,402	835,806	15,104,603	278,089
2017	8,794,235	4,887,052	774,293	14,455,580	285,621
2018	8,192,765	4,887,052	712,782	13,792,599	240,674
2019	7,707,775	4,681,243	651,271	13,040,289	203,016
2020	7,208,875	4,452,980	589,760	12,251,615	115,835

NOTE: Details regarding the City's outstanding debt can be found in the notes to financial statements.

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<u>Net Bonded Debt</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
\$ 10,129,287	2.12%	\$ 798
9,539,212	2.00%	752
8,756,694	1.77%	690
8,047,140	1.62%	634
15,267,186	2.94%	1,203
14,826,514	2.78%	1,168
14,169,959	2.32%	1,117
13,551,925	2.22%	973
12,837,273	1.91%	922
12,135,780	1.66%	872

**CITY OF LOCKHART, TEXAS**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

(UNAUDITED)

September 30, 2020

	<u>Gross Debt Outstanding</u>		<u>Percentage Applicable to City</u>	<u>Amount Applicable to City</u>
	<u>Date</u>	<u>Amount</u>		
Direct Debt:				
City of Lockhart	9/30/2020	\$ <u>12,251,615</u>	100.00%	\$ <u>12,251,615</u>
Overlapping Debt:				
Caldwell County	9/30/2020	18,660,000	30.86%	5,758,476
Lockhart Independent School District	6/30/2020	<u>65,954,961</u>	47.67%	<u>31,440,730</u>
Total Overlapping Debt		<u>84,614,961</u>		<u>37,199,206</u>
Total		\$ <u>96,866,576</u>		\$ <u>49,450,821</u>

NOTES: There is no legal debt limit for the City. Texas municipalities are not bound by any direct constitutional or statutory maximums as to the amount of obligation bonds which may be issued; however, all local bonds must be submitted to and approved by the State Attorney General. It is the established practice of the Attorney General not to approve a prospective bond issue if it will result in a tax levy for general bonded debt of over \$1.00 for cities under 5,000 population, or \$1.50 for cities over 5,000 population.

The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the City's boundaries and dividing it by each government's total taxable value.

SOURCE: Municipal Advisory Council of Texas

**CITY OF LOCKHART, TEXAS**  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 (UNAUDITED)  
 Last ten fiscal years

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>Personal Income</u>	<u>(2) Per Capita Personal Income</u>	<u>(3) School Enrollment</u>	<u>(4) Unemployment Rate</u>
2011	12,689	\$ 398,637,624	\$ 31,416	4,767	7.4%
2012	12,689	398,637,624	31,416	4,968	6.4%
2013	12,689	398,637,624	31,416	5,130	5.3%
2014	12,689	398,637,624	31,416	5,366	4.2%
2015	12,689	398,637,624	31,416	5,393	4.0%
2016	12,689	404,131,961	31,849	5,699	4.0%
2017	12,689	417,328,521	32,889	5,910	3.4%
2018	13,924	457,946,436	32,889	6,120	3.4%
2019	13,924	457,946,436	32,889	6,160	3.2%
2020	13,924	292,974,884	21,041	6,160	3.2%

NOTES: The unemployment rates are a twelve month average from October through September for Caldwell County.

Decrease in personal income in fiscal year 2020 is due to the coronavirus pandemic.

- SOURCES: (1) Population based on U.S. Census Bureau  
 (2) U.S. Department of Commerce, Bureau of Economic Analysis (for Caldwell County)  
 (3) Lockhart Independent School District  
 (4) U.S. Department of Labor - Bureau of Labor (for Caldwell County)

**CITY OF LOCKHART, TEXAS**  
**PRINCIPAL EMPLOYERS**  
**(UNAUDITED)**  
**Current Year and Nine Years Ago**

2020		
Employer	Employees	Percentage of Total City Employment
Lockhart ISD	661	3.47%
Serta/Dormae Products	174	0.90%
The GEO Group, Inc.	159	0.83%
Pegasus	151	0.79%
H E Butt Grocery	147	0.77%
City of Lockhart	143	0.75%
Wal-Mart	117	0.61%
Golden Age Home	110	0.58%
Chisolm Trail Rehab Center	76	0.40%
Livengood Feed	64	0.34%
	<u>1,802</u>	<u>9.46%</u>

2011		
Employer	Employees	Percentage of Total City Employment
Lockhart ISD	655	3.30%
Walmart	266	1.34%
H E Butt Grocery	180	0.91%
Serta/Dormae Products	177	0.89%
MTC (Lockhart Correctional)	168	0.85%
City of Lockhart	132	0.67%
Pegasus Schools	130	0.66%
Chisolm Trail Nursing	75	0.38%
Parkview Nursing	64	0.32%
Student Transportation	64	0.32%
	<u>1,911</u>	<u>9.63%</u>

SOURCE: Municipal Advisory Council of Texas

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**CITY OF LOCKHART, TEXAS**

**FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**

*Last ten fiscal years*

Function/Program	Fiscal Year			
	2011	2012	2013	2014
General government				
City manager	4.0	3.0	3.0	3.0
City secretary	1.0	1.0	1.0	1.0
Finance	5.0	5.0	5.0	5.0
Municipal court	5.0	5.0	5.0	5.0
Library	9.0	8.0	9.0	9.0
Parks and recreation	7.0	7.0	7.0	6.0
Code enforcement	2.0	2.0	3.0	2.0
Planning and development	5.0	5.0	3.0	4.0
Public safety				
Police	25.0	24.0	26.0	25.0
Communications	10.0	9.0	11.0	10.0
Fire	25.0	18.0	19.0	19.0
Public works				
Public works	3.0	3.0	3.0	3.0
Animal control	7.0	7.0	6.0	6.0
Garage	4.0	4.0	3.0	3.0
Streets	11.0	11.0	12.0	10.0
Electric				
Utility billing	5.0	5.0	6.0	6.0
Utility distribution	9.0	8.0	8.0	7.0
Water/wastewater				
Water operations	6.0	6.0	6.0	6.0
Sewer operations	1.0	1.0	1.0	2.0
Sanitation				
Operations	-	2.0	2.0	1.0
Economic Development	2.0	1.0	2.0	1.0
EMS	29.0	32.0	-	-
<b>Total</b>	<b>175.0</b>	<b>167.0</b>	<b>141.0</b>	<b>134.0</b>

Fiscal Year					
2015	2016	2017	2018	2019	2020
3.0	4.0	4.0	5.0	5.0	5.0
1.0	1.0	1.0	1.0	1.0	1.0
5.0	5.0	5.0	4.0	5.0	5.0
5.0	5.0	4.0	4.0	4.0	4.0
9.0	10.0	9.0	9.0	9.0	9.0
7.0	7.0	7.0	7.0	8.0	8.0
2.0	3.0	3.0	3.0	3.0	3.0
4.0	4.0	4.0	4.0	4.0	4.0
25.0	25.0	28.0	30.0	29.0	27.0
8.0	9.0	9.0	10.0	9.0	9.0
16.0	18.0	15.0	14.0	14.0	13.0
3.0	3.0	3.0	2.0	2.0	2.0
5.0	8.0	8.0	8.0	7.0	6.0
3.0	3.0	3.0	3.0	3.0	3.0
14.0	13.0	12.0	12.0	12.0	12.0
6.0	6.0	5.0	6.0	6.0	6.0
9.0	9.0	9.0	8.0	9.0	9.0
5.0	5.0	5.0	5.0	6.0	6.0
2.0	3.0	3.0	4.0	3.0	3.0
1.0	2.0	2.0	2.0	2.0	2.0
2.0	1.0	2.0	2.0	2.0	2.0
-	-	-	-	-	-
<u>135.0</u>	<u>144.0</u>	<u>141.0</u>	<u>143.0</u>	<u>143.0</u>	<u>139.0</u>

**CITY OF LOCKHART, TEXAS**

*OPERATING INDICATORS BY FUNCTION/PROGRAM*

*Last ten fiscal years*

Function/Program	Fiscal Year			
	2011	2012	2013	2014
General government				
Building permits issued	646	332	345	681
Building inspections conducted	2,049	1,872	1,934	2,433
Public safety				
Police				
Physical arrests	713	648	652	417
Traffic violations	2,893	4,335	3,396	3,372
Fire				
Fire calls	1,731	1,825	1,918	2,111
Public works				
Streets (miles)	65	65	65	65
Culture and recreation				
Parks and recreation				
Park rental	147	120	114	106
Swimming pool				
Single admissions	10,748	8,762	7,624	5,304
Party rentals	64	51	49	47
Electric				
New connections	11	1	10	18
Average daily consumption (kwh)	298,566	267,244	269,970	282,652
Water and wastewater				
Water				
New connections/taps	10	20	21	149
Average daily consumption	1.51 mgd	1.41 mgd	1.27 mgd	1.31 mgd
Peak daily consumption	2.478 mgd	2.625 mgd	2.220 mgd	2.360 mgd
Wastewater				
Average daily sewage treatment	1.14 mgd	1.32 mgd	1.09 mgd	1.13 mgd
EMS				
Ambulance loads	*	*	2,670	2,772

NOTES: \* EMS Ambulance loads not available 2011-2012; EMS was operated by Seton Health Care  
 Increase in building permits issued and electric connections in 2020 are due to new subdivisions and apartments.  
 Increase in streets in 2020 is due to the completion of roadways associated with SH130 and new subdivisions.



Fiscal Year					
2015	2016	2017	2018	2019	2020
604	647	495	444	542	839
1,784	1,613	1,716	2,179	2,282	1,703
398	628	596	934	862	451
1,701	2,149	3,251	5,708	6,281	4,041
1,564	1,386	1,501	1,356	1,406	1,361
65	65	65	65	66	100
75	91	107	73	85	32
7,529	8,554	8,289	6,883	6,596	-
35	50	34	32	33	-
7	9	11	18	23	49
285,401	279,093	287,659	313,552	312,646	307,607
62	139	56	78	61	50
1.30 mgd	1.26 mgd	1.18 mgd	1.32 mgd	1.26 mgd	1.305 mgd
2.192 mgd	2.075 mgd	2.118 mgd	2.263 mgd	2.160 mgd	2.200 mgd
1.32 mgd	1.34 mgd	1.24 mgd	1.09 mgd	1.00 mgd	1.02 mgd
2,867	2,989	3,106	3,207	3,199	3,188

**CITY OF LOCKHART, TEXAS**

*CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM*

*Last ten fiscal years*

Function/Program	Fiscal Year			
	2011	2012	2013	2014
Public safety				
Police				
Stations	1	1	1	1
Patrol units	23	21	22	22
Fire stations	1	1	1	1
Highways and streets				
Streets (miles)	64.7	64.7	64.7	64.7
Streetlights	1,794	1,799	1,810	1,824
School zone flashers	2	2	2	2
Culture and recreation				
Acreage	115	115	115	115
Parks	10	10	10	10
Baseball/softball diamonds	6	6	6	6
Soccer fields	8	8	8	8
Swimming pools	1	1	1	1
Electric				
Electric lines (miles)	75	75	76	77
Number of distribution stations	1	1	1	1
Capacity sold (MWH)	108,976	97,544	98,539	103,168
Water and wastewater				
Water				
Water mains (miles)	87.1	87.1	87.1	87.4
Fire hydrants	625	635	640	650
Storage capacity	1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd
Wastewater				
Sanitary sewers (miles)	76	76	76	76
Storm sewers (miles)	0	0	0	0
Treatment capacity	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd

Fiscal Year						
2015	2016	2017	2018	2019	2020	
1	1	1	1	1	1	1
22	22	26	28	29	26	26
1	1	1	1	2	2	2
64.7	64.7	65.2	65.2	65.9	130.0	
1,825	1,838	1,838	1,844	1,856	1,856	
2	2	2	2	2	2	2
115	115	115	115	115	115	115
10	10	10	10	10	10	10
6	6	6	6	6	6	6
8	8	8	8	8	8	8
1	1	1	1	1	1	1
77	77	77	80	80	80	80
2	2	2	2	2	2	2
104,172	101,869	104,995	114,447	114,116	112,276	
87.4	87.4	92.1	92.1	93.7	100.0	
660	675	685	700	729	721	
1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd
76	76	76	78	79	80.6	
0	0	0	0	0	0	0
2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd

**OVERALL COMPLIANCE AND  
INTERNAL CONTROL SECTION**



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

The Honorable Mayor and Members  
of the City Council  
City of Lockhart, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Lockhart, Texas (the "City") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 3, 2021. The financial statements of the Lockhart Economic Development Corporation were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

The Honorable Mayor and Members  
of the City Council  
City of Lockhart, Texas

Compliance and Other Matters

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

Purpose of this Report

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

*Harrison, Waldrop & Uherek, LLP*

HARRISON, WALDROP & UHEREK, L.L.P.  
Certified Public Accountants

March 3, 2021

**LOCKHART CITY COUNCIL  
REGULAR MEETING**

**FEBRUARY 23, 2021**

**6:30 P.M.**

**CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3<sup>rd</sup> FLOOR,  
LOCKHART, TEXAS**

**Council present:**

Mayor Lew White  
Councilmember Juan Mendoza  
Councilmember Jeffry Michelson

Councilmember Derrick David Bryant  
Councilmember Kara McGregor  
Councilmember Brad Westmoreland

**Council absent:**

Mayor Pro-Tem Angie Gonzales-Sanchez

**Staff present:**

Steven Lewis, City Manager  
Monte Akers, City Attorney  
Sean Kelley, Public Works Director  
Victoria Maranan, Public Information Officer  
Randy Jenkins, Fire Chief

Connie Constancio, City Secretary  
Dan Gibson, City Planner  
Pam Larison, Finance Director  
Ernest Pedraza, Police Chief  
Jesse Bell, Police Captain

**Citizens/Visitors Addressing the Council:**

Citizens: Tristan Flores and Suzy Falgout.  
Virtual attendance: Amanda Haskins of McElroy Metal Mill.

**Work Session 6:30 p.m.**

Mayor White announced that Mayor Pro-Tem Angie Gonzales-Sanchez would not be able to attend the meeting. He opened the work session and advised the Council, staff and the audience that staff would provide information and explanations about the following items:

**DISCUSSION ONLY**

**A. DISCUSS CHAPTER 380 AGREEMENT WITH MCELROY METAL MILL, INC. TO PROVIDE INCENTIVES FOR ECONOMIC DEVELOPMENT.**

Mr. Kamerlander stated that Lockhart EDC has been working with McElroy Metal since March 2020 to locate a new manufacturing plant. McElroy Metal is an industry leading manufacturer of metal roofing, metal siding, and sub structural components founded in 1963. Its products are specified and installed on projects ranging from single family homes to multi-million dollar commercial projects. McElroy Metal is planning to build a 30,000 SF facility initially with plans to expand over time on 10-acres in Lockhart EDC's new 75-acre industrial park off SH 130. The initial investment is \$3,250,000 with 11 full-time jobs over the first 3 years. The Chapter 380 agreement provides a property tax rebate over 5 years to McElroy Metal as long as contract obligations are met over that time. The rebate schedule is: Year 1: 75% rebate; Year 2: 50%; Year 3: 40%; Year 4: 30%; and Year 5: 25%. Estimated total incentive is \$59,645. The net benefit to the City of Lockhart is estimated at \$253,540 over 10 years. Like all 380 agreements in Lockhart, McElroy Metal will pay its annual taxes in full and then report annually on its contract obligations to obtain the rebate due. If the contract obligations are not met, no rebate will be issued. A Chapter 381 with Caldwell County is also being pursued. Mr. Kamerlander recommended approval. There was discussion.

Amanda Haskins, CFO of McElroy Metal Mill, provided information about the Project and stated that Lockhart was the best place for their new facility. She thanked staff and the Council for their support.

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**B. DISCUSS MINUTES OF THE CITY COUNCIL MEETING OF FEBRUARY 2, 2021.**

Mayor White requested corrections to the minutes. There were none.

**C. DISCUSS 2021 CHISHOLM TRAIL ROUNDUP AND MUSIC FESTIVAL FINANCIAL CONTRIBUTION AGREEMENT.**

Mr. Lewis stated that the second week in June, Lockhart celebrates the annual Chisholm Trail Roundup Festival. Due to challenges of the COVID-19 pandemic, the event was not held in 2020. On January 14, 2021, the Lockhart Chamber of Commerce Board of Directors voted to proceed with the 2021 Chisholm Trail Roundup Festival. As a result, the City of Lockhart received a formal request from the Lockhart Chamber of Commerce that funds formerly allocated to the previously planned Kart Races be reallocated to the Lockhart Chamber to partially fund the 2021 Chisholm Trail Roundup Festival. During the January 19, 2021 Council meeting, representatives from the Lockhart Chamber of Commerce provided a presentation to the Council regarding the funding request and answered questions regarding the possibilities of hosting the event in the current COVID-19 environment. The Council expressed a desire to reallocate the funds as requested and directed staff to return with a written proposal for consideration. Section 3 of the Agreement sets forth special conditions relative to funding. There was discussion.

**D. DISCUSS AGREEMENT WITH JACK PEARCE, LLC FOR THE LEASING OF PROPERTIES LOCATED AT EAST MARKET STREET AND SOUTH COMMERCE STREET AND APPROVING THE MAYOR TO SIGN IF ASSIGNMENT OF LEASE IS APPROVED; AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO PURSUE LAND IMPROVEMENTS TO THE PROPERTIES IF APPROVED.**

Mr. Kelley stated that Lockhart's historic and striking Courthouse serves as a central focus for the city. By making the environment surrounding it more pedestrian friendly, residents and visitors alike will be able to enjoy downtown. This is especially relevant now that the improvements will assist with the overflow of customers for downtown businesses while abiding by the Governor's pandemic occupancy restrictions. The creation of an outdoor space with seating will offer another option to business patrons to accommodate customer overflow in a safe setting. After discussion with staff, Jim and Amelia Smith agreed to pursue a one-year lease with the city for the vacant properties located on the southside of the downtown square for the purpose of creating a temporary park. The Smiths plan to develop the property in the future, however they graciously agreed to work with the city to utilize the space in the meantime as a benefit the community.

The proposed terms of the lease include:

- Smoking and outside alcohol on the property is prohibited.
- The City is responsible for all construction and maintenance on the property.
- All utility payments will be the responsibility of the City.
- The City provides \$1,000,000 in liability insurance.
- The property is to be returned to its original or better condition at the expiration of the lease.
- The City assumes responsibility to pay any additional ad valorem taxes, if any occur as a result of the lessee's improvements.
- Term of lease is one-year with automatic one-year renewals until the Agreement is terminated.

Improvements to the property include grading, seeding, seating, lighting and public restrooms.

There was discussion.



**E. DISCUSS ORDINANCE 2021-04 AMENDING THE BUDGET FOR THE GENERAL FUND IN FISCAL YEAR 2020-2021 AS OUTLINED IN BUDGET AMENDMENT 52.**

Ms. Larison stated that if Council approved the lease agreement with Jack Pearce, LLC for the downtown property, the budget amendment will also require Council's consideration in order to use the funds generated from the sale of the property at 728 South Main Street. She provided details about the budget amendment. There was discussion.

**F. DISCUSS ALLOCATION OF FUNDS FROM THE HOTEL OCCUPANCY TAX (HOT) FUND FOR FISCAL YEAR 2020-2021 AS RECOMMENDED BY THE HOT ADVISORY BOARD.**

Ms. Larison stated that on February 4, 2021, the HOT Advisory Board convened to discuss applications for hotel occupancy funding for Fiscal Year 2020-2021. The Board received the following nine applications for review: Lockhart Chamber of Commerce Visitors Center, Lockhart Chamber of Commerce for the Texas Mural Project, Lockhart Chamber of Commerce for the Chisholm Trail Roundup, Lockhart Chamber of Commerce for the Chisholm Trail Rodeo, Greater Caldwell County Hispanic Chamber of Commerce for Cinco de Mayo and Diez y Seis, the Gaslight-Baker Theater, Lockhart Downtown Business Association for the Texas Swing Festival, Caldwell County Historic Jail Museum, and the Southwest Museum of Clocks & Watches. The HOT Advisory Board voted unanimously to allocate funds totaling \$88,000 as follows: Lockhart Chamber of Commerce Visitor's Center - \$25,000; Lockhart Chamber of Commerce Chisholm Trail Roundup - \$25,000; Hispanic Chamber of Commerce Cinco de Mayo/Diez y Seis - \$12,000; Gaslight-Baker Theatre - \$12,000; Lockhart Downtown Association, Texas Swing - \$7,500; Caldwell County Jail Museum - \$4,000; and Southwest Museum of Clocks & Watches - \$2,500. The Board did not recommend allocating funds for the Lockhart Chamber of Commerce Texas Mural Project or the Lockhart Chamber of Commerce Chisholm Trail Rodeo. If allocations are approved, an Agreement will be provided to each entity that is allocated HOT funds. Ms. Larison recommended approval. There was discussion.

**G. DISCUSS THE 2020 RACIAL PROFILING REPORT OF THE LOCKHART POLICE DEPARTMENT.**

Chief Pedraza and Capitan Jesse Bell provided details of the Racial Profiling Report that is submitted to the Texas Commission on Law Enforcement annually.

**H. DISCUSSION REGARDING ISSUING AND CONFIRMING A DECLARATION OF LOCAL DISASTER FOR WINTER WEATHER EMERGENCY.**

Mr. Lewis stated that as a result of the winter weather emergency, the Federal Emergency Management Agency (FEMA) has developed a program to provide public assistance to entities. The Declaration is a formal way to begin the application process for City of Lockhart. He stated that Ms. Larison would provide details about the impact of increases in electric, water and solid waste costs as result of the winter weather storm during the regular meeting.

**I. DISCUSS MAYOR'S DECLARATION OF LOCAL DISASTER REGARDING REQUIRING FACE COVERINGS, AND ADDRESSING OTHER MATTERS RELATED TO COVID-19, IF NECESSARY.**

Chief Jenkins provided details about the inspection results conducted of local businesses' compliance with COVID-19 protocols. There was discussion regarding fines being assessed for non-compliance in the future. Mr. Akers recommended that if the Council chose to pursue issuing fines or warnings for non-compliance, it would be through an ordinance.

RECESS: Mayor White announced that the Council would recess for a break at 7:35 p.m.

**REGULAR MEETING**

**ITEM 1. CALL TO ORDER.**

Mayor Lew White called the meeting to order at 7:50 p.m.

**ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.**

Councilmember Bryant gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

**ITEM 3. PUBLIC COMMENT.**

Mayor White requested citizens to address the Council.

Tristan Flores, 1012 Alex Street, expressed concern about his dog being picked up by the Lockhart Animal Shelter and about how the situation was handled. The animal was shortly thereafter adopted by another family. He requested assistance with his dog being returned to their family. He also requested that the regulations at the shelter be reviewed with staff to ensure staff's compliance of City Ordinances.

**ITEM 4-A. HOLD A PUBLIC HEARING TO DISCUSS AMENDING CHAPTER 64 "ZONING" OF THE LOCKHART CODE OF ORDINANCES, ARTICLE I "IN GENERAL", SECTION 64-2 "DEFINITIONS"; AND ARTICLE VII "ZONING DISTRICTS AND STANDARDS", SECTION 64-196 "ESTABLISHMENT OF ZONING DISTRICTS"; TO DEFINE AND REGULATE ACCESSORY DWELLING UNITS.**

Mayor White opened the public hearing at 7:55 p.m.

Mr. Gibson stated that over the past few years, the city received many e-mails and phone calls from citizens inquiring about whether or not the City allows accessory dwelling units, also known as ADU's. Garage apartments are a form of ADU, and they are sometimes also called by other names such as granny flats (such as when occupied by elderly parents living on the same property as the family of an adult child). Some older houses in Lockhart have had garage apartments for years, since before the City had zoning. Many cities now allow accessory dwelling units, and with appropriate standards, they can be an asset to the community. Due to the high level of interest, staff has drafted an ordinance adding definitions of two classes of accessory dwelling units, and designating the residential zoning district where each class would be allowed by-right or as a specific use. The definitions are self-explanatory in terms of describing what an accessory dwelling unit is. Four citizens spoke at the Planning and Zoning Commission meeting, and their concerns were addressed. Mr. Gibson stated that the Planning and Zoning Commission and staff recommend approval. There was discussion.

Mayor White requested citizens to address the Council in favor of or against the proposed amendments to Chapter 64. There were none. He closed the public hearing at 8:10 p.m.

**ITEM 4-B. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2021-03 AMENDING CHAPTER 64 "ZONING" OF THE CODE OF ORDINANCES, ARTICLE I "IN GENERAL", SECTION 64-2 "DEFINITIONS"; AND ARTICLE VII "ZONING DISTRICTS AND STANDARDS", SECTION 64-196 "ESTABLISHMENT OF ZONING DISTRICTS"; TO DEFINE AND REGULATE ACCESSORY DWELLING UNITS; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PENALTY; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.**

Councilmember McGregor made a motion to approve Ordinance 2021-03, as presented. Councilmember Michelson seconded. The motion passed by a vote of 6-0.

**ITEM 5. CONSENT AGENDA**

Councilmember Michelson made a motion to approve consent agenda items 5A, 5B, 5C and 5D. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0.

The following are the consent agenda items that were approved:

- 5A: Approve minutes of the City Council meeting of February 2, 2021.
- 5B: Approve 2021 Chisholm Trail Roundup and Music Festival Financial Contribution Agreement.
- 5C: Approve agreement with Jack Pearce, LLC for the leasing of properties located at East Market Street and South Commerce Street and approving the Mayor to sign if Assignment of Lease is approved; and authorizing the Public Works Director to pursue land improvements to the properties if approved.
- 5D: Approve Ordinance 2021-04 amending the budget for the General Fund in Fiscal Year 2020-2021 as outlined in Budget Amendment 52.

**ITEM 6-A. DISCUSSION AND/OR ACTION TO CONSIDER CHAPTER 380 AGREEMENT WITH MCELROY METAL MILL, INC. TO PROVIDE INCENTIVES FOR ECONOMIC DEVELOPMENT.**

Councilmember McGregor made a motion to approve the Chapter 380 Agreement with McElroy Metal Mill, Inc., as presented, to provide incentives for Economic Development. Councilmember Bryant seconded. The motion passed by a vote of 6-0.

**ITEM 6-B. DISCUSSION AND/OR ACTION TO CONSIDER ALLOCATION OF FUNDS FROM THE HOTEL OCCUPANCY TAX (HOT) FUND FOR FISCAL YEAR 2020-2021 AS RECOMMENDED BY THE HOT ADVISORY BOARD.**

Councilmember Westmoreland made a motion to accept the allocation of funds from the Hotel Occupancy Tax fund as recommended by the Hotel Occupancy Tax Advisory Board. Councilmember Bryant seconded. The motion passed by a vote of 6-0.

**ITEM 6-C. DISCUSSION AND/OR ACTION TO CONSIDER THE 2020 RACIAL PROFILING REPORT OF THE LOCKHART POLICE DEPARTMENT.**

Councilmember McGregor made a motion to accept the 2020 Racial Profiling Report of the Lockhart Police Department. Councilmember Michelson seconded. The motion passed by a vote of 6-0.

**ITEM 6-D. DISCUSSION AND/OR ACTION TO CONSIDER THE MAYOR'S DECLARATION OF LOCAL DISASTER REGARDING REQUIRING FACE COVERINGS, AND ADDRESSING OTHER MATTERS RELATED TO COVID-19, IF NECESSARY.**

Mayor White stated that the Declaration about businesses posting the Notice to require facial coverings will remain in effect.

**ITEM 6-E. CONSIDER AND TAKE ACTION TO ISSUE AND CONFIRM A DECLARATION OF LOCAL DISASTER FOR WINTER WEATHER EMERGENCY.**

There was discussion regarding high consumption of electric, water and sewer in February 2021 and about how the city can assist with reducing the estimated higher utility bills as a result of the winter storm. There was also discussion regarding temporarily waiving plumbing permit fees to assist citizens with costs associated with repairing busted pipes as a result of the winter storm.

**ELECTRIC RATES**

There was discussion regarding the upcoming proposed increase of the purchase power electric rate from the Lower Colorado River Authority that is projected to double as a result of the power issues that occurred during the winter weather storm. She explained that the rate mitigation fund is a fund that electric customers contribute monthly that could be used to offset paying the additional purchase power cost. Staff suggested that the Council consider authorizing applying up to \$500,000 out of the rate mitigation fund to the upcoming purchase power electric bill. If the bill is higher than \$500,000, it was suggested that the remaining balance thereafter be distributed evenly amongst the customers. There was discussion.

**CONSENSUS:** After discussion, the consensus of the Council was to direct staff to return with an Ordinance at the next Council meeting that provides that the City's wholesale power suppliers may be paid from the City's Rate Mitigation Fund in order to offset such costs up to a maximum of \$500,000.

**WATER RATES**

Ms. Larison stated that the city does not have a water mitigation fund to cover increased water fees as a result of busted water pipes during the winter storm. However, the city does have a water leak policy that allows one water leak per rolling year. The policy provides that the busted water pipes would be considered a leak that allows the water rate for the customer to be averaged for the rolling year and making an adjustment to the account. The Council could set a specific timeframe to allow the leak policy to be effective. There was discussion.

**CONSENSUS:** After discussion, the consensus of the Council was to direct staff to return with an Ordinance that outlines the water rates to be charged during the month of February 2021 as a result of the declared disaster.

**SOLID WASTE RATES**

Ms. Larison stated that the sewer averaging is conducted each year during the months of December, January, and February. There was discussion regarding how to calculate the 2021 annual sewer average rate after the high water usage during the winter storm.

**CONSENSUS:** After discussion, the consensus of the Council was to direct staff to return with an Ordinance providing that the 2021 sewer average will not occur and that the 2021 sewer average rate be the same as in 2020.

**ITEM 6-F. DISCUSSION AND/OR ACTION REGARDING APPOINTMENTS TO VARIOUS BOARDS, COMMISSIONS OR COMMITTEES.**

Mayor White requested appointments to boards and committees.

Councilmember McGregor made a motion to re-appoint Anne Clark to the Zoning Board of Adjustment. Councilmember Mendoza seconded. The motion passed by a vote of 6-0.

**ITEM 7. CITY MANAGER’S REPORT, PRESENTATION AND POSSIBLE DISCUSSION.**

- Library Updates:
  - Contactless Tax Aide appointments have been filled.
  - Library planning a virtual Fiesta De Mariachi event on April 24, 2021.
  - Parent as Teachers (PAT) will sponsor story walk during month of April.
- Update regarding audio/video equipment upgrade in Council Chambers.

**ITEM 6-E. CONSIDER AND TAKE ACTION TO ISSUE AND CONFIRM A DECLARATION OF LOCAL DISASTER FOR WINTER WEATHER EMERGENCY.**

Councilmember Michelson made a motion to confirm the Declaration of Local Disaster for Winter Weather Emergency, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 6-0.

**ITEM 8. COUNCIL AND STAFF COMMENTS – ITEMS OF COMMUNITY INTEREST.**

Councilmember Westmoreland thanked everyone for their dedication in keeping the community safe during the winter storm.

Councilmember Mendoza also thanked everyone for their dedication in keeping the community safe during the winter storm.

Councilmember McGregor thanked everyone for their dedication in keeping the community safe during the winter storm. She expressed condolences to Mayor Pro-Tem Sanchez for the loss a family member.

Councilmember Bryant expressed condolences to the Sanchez family for their loss. He thanked everyone for their dedication in keeping the community safe during the winter storm.

Councilmember Michelson thanked everyone for their dedication in keeping the community safe during the winter storm.

Mayor White expressed condolences to the Sanchez family for their loss. He also thanked everyone for their dedication in keeping the community safe during the winter storm.

**ITEM 9. ADJOURNMENT.**

Councilmember Mendoza made a motion to adjourn the meeting. Councilmember McGregor seconded. The motion passed by a vote of 6-0. The meeting was adjourned at 8:54 p.m.

PASSED and APPROVED this the 16<sup>th</sup> day of March 2021.

**CITY OF LOCKHART**

\_\_\_\_\_  
Lew White, Mayor

ATTEST:

\_\_\_\_\_  
Connie Constancio, TRMC  
City Secretary

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**REGULAR MEETING  
LOCKHART CITY COUNCIL**

**MARCH 2, 2021**

**6:30 P.M.**

**CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3<sup>rd</sup> FLOOR,  
LOCKHART, TEXAS**

**Council present:**

Mayor Pro-Tem Angie Gonzales-Sanchez  
Councilmember Juan Mendoza  
Councilmember Jeffry Michelson

Mayor Lew White  
Councilmember Derrick David Bryant  
Councilmember Kara McGregor  
Councilmember Brad Westmoreland

**Staff present:**

Steven Lewis, City Manager  
Monte Akers, City Attorney  
Sean Kelley, Public Works Director

Connie Constancio, City Secretary  
Pam Larison, Finance Director  
Shane Mondin, Building Official

**Citizens/Visitors Addressing the Council:** Citizens: David Schneider and Veronica Ramirez.

**Work Session 6:30 p.m.**

Mayor White opened the work session and advised the Council, staff and the audience that staff would provide information and explanations about the following items:

**DISCUSSION ONLY**

**A. DISCUSS RESOLUTION 2021-02 OPPOSING SENATE BILL 234 AND HOUSE BILL 749.**

Mayor White stated that the two bills were defeated up during the 2020 Legislative session. The bills would prohibit a political subdivision from spending public funds to hire an organization that represents political subdivision, such as the Texas Municipal League. The bills are returned to be considered during the 2021 Legislative session. Mayor White recommended that the city oppose SB 235 and HB 749.

**B. DISCUSS POLICY TO ADDRESS UTILITY RATES ASSOCIATED WITH A DECLARED STATE OF DISASTER AS OUTLINED IN RESOLUTION 2021-03.**

Ms. Larison stated that in response to the winter storm of February 2021 and a State of Declared Local Disaster, it is proposed that the City address potentially excessive utility costs by: 1) allowing the use of the electric rate mitigation fund to offset excessive costs of wholesale power purchases and to reduce customer electric rates for the March 2021 billing cycle; 2) establishing discounted water rates for residential customers due to excessive consumption during the period of declared local disaster; 3) providing that the City Manager shall review and potentially adjust non-residential rates in response to a request for such review; and 4) continuing the city’s sewer averaging policy for calendar year 2020 into 2021 due to excessive averaging attributable to the declared local disaster. There was discussion.

**C. DISCUSS AMENDING CHAPTER 58 “UTILITIES” TO ESTABLISH A POLICY TO ADDRESS UTILITY RATES ASSOCIATED WITH A STATE OF LOCAL OR STATEWIDE DISASTER AS OUTLINED IN ORDINANCE 2021-05.**

Ms. Larison stated that the winter storm of February 2021 resulted in increased or excessive utility costs. It is proposed that in order to offset wholesale and customer charges, that a new Section 58.08 be added to Chapter 58 titled “Declared Disaster Rate Adjustment Plan” that after adoption would authorize the use of the Electric Rate Mitigation Policy to offset excessive wholesale or customer electric charges, authorize the Council by resolution to make changes to water and wastewater rates to reduce excessive consumption and

charges, and, by Resolution, to defer late fees, penalties and disconnections during or immediately following a period of declared disaster. There was discussion.

Mr. Lewis requested that the Ordinance is adopted prior to the Resolution during the regular meeting.

**D. DISCUSS RESOLUTION 2021-04 AUTHORIZING A TEMPORARY WAIVER OF PERMIT FEES FOR PLUMBING REPAIRS MADE NECESSARY BY THE 2021 WINTER STORM EVENT.**

Mr. Mondin stated that the winter storm of February 2021 resulted in damage to plumbing systems throughout the City of Lockhart. Repairs to the plumbing systems often require permitting by the City and payment of permit fees. The proposed Resolution would relieve the financial burden on residents and businesses in the City of Lockhart by temporarily waiving fees for permits associated with necessary repairs to the damaged plumbing systems. There was discussion.

**E. DISCUSS INTERLOCAL COOPERATION AGREEMENT BETWEEN CALDWELL COUNTY AND THE CITY OF LOCKHART FOR THE PERFORMANCE OF GOVERNMENTAL FUNCTIONS AND SERVICES PERTAINING TO THE LOCKHART FARMERS MARKET.**

Mr. Lewis stated that the Lockhart City Council and the Caldwell County Commissioners Court discussed and reviewed the governmental functions and services pertaining to the operation and administration of the Lockhart Farmers Market. The proposed Interlocal Agreement provides the outcome. The City Attorney and the Caldwell County cooperatively drafted the Interlocal Agreement pertaining to the Lockhart Farmers Market which indicates that the Market shall be certified under State law and it includes the following terms: 1) automatically renewed annually; 2) conditions for the Market; 3) Justice Center remains an alternative location; 4) City and County responsibilities; and 5) cancellation provision for non-compliance of the agreement. There was discussion.

**F. DISCUSS PRELIMINARY BUDGET & TAX RATE CALENDAR FOR FISCAL YEAR 2021-2022.**

Ms. Larison presented the preliminary budget and tax rate calendar for Fiscal Year 2021-2022 that reflects tentative dates for budget workshops, public hearings and meetings pertaining to the budget and tax rate. There was discussion.

**G. DISCUSS MAYOR'S DECLARATION OF LOCAL DISASTER REGARDING REQUIRING FACE COVERINGS, AND ADDRESSING OTHER MATTERS RELATED TO COVID-19, IF NECESSARY.**

Mayor White announced that Governor Abbott rescinded the requirement of wearing face coverings that is effective on March 10, 2021. He requested clarification from the City Attorney.

Mr. Akers stated that the current Governor's Order (GA-34) provides that an area with a high hospitalization rate (hospital that has seven consecutive days in which the number of COVID-19 hospitalized patients exceeds 15%) could prompt the County Judge to order a 50% maximum capacity for businesses. There are no longer State requirements for face coverings and no local jurisdiction is allowed to require face coverings. GA-34 supercedes all orders issued by local officials that conflict with regard to services or local orders and provides that businesses and other establishments may require customers and employees to wear face coverings.

Mayor White asked if the Mayor is still required to approve gatherings larger than 10 individuals. Mr. Akers replied that the Mayor is no longer required to approve gatherings.

There was discussion about whether events and outdoor gatherings are allowed. Mr. Akers replied that he will research the social gathering limits, if any, to clarify.

RECESS: Mayor White announced that the Council would recess for a break at 7:15 p.m.

**REGULAR MEETING**

**ITEM 1. CALL TO ORDER.**

Mayor Lew White called the meeting to order at 7:30 p.m.

**ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.**

Mayor Pro-Tem Sanchez gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

**ITEM 3. PUBLIC COMMENT.**

Mayor White requested citizens to address the Council regarding issues that are not on the agenda

David Schneider, 407 Cibilo, expressed concern about the tree trimming regulations. He showed pictures of several mature trees on Cibilo Street that were trimmed several feet that he believes will kill the tree. He requested that the Council consider restricting the length and circumference size that a tree can be trimmed.

Veronica Ramirez, 402 Blanco, requested that the construction of Maple Street be postponed until school is out for the summer. Children use the sidewalk to walk to and from school and it is dangerous for them to walk near a construction zone.

**ITEM 4-A. DISCUSSION AND/OR ACTION TO CONSIDER RESOLUTION 2021-02 OPPOSING SENATE BILL 234 AND HOUSE BILL 749.**

Councilmember McGregor made a motion to approve Resolution 2021-02, as presented. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

**ITEM 4-B. CONSIDER AND TAKE ACTION TO AMEND CHAPTER 58 "UTILITIES" TO ESTABLISH A POLICY TO ADDRESS UTILITY RATES ASSOCIATED WITH A STATE OF LOCAL OR STATEWIDE DISASTER AS OUTLINED IN ORDINANCE 2021-05.**

Councilmember Bryant made a motion to approve Ordinance 2021-05, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

**ITEM 4-C. DISCUSSION AND/OR ACTION TO CONSIDER ADOPTING A POLICY TO ADDRESS UTILITY RATES ASSOCIATED WITH A DECLARED STATE OF DISASTER AS OUTLINED IN RESOLUTION 2021-03.**

Councilmember McGregor made a motion to approve Resolution 2021-03, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

**ITEM 4-D. DISCUSSION AND/OR ACTION TO CONSIDER RESOLUTION 2021-04 AUTHORIZING A TEMPORARY WAIVER OF PERMIT FEES FOR PLUMBING REPAIRS MADE NECESSARY BY THE 2021 WINTER STORM EVENT.**

Councilmember McGregor made a motion to approve Resolution 2021-04, as presented with the amendment to refund permit fees to those that have already paid a plumbing permit as a result of the winter storm. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.



**ITEM 4-E. DISCUSSION AND/OR ACTION TO CONSIDER INTERLOCAL COOPERATION AGREEMENT BETWEEN CALDWELL COUNTY AND THE CITY OF LOCKHART FOR THE PERFORMANCE OF GOVERNMENTAL FUNCTIONS AND SERVICES PERTAINING TO THE LOCKHART FARMERS MARKET.**

Councilmember Westmoreland made a motion to approve the Interlocal Cooperation Agreement, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

**ITEM 4-F. DISCUSSION AND/OR ACTION TO CONSIDER THE PRELIMINARY BUDGET & TAX RATE CALENDAR FOR FISCAL YEAR 2021-2022.**

Mayor Pro-Tem Sanchez made a motion to approve the Preliminary Budget & Tax Rate Calendar for Fiscal Year 2021-2022, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

**ITEM 4-G. DISCUSSION AND/OR ACTION TO CONSIDER THE MAYOR'S DECLARATION OF LOCAL DISASTER REGARDING REQUIRING FACE COVERINGS, AND ADDRESSING OTHER MATTERS RELATED TO COVID-19, IF NECESSARY.**

Mayor White stated that the Mayor's Declaration would stay in place and suggested that citizens continue to wear facial coverings in light of the Governor lifting the requirement.

**ITEM 4-H. DISCUSSION AND/OR ACTION REGARDING APPOINTMENTS TO VARIOUS BOARDS, COMMISSIONS OR COMMITTEES.**

Mayor White requested appointments to boards or committees. There were none.

**ITEM 5. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE DISCUSSION.**

- Update on South Colorado Street Sidewalk Extension.
- Firefighter entrance exam will be held Saturday March 27, 2021. One vacancy exists.
- March Spring Day Clean-up will be held on Saturday, March 27.
- Household Hazardous Waste Collection Event will be held on April 10 from 8 a.m. – 12 p.m. at City Park.

**ITEM 6. COUNCIL AND STAFF COMMENTS – ITEMS OF COMMUNITY INTEREST.**

Councilmember Westmoreland welcomed Mayor Pro-Tem Sanchez back to the meeting. He requested that citizens continue to wear facial coverings and maintain the safe six-foot distance.

Councilmember Mendoza thanked individuals that took part in the HEB Community Health Challenge.

Mayor Pro-Tem Sanchez expressed condolences to those that have lost a loved one. She thanked Mayor and Council and staff for their support during her recent illness and loss of family members.

Councilmember McGregor encouraged everyone to stay safe.

Councilmember Bryant also encouraged everyone to stay safe even though the Governor lifted the face covering requirement. He thanked the Lockhart Library for several efforts in celebrating Black History Month.

Councilmember Michelson welcomed Mayor Pro-Tem Sanchez back to the meetings. He thanked staff for working hard on issues regarding electric and water rates.

Mayor White thanked Judge Haden and the County Emergency Management Office for their efforts with coordinating several distributions of cases of water to citizens.

**ITEM 7. ADJOURNMENT.**

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 7:55 p.m.

PASSED and APPROVED this the 16<sup>th</sup> day of March 2021.

**CITY OF LOCKHART**

\_\_\_\_\_  
Lew White, Mayor

ATTEST:

\_\_\_\_\_  
Connie Constancio, TRMC  
City Secretary

# City of Lockhart, Tx

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** March 16, 2021

**AGENDA ITEM CAPTION:** Discussion and/or action to consider adoption and approval of Resolution 2021-05 establishing a Leak Adjustment Policy for City Water and Wastewater Services.

**ORIGINATING DEPARTMENT AND CONTACT:** Finance – Pam Larison

**ACTION REQUESTED:**

ORDINANCE                       RESOLUTION                       CHANGE ORDER                       AGREEMENT  
 APPROVAL OF BID                       AWARD OF CONTRACT                       CONSENSUS                       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:** This resolution will establish an officially adopted water and wastewater leak adjustment policy for the City of Lockhart. Historically, it has been considered a utility department practice to make an adjustment to a customer's account because high water usage.

There currently is no formally adopted leak adjustment policy in connection with excessive water usage. Although there is a wastewater rate adjustment mentioned in the City of Lockhart Code of Ordinances, Chapter 58, Section 58.108 (1)(b).

Upon request of the residential customer, the customer's previous year's water use for these three months may be considered collectively or individually for wastewater rate adjustments when outside water leaks or other outside water uses not contributing to wastewater treatment quantities have caused the high-water consumption(s). Other factors, such as a plumber's invoice or plumbing parts receipts showing that water line or plumbing repairs were made at the customer's address during the high consumption periods also may be considered in adjusting the consumption rate.

This resolution will not change this section of the Code of Ordinances but will allow the utility department to have a formal written policy approved and adopted by Council.

This policy will:

- describe what a customer needs to provide for an adjustment,
- describe how an adjustment will be calculated,
- set a time limit on when to request an adjustment,
- set a limit on the number of adjustments per year,
- how the adjustment will be credited to the customer's account, and
- a description of what type of leaks are unacceptable for adjustments.

**AMOUNT & SOURCE OF FUNDING:**

**FISCAL NOTE (if applicable):**

**STAFF RECOMMENDATION/REQUESTED MOTION:** Staff respectfully request approval of the resolution as presented.

**LIST OF SUPPORTING DOCUMENTS:** Resolution 2021-05.

Department Head initials:



City Manager's Review:



**RESOLUTION 2021-05**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ADOPTING A LEAK ADJUSTMENT POLICY FOR CITY WATER AND WASTEWATER SERVICES, AND ADOPTING AN EFFECTIVE DATE**

**WHEREAS**, the City Council understands that a water leak can result in a water bill that is higher than normal, and that this can place a significant financial burden on a customer; and

**WHEREAS**, the City Council understands that a wastewater leak can result from a higher than normal wastewater bill, and can place a significant financial burden on a customer; and

**WHEREAS**, the Council desires to create some relief for customers who have been affected by water/wastewater leaks that occur, and who take prompt action to repair the leak upon becoming aware of it; and

**WHEREAS**, it is the desire of the City Council of Lockhart to implement a policy to allow for adjustments to customer accounts for abnormally high water and wastewater usage billed and to be reviewed for possible adjustments.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, that:**

1. The Leak Adjustment Policy set forth below is ADOPTED AND APPROVED.

Leak Adjustment Policy

The following policy will apply to all residential customers. Commercial accounts will be considered for leak adjustment on a case-by-case basis.

A water/wastewater leak, beyond the customer's control, may qualify for a leak adjustment.

To be eligible for a water/wastewater leak adjustment, the customer must provide the following within 30 days of repairing the leak:

- a. A copy of the repair receipt or paid in full invoice.
- b. Customer account number.
- c. The property address where the repair took place.
- d. Range of high bill dates caused by the leak.
- e. The date and description of the repair.

The leak adjustment will be calculated using the customer's previous year billing history. If the customer does not have a previous history due to new customer account or new construction, the prior three months average will be used.

An adjustment for wastewater charges can be made for the leak adjustment period only if the water did not enter the sewer system.

If eligible, up to two consecutive billing periods affected by the leak may receive an adjustment.

The adjustment is applied as a credit to the customer's account. Upon receiving the adjustment, the account is ineligible for another water leak adjustment for the next 12-month period.

Customers will be contacted if their request for a leak adjustment is not approved or if any additional information is required.

An account may not qualify for a water leak adjustment if during the period of high usage:

- a. Customer failed to provide documentation that a leak was repaired.
- b. Filled a swimming pool.
- c. Established new landscape (new sod, new trees, shrubs, etc.), or
- d. Received an adjustment in the previous 12 months.

In the event of a dispute over an adjustment, a utility customer may request a meeting with the City Finance Department to resolve the billing dispute.

**PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 16<sup>th</sup> DAY OF MARCH 2021.**

**CITY OF LOCKHART**

\_\_\_\_\_  
Lew White, Mayor

**APPROVED AS TO FORM:**

**Attest:**

\_\_\_\_\_  
Connie Constancio, TRMC, City Secretary

\_\_\_\_\_  
Monte Akers, City Attorney

# City of Lockhart, Tx

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** March 16, 2021

**AGENDA ITEM CAPTION:** Discussion and/or action regarding the proposal and contractual agreement between Matrix Imaging Solutions and the City of Lockhart; and appointing the City Manager to sign the contractual agreement.

**ORIGINATING DEPARTMENT AND CONTACT:** Finance – Pam Larison

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

A strategic goal for the Utility department for FY 2020-2021 was to discover ways to increase productivity and practice better customer service. With adjustments made for teleworking during COVID-19, it was been discovered that much of the utility department's time and efforts are concentrated on the two billing cycles. The Utility department is also operating with four employees instead of the five budgeted positions. This decrease in staff is mainly due to the social distancing that is required to operate the utility billing area.

The concept of using a third party to handle the City's utility billing has been discussed to allow more time for the utility department to focus on better customer service and increase their daily productivity with the current four employees. The utility department will still provide individual service to its customers. The option to contract the utility billing only includes printing and mailing of monthly utility bills and newsletters. The utility department will still maintain the setting of rates, receipt of payments, making account adjustments, setting up new accounts, customer deposits, and all reads of city-owned meters.

Matrix Imaging Solution has reached out to the City numerous times and has recently presented a proposal that is financially beneficial to the City and its customers. Matrix has agreed to waive all set-up costs and will handle the printing and mailing of the City of Lockhart's quarterly newsletters at less costs than it currently takes to produce. Other cities using Matrix Imaging for 3<sup>rd</sup> party billing include Boerne, Aqua Water Supply in Bastrop, and Fair Oaks.

**PROJECT SCHEDULE:** 2-3 months

**AMOUNT & SOURCE OF FUNDING:**

Funds Required: \$10,000  
Account Number: 500-5740-299  
Funds Available: \$11,000  
Account Name: Other Contracts & Services

Finance Review initials 

**FISCAL NOTE:** There will be additional savings in postage and paper goods to offset any fees above the \$10,000.

**Previous Council Action (if applicable):**

**STAFF RECOMMENDATION/REQUESTED MOTION:** Staff respectfully request approval of the agreement as presented.

**LIST OF SUPPORTING DOCUMENTS:** Annual cost analysis on utility billing and Matrix Imaging Solutions proposal.

Department Head initials:

City Manager's Review:



ANNUAL COST ANALYSIS ON UTILITY BILLING					
	Paper/Utility Bills 72,000	Envelopes 72,000	Postage 72,000	Newsletters 24,000	ANNUAL COST SAVINGS
Current	0.028 \$1,994.40	0.057 \$4,104.00	0.550 \$39,600.00	0.087 \$2,088.00	\$47,786.40
3rd Party Billing/Postage	0.153 \$11,016.00		0.450 \$32,400.00	0.047 \$1,128.00	\$44,544.00

This cost analysis does not include the personnel costs of four utility employees working 2 days every cycle (2) on billing, inserting, and mailing. A significant benefit would be for utility employees to focus on customer service and increased productivity.



**MATRIX**

FEBRUARY 26, 2021

# PROJECT PROPOSAL

UTILITY BILLING

---

CITY OF LOCKHART

PAM LARISON

200



# 1. OVERVIEW

Services include programming development/set up, data processing/conversion of customer data to printable format; address standardization; face and back variable printing color on 8.5x11 sheet with perforation; nested folding/inserting of bill (and additional pages) into a #10 Double Window Matrix supplied envelope along with a quarterly newsletter, and entry into USPS Postal mail stream. 60# Offset paper stock for all variable printed bills included in the package price. Excludes postage.

For an estimated 90,000 bills at a 0.10 savings, this program will save about \$9,000 in postage alone.

We are also waiving our usual \$4,500 to \$6,000 setup fees.

## 1.1. CONTACTS

PREPARED FOR

Pam Larison  
Director of Finance  
City of Lockhart  
[plarison@lockhart-tx.org](mailto:plarison@lockhart-tx.org)

PREPARED BY

Colin D. Dentino  
Director of Business Development  
[cdentino@matriximaing.com](mailto:cdentino@matriximaing.com)  
585.409.3993

# 2. DEVELOPMENT

## 2.1. REQUIRED RESOURCES

To produce this project the following is required from the client:

- Current Statement Layout
- Data File
- Postage Funds

## 2.2. ARTWORK

- Document layout provided by Client and composed by Matrix development and Matrix graphic design.
- Quarterly Newsletter artwork provided by Client.

## 2 CONFIDENTIALITY NOTICE

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### 2.3. PRINT APPLICATION DEVELOPMENT

DATA PROVIDED VIA	GROUPING	DEDUPE	MAILING CLASS	MOVE UPDATE METHOD
Client via SFTP or Matrix Remote™	TBD	No	First Class	NCOA

## 3. SPECIFICATIONS

### 3.1. PROCESSING & VOLUME COMMITMENTS

PROJECT APPLICATION	NUMBER OF SEQUENCES	IMAGE QUANTITY	FINISHED SHEET QUANTITY	MAIL PIECE QUANTITY
Utility Bills	12	Varies	Varies	85,000 – 90,000 Annually
Quarterly Newsletter	4	Varies	Varies	28,000 – 30,000 Annually

### 3.2. COMPONENTS

NAME	PROVIDER	SIZE	PLEX	INKS	WEIGHT	STOCK	PAPER COLOR	PREPRINTED INKS /SIDE	PERFS
Utility Bill	Matrix	8.5 x 11"	Duplex	Color	24#	Text	White	None	Bottom Third
Quarterly Newsletter	Matrix	8.5 x 14"	Duplex	Black	24#	Text	Color	None	None

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### 3.3. ENVELOPE COMPONENTS

NAME	PROVIDER	SIZE	WINDOW	TINT	WEIGHT	PAPER COLOR	INKS	POSTAL CLASS	INDICIA
------	----------	------	--------	------	--------	-------------	------	--------------	---------

### 3.4. SERVICE LEVEL AGREEMENT (SLA)

- Mailing 2 days from file upload.

### 3.5. DELIVERY METHOD

- USPS First Class Mail Letter Rate (Flat rate for 9x12", if needed)

### 3.6. POSTAGE

- USPS First Class Mail Letter Rate
- Estimated average at the Mixed AADC rate of \$0.45 /piece, a savings of \$0.10 /piece.
- For an estimated 90,000 bills at a 0.10 savings, this program will save about \$9,000 in postage alone.

## FIRST CLASS MAIL

<b>NON-AUTO</b>	<b>LETTERS</b>
Single Piece*	55.0c
Additional Ounce	20.0c
*4 cent discount for metered mail up to 3.5 ounces.	
<b>PRESORTED</b>	<b>LETTERS</b>
Machinable Presorted	46.0c
Mixed AADC	45.0c
AADC	42.8c
3-Digit	-
5-Digit	39.8c
Additional Ounce	-

\*Letter mail pricing is up to 3.5 ounces. More than 3.5 ounces is a flat

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## 4. PRICING

### 4.1. PROGRAM DEVELOPMENT

SERVICE	RATE	UNIT	QTY	TOTAL
Program Setup \$4,500 – \$6,000	Waived	–	–	–

### 4.2. PRINT SERVICE

SERVICE	RATE	UNIT	QTY	TOTAL
One Page Mail Package	\$0.153	/each	Varies	–
Additional Pages (Over 1)	\$0.064	/each	Varies	–
9 x 12" Inserting (If Applicable)	\$0.25	/each	Varies	–
Quarterly Newsletter	\$0.047	/each	Varies	–

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# 5. APPROVAL

The following signature from Authorized Representatives declares the intent to move forward with the above project specifications and for Matrix Imaging Solutions LLC to begin delivery of billable products and services as outlined above.

If live production does not commence, any outstanding billable items will be invoiced Net 30. This includes any components produced or procured by Matrix Imaging Solutions LLC on behalf of the customer.

DATE

February 26, 2021

COMPANY

Matrix Imaging Solutions LLC

NAME

Colin Dentino

SIGNATURE



DATE

-----

COMPANY

-----

NAME

-----

SIGNATURE

-----

\*or confirm your approval via email.

## 6 CONFIDENTIALITY NOTICE

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# City of Lockhart, Texas

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** March 16, 2021

**AGENDA ITEM CAPTION:** Discussion and/or action to consider the sale of Fire Engine 1, a 1984 Pierce Pumper.

**ORIGINATING DEPARTMENT AND CONTACT:** Randy Jenkins; Fire Chief

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

Staff seeks Council consideration to sale the 37-year old 1984 Pierce Pumper (Engine 1) that has exceeded its service life due to its age, operational reliability, fire pump capacity, and lack of safety features to protect firefighters and citizens. Engine 1 is currently located at Fire Station No. 2 and has not been in service front line or reserve for several years.

The National Fire Protection Association (NFPA) 1901 Standard for Automotive Fire Apparatus (2016 version), Annex D recommends, as a best practice, to remove fire pumpers from all service after 25 years of service.

A new Engine 1 Pumper has been ordered from Siddons-Martin and will arrive in the fall of 2021. The goal is to make space for the new fire pumper and therefore the 1984 Engine 1 needs to be removed from the apparatus bay.

The new pumper will replace Engine 4, a 2010 Pierce, as the front-line pumper at Fire Station No. 1. Engine 4 will be located at Fire Station No. 2 and be utilized as the primary reserve pumper for Fire Station Nos. 1 and 2. Engine 2, a 1994 Pierce Pumper will be located at Fire Station No. 2 as a reserve.

The city will continue to maintain the 1921 American LaFrance to use as a parade vehicle.

Staff recommends disposing of Engine 1 (1984 Pierce) by using a broker or agent to list the pumper to potential buyers.

**Previous Council Action:** City Council approved the purchase of a new Pierce pumper on November 17, 2020.

**FISCAL NOTE:** Original cost of Fire Engine 1 was \$188,395.94.

**COMMITTEE/BOARD/COMMISSION ACTION:** N/A

**STAFF RECOMMENDATION/REQUESTED MOTION:** Staff recommends approving the disposal of Engine 1, a 1984 Pierce pumper through the use of a broker or agent.

**LIST OF SUPPORTING DOCUMENTS:**

Disposal of Asset Request Form and Pictures of Engine 1.

Department Head initials:

---

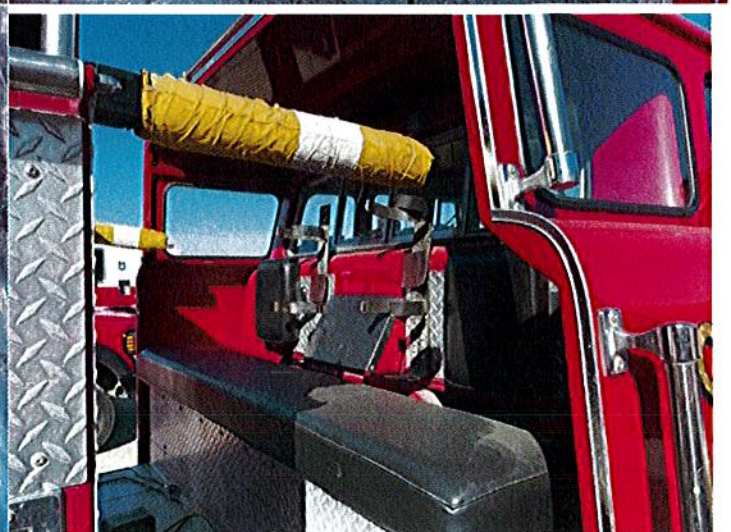
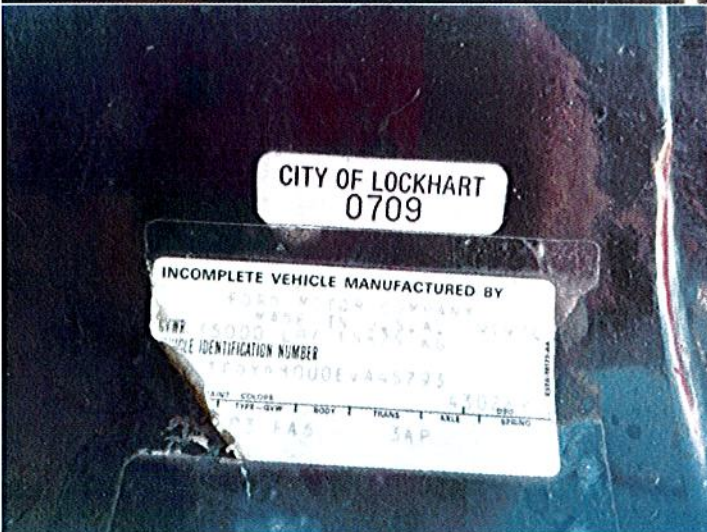
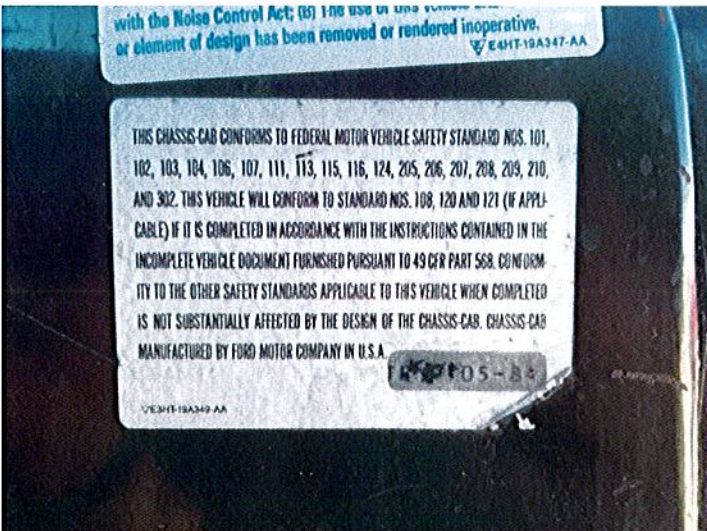
City Manager's Review:



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# Engine 1 Pierce Custom Fire Apparatus

Make: FORD Year: 05-1984 City ID: 0709







DISPOSAL OF ASSET  
REQUEST FORM

DEPARTMENT: Fire

DATE: 3/10/21

CHECK ALL THAT APPLY:

- Asset is obsolete or outdated
- Asset is no longer functional for any departments within the City
- Asset is considered too costly to repair

Department Director recommends asset be disposed of by:

- |   |                                       |
|---|---------------------------------------|
| <input type="checkbox"/> public auction, online or live | <input type="checkbox"/> recycled     |
| <input type="checkbox"/> sealed bids                    | <input type="checkbox"/> destroyed    |
| <input type="checkbox"/> donation                       | <input type="checkbox"/> private sale |
| <input checked="" type="checkbox"/> broker or agent     | <input type="checkbox"/> other: _____ |

Description of asset to be disposed of:

Engine 1- A 1984 Pierce Custom Fire Apparatus  
Ford cab and chassis. 1,000 gpm Fire pump

City of Lockhart asset tag number: 3619

Unit number (if applicable): Engine 1 (#306)

Model Number: Ford / Pierce

Serial Number or VIN: 1FDXD80V0EVA45793

If asset does not have a City of Lockhart tag, please estimate original cost of asset:

\$ 188,395.94 (1/1/1984)

M. F. [Signature]  
Department Director's signature

3/10/21  
Date

To be completed by Finance Dept. OR Administration only:

If asset does have a City of Lockhart tag,

Finance will complete the original cost of asset \$ 188,395.94

Asset's original cost was less than \$50,000, City Manager can authorize the disposal of the asset.

Asset's original cost was \$50,000 or more, the City Council must approve the disposal of the asset.

Asset is being donated OR sold by sealed bids, City Council must approve the sale.

Asset's original cost was less than \$500 and not computer related, Department Head can authorize the disposal of the assets.

[Signature]  
Finance Dept. OR Administration Designee Signature

3-10-21  
Date

Approval of disposal by City Manager, if original cost was more than \$500 and not computer related by:

- |   |                                       |
|---|---------------------------------------|
| <input type="checkbox"/> public auction, online or live | <input type="checkbox"/> recycled     |
| <input type="checkbox"/> sealed bids                    | <input type="checkbox"/> destroyed    |
| <input type="checkbox"/> donation                       | <input type="checkbox"/> private sale |
| <input checked="" type="checkbox"/> broker or agent     | <input type="checkbox"/> other: _____ |

[Signature]  
City Manager's signature

3-11-21  
Date

# City of Lockhart, Texas

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** March 16, 2021

**AGENDA ITEM CAPTION:** Discussion and action regarding amendment of Article 10-5 of the City Code of Ordinances in regard to ownership of animals impounded at the City animal shelter as outlined in Ordinance 2021-07.

**ORIGINATING DEPARTMENT AND CONTACT:** Legal

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:** Recent events at the City animal shelter demonstrated a need to amend the City's animal control ordinance to bring it in line with a 2016 Texas Supreme Court case involving ownership of a dog adopted from an animal shelter in Houston. The court ruled that in order for title to the animal to have transferred from its owner to the shelter and then to the adopter, the City's ordinance needed to state that the prior ownership terminated due to the owner's failure to reclaim the animal within a specified time period. Houston's ordinance did not contain such a statement and the court held for the original owner. This amendment adds the necessary language to Lockhart's ordinance and makes related changes in order for the Lockhart animal shelter and any rescue agency assisting the shelter to be certain that future animal adoptions from the shelter are valid.

**AMOUNT & SOURCE OF FUNDING:**

Finance Review initials \_\_\_\_\_

**Funds Required:** N/A  
**Account Number:** N/A  
**Funds Available:** N/A  
**Account Name:** N/A

**COMMITTEE/BOARD/COMMISSION ACTION:** N/A

**STAFF RECOMMENDATION/REQUESTED MOTION:** Adoption of amendment ordinance.

**LIST OF SUPPORTING DOCUMENTS:** Draft ordinance and draft ordinance with redline changes.

Department Head initials:  
\_\_\_\_\_

  
City Manager's Review:  
\_\_\_\_\_

Sec. 10-5. - Impoundment and violation notice.

- (a) For purposes of discharging the duties imposed by the provisions of this chapter or other applicable laws and to enforce such provisions, duly authorized representatives or employees (being those described in subsection 10-2(a)) may enter upon private property to the full extent permitted by law, which shall include, but not be limited to, entry upon private, fenced property when in pursuit of any animal which they have reason to believe is subject to impoundment pursuant to the provision of this chapter or other applicable laws. The following animals may be impounded:
- (1) Cats and dogs not exhibiting evidence of being vaccinated as described in this chapter;
  - (2) Any animal infected or kept under conditions which could endanger the public or animal health;
  - (3) Any animal that creates a nuisance as described in section 10-1;
  - (4) Any domestic species except for cats running at large as described in section 10-1, definitions;
  - (5) Any animal treated in a manner determined by the animal control officer to be cruel or inhumane;
  - (6) Any animal that has bitten a human being or needs to be placed under observation for rabies determination, (as determined by an animal control officer); and
  - (7) Any animal violating any provision of this chapter.
- (b) ~~Reasonable effort shall be made by an animal control officer to contact the owner of any animal impounded; however, final responsibility for location of an impounded animal is that of the owner.~~
- (c) ~~Impoundment fees must be paid for capture of any animal, as referenced in Resolution No. 00-182010-15, as amended or succeeded by a resolution of the City Council establishing fees related to animals and the animal shelter.~~
- (dc) If any of the animals named in this section are found upon the premises of any person, the owner or occupant of the premises shall have the right to confine such animal in a humane manner until he/she can notify the animal control officer to come and impound such animal. When so notified, it shall be the duty of the animal control officer to have such animal impounded as herein provided.
- (e) ~~d~~ It is the responsibility of the owner to visit the shelter before the expiration of the designated holding period to reclaim such pets. The owner can resume possession of any impounded animal prior to completion of the impoundment period specified in (j) upon payment of impoundment fees, boarding fees, and any medically necessary veterinarian bills incurred by animal control for the welfare of the animal to alleviate immediate suffering, and upon compliance with vaccination provisions of this Code, except where prohibited in subsections (fe) and (gf) of this section.
- (fe) Disposition of animals impounded on the grounds of cruel or inhumane treatment shall be determined by the animal control supervisor or animal control officer or court of competent jurisdiction.
- (gf) If any animal is being held under quarantine or observation for rabies, the owner shall not be entitled to possession until it has been released from quarantine.

- (hg) The city council shall select and establish a place for impounding all animals impounded under any provision of this chapter.
- (ih) Any nursing baby animal impounded without the mother, or where the mother cannot or refuses to provide nutritious milk, may be immediately euthanized to prevent further suffering.
- (ji) Any impounded vicious or wild animal, unless there is reason to believe that it has an owner, may be immediately disposed of as may be deemed appropriate by the supervisor of animal control or his/her designee. Feral cats, dogs or other animals may be euthanized at the discretion of the animal control officer.
- (kj) Any ~~licensed~~ impounded cat ~~or~~, dog, or other domestic animal shall be kept for not fewer than ~~seventhree~~ business days unless sooner reclaimed by ~~their~~its owner, except under quarantine.
- ~~(l) Any unlicensed impounded cats, dogs or other domestic animals shall be kept for not fewer than three. Upon expiration of such three business days unless sooner, title to and ownership of any such animal not reclaimed by their owner, except under quarantine, shall pass to and vest in the City.~~
- (mk) Sick or injured and suffering animals may be euthanized at the discretion of the animal control officer or animal shelter staff under the direction and control of the animal control officer.
- ~~(n) — l) An owner who no longer wishes responsibility for an animal, or believes the animal to be in ill or injured condition, may sign a written waiver supplied by the City surrendering title to the animal control designating owner release and allowing the animal to be immediately placed up for adoption or euthanized in a humane manner. If the animal is unvaccinated and has bitten a human being, the animal may be euthanized before expiration of the ten-day quarantine period and its head sent off for testing. A fee is collected for owner release animals as described in city Resolution #00-18, as amended 2010-15, as amended or succeeded by a resolution of the City Council establishing fees related to animals and the animal shelter.~~
- ~~(o) — m) Final location of an animal after impoundment shall be the responsibility of its owner. If, by a license tag or other means, the owner of an impounded animal can be identified, the animal control officer may, but shall, as soon as practical, upon impoundment not be required to, notify the owner by direct contact, telephone, mail, text, or other reasonable means email.~~
- ~~(p) — n) In addition to, or in lieu of, impounding an animal found at large, the animal control supervisor, his/her designee or a police officer may issue to the known owner of such animal a notice of ordinance violation. A person who is convicted of owning an animal at large shall pay a fine as listed in the penalty schedule of this chapter.~~

**ORDINANCE NO. 2021-07**

**AN ORDINANCE OF THE CITY OF LOCKHART AMENDING SECTION 10-5 OF CHAPTER 10 OF THE LOCKHART CODE OF ORDINANCES TO ESTABLISH CITY OWNERSHIP OF IMPOUNDED ANIMALS NOT RECLAIMED BY AN OWNER; PROVIDING CLAUSES FOR REPEALER, SEVERABILITY, SAVINGS, PUBLICATION, AND EFFECTIVE DATE**

**WHEREAS**, the City of Lockhart is a home rule city acting under its charter pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the City of Lockhart periodically impounds animals to protect the health and safety of the general public and the animal population; and

**WHEREAS**, the City Council now deems it necessary to establish and clarify city ownership of impounded animals not reclaimed by an owner;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS that:**

**SECTION 1: Recitals adopted.** The foregoing recitals are adopted and incorporated herein for all purposes.

**SECTION 2: Amendment.** Section 10-5 of Chapter 10 of the Lockhart Code of Ordinances is hereby amended so that it shall hereafter read as follows:

Sec. 10-5. - Impoundment and violation notice.

(a) For purposes of discharging the duties imposed by the provisions of this chapter or other applicable laws and to enforce such provisions, duly authorized representatives or employees (being those described in subsection 10-2(a)) may enter upon private property to the full extent permitted by law, which shall include, but not be limited to, entry upon private, fenced property when in pursuit of any animal which they have reason to believe is subject to impoundment pursuant to the provision of this chapter or other applicable laws. The following animals may be impounded:

- (1) Cats and dogs not exhibiting evidence of being vaccinated as described in this chapter;
- (2) Any animal infected or kept under conditions which could endanger the public or animal health;
- (3) Any animal that creates a nuisance as described in section 10-1;
- (4) Any domestic species except for cats running at large as described in section 10-1, definitions;
- (5) Any animal treated in a manner determined by the animal control officer to be cruel or inhumane;
- (6) Any animal that has bitten a human being or needs to be placed under observation for rabies determination, (as determined by an animal control officer); and
- (7) Any animal violating any provision of this chapter.

- (b) Impoundment fees must be paid for capture of any animal, as referenced in Resolution No. 2010-15, as amended or succeeded by a resolution of the City Council establishing fees related to animals and the animal shelter.
- (c) If any of the animals named in this section are found upon the premises of any person, the owner or occupant of the premises shall have the right to confine such animal in a humane manner until he/she can notify the animal control officer to come and impound such animal. When so notified, it shall be the duty of the animal control officer to have such animal impounded as herein provided.
- (d) It is the responsibility of the owner to visit the shelter before the expiration of the designated holding period to reclaim such pets. The owner can resume possession of any impounded animal prior to completion of the impoundment period specified in (j) upon payment of impoundment fees, boarding fees, and any medically necessary veterinarian bills incurred by animal control for the welfare of the animal to alleviate immediate suffering, and upon compliance with vaccination provisions of this Code, except where prohibited in subsections (e) and (f) of this section.
- (e) Disposition of animals impounded on the grounds of cruel or inhumane treatment shall be determined by the animal control supervisor or animal control officer or court of competent jurisdiction.
- (f) If any animal is being held under quarantine or observation for rabies, the owner shall not be entitled to possession until it has been released from quarantine.
- (g) The city council shall select and establish a place for impounding all animals impounded under any provision of this chapter.
- (h) Any nursing baby animal impounded without the mother, or where the mother cannot or refuses to provide nutritious milk, may be immediately euthanized to prevent further suffering.
- (i) Any impounded vicious or wild animal, unless there is reason to believe that it has an owner, may be immediately disposed of as may be deemed appropriate by the supervisor of animal control or his/her designee. Feral cats, dogs or other animals may be euthanized at the discretion of the animal control officer.
- (j) Any impounded cat, dog, or other domestic animal shall be kept for not fewer than three business days unless sooner reclaimed by its owner, except under quarantine. Upon expiration of such three business days, title to and ownership of any such animal not reclaimed shall pass to and vest in the City.
- (k) Sick or injured and suffering animals may be euthanized at the discretion of the animal control officer or animal shelter staff under the direction and control of the animal control officer.
- (l) An owner who no longer wishes responsibility for an animal or believes the animal to be in ill or injured condition, may sign a written waiver supplied by the City surrendering title to the animal and allowing the animal to be immediately placed up for adoption or euthanized in a humane manner. If the animal is unvaccinated and has bitten a human being, the animal may be euthanized before expiration of the ten-day quarantine period and its head sent off for testing. A fee is collected for owner release animals as described in city Resolution 2010-15, as amended or succeeded by a resolution of the City Council establishing fees related to animals and the animal shelter.
- (m) Final location of an animal after impoundment shall be the responsibility of its owner. If, by a license tag or other means, the owner of an impounded animal is identified, the animal

control officer may, but shall not be required to, notify the owner by direct contact, telephone, mail, text, or email.

- (n) In addition to or in lieu of impounding an animal found at large, the animal control supervisor, his/her designee or a police officer may issue to the known owner of such animal a notice of ordinance violation. A person who is convicted of owning an animal at large shall pay a fine as listed in the penalty schedule of this chapter.

**SECTION 3. Repealer.** All provisions of the Code of Ordinances of the City of Lockhart in conflict with the provisions of this Ordinance are hereby repealed to the extent of such conflict, and all other provisions of the Code of Ordinances of the City of Lockhart codified or uncodified, not in conflict with the provisions of this Ordinance shall remain in full force and effect.

**SECTION 4. Severability.** It is hereby declared to be the intention of the City Council that the components of this Ordinance are severable, and if any phrase, clause, sentence, or section of this Ordinance shall be declared unconstitutional or invalid by any court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any remaining component of this Ordinance.

**SECTION 5. Publication.** The City Secretary shall cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

**SECTION 6. Effective Date.** This ordinance shall become effective and be in full force from the date of its passage.

**PASSED AND ADOPTED on this the \_\_\_ day of \_\_\_\_\_, 2021.**

**CITY OF LOCKHART**

\_\_\_\_\_  
Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Connie Constancio, TRMC, City Secretary

\_\_\_\_\_  
Monte Akers, City Attorney

# City of Lockhart, Texas

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** March 16, 2021

**AGENDA ITEM CAPTION:** Discussion and/or action regarding selection of TRC Engineering as the best qualified Professional Engineering Services Company to assist the City in its Texas Community Development Block Grant Program (TxCDBG) application preparation and project implementation to the Texas Department of Agriculture for the Community Development Fund contract, if awarded, to support the public infrastructure (water/wastewater) improvements activities for the City of Lockhart, and appointing the Mayor to sign any required documents for the grant.

**ORIGINATING DEPARTMENT AND CONTACT:** Sean Kelley-Public Works Director

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

Advertisements for qualified engineering services for this TxCDBG grant preparation and submittal were completed in compliance with State law and CDBG requirements. Proposals were received from three (3) companies that were ranked by using CDBG qualification criteria and scored by Lockhart's TxCDBG Evaluation Team (Councilmember-Jeffrey Michelson, Joe Chavira, W/WW Supervisor, and Sean Kelley-Public Works Director). TRC Engineering submitted the best proposal with a score of 265 out of 300. A Ranking Summary is provided for Council's review.

**PROJECT SCHEDULE (if applicable):**

May 2021-Grant Application Deadline  
Late 2021- Grant Award Announcement

**AMOUNT & SOURCE OF FUNDING:**

Funds Required: N/A  
Account Number: N/A  
Funds Available: N/A  
Account Name: N/A

Finance Initials: \_\_\_\_\_

**FISCAL NOTE (if applicable):**

**Previous Council Action:**

December 1, 2020-Grant Submission Authorization  
January 19, 2021-Grant Administrator Selected

**COMMITTEE/BOARD/COMMISSION ACTION:**

**STAFF RECOMMENDATION/REQUESTED MOTION:** The TxCDBG Evaluation Team respectfully recommends awarding a contract to TRC Engineering for engineering services to assist in the preparation of the CDBG grant application and project implementation, if the grant is awarded.

**LIST OF SUPPORTING DOCUMENTS:** Advertisement and Ranking Data.

Department Head initials:

\_\_\_\_\_

City Manager's Review:

\_\_\_\_\_



**STEP Two:**

**Committee Chair to complete one Summary Sheet naming highest scorer**

City of Lockhart, Texas  
Texas Dept of Agriculture  
2021-2022 CDBG Grant

**Summary Sheet for  
Procurement of Professional Engineering Services**

Proposing Firm #1 KSA Engineering

Evaluator #1 Score	<u>80</u>
Evaluator #2 Score	<u>80</u>
Evaluator #3 Score	<u>86</u>
Total Score	<u>246</u>

Proposing Firm #2 Doucet & Associates

Evaluator #1 Score	<u>77</u>
Evaluator #2 Score	<u>55</u>
Evaluator #3 Score	<u>82</u>
Total Score	<u>214</u>

Proposing Firm #3 TRC Engineering

Evaluator #1 Score	<u>92</u>
Evaluator #2 Score	<u>83</u>
Evaluator #3 Score	<u>90</u>
Total Score	<u>265</u>

**STEP Two:**

**Committee Chair to complete one Summary Sheet naming highest scorer**

Proposing Firm #4 ~~\_\_\_\_\_~~

Evaluator #1 Score \_\_\_\_\_

Evaluator #2 Score \_\_\_\_\_

Evaluator #3 Score \_\_\_\_\_

Total Score \_\_\_\_\_

Proposing Firm #5 ~~\_\_\_\_\_~~

Evaluator #1 Score \_\_\_\_\_

Evaluator #2 Score \_\_\_\_\_

Evaluator #3 Score \_\_\_\_\_

Total Score \_\_\_\_\_

The firm with the highest total score is TRC Engineering (265)

Date 3/4/21

Committee Chair Signature Sen Kelly

***Request for Proposals***  
***For Application Preparation and Grant Contract Implementation***  
***Services***

FEBRUARY 18, 2021  
CITY OF LOCKHART  
ENGINEERING REQUEST FOR PROPOSALS  
PUBLIC NOTICE

The City of Lockhart requesting proposals from Engineering Firms (individual/firm) to prepare all preliminary and final design plans and specifications, and to conduct all necessary interim and final inspections. These services are being solicited to assist the City in its application preparation and project implementation of a TxCDBG contract, if awarded, to support water or wastewater system improvements in the City of Lockhart, Texas.

*Proposers must submit proof of eligibility status verification (not suspended or debarred) from the System for Award Management ([www.SAM.gov](http://www.SAM.gov))*

Please submit your proposal of services and a statement of qualifications for the proposed services to the mailing address below:

Sean Kelley, Public Works Director  
City of Lockhart City Hall  
308 West San Antonio Street  
PO Box 239  
Lockhart, TX 78644

Proposals shall be received by the City **no later than 2:00 PM Tuesday March 2, 2021** which must be at least ten (10) days after this publication and contact dates of the RFP). The City reserves the right to negotiate with any and all individuals or firms that submit proposals, as per the Texas Professional Services Procurement Act and the Uniform Grant and Contract Management Standards. Section 3 Residents and Business Concerns, Minority Business Enterprises, Small Business Enterprises and Women Business Enterprises are encouraged to submit proposals.

Submit four (4) copies of your proposal. Faxed or emailed proposals will not be accepted. The City of Lockhart is an Affirmative Action/Equal Opportunity Employer.

# City of Lockhart, Texas

## Council Agenda Item

### Briefing Data

**COUNCIL MEETING DATE:** March 16, 2021

**AGENDA ITEM CAPTION:**

Discussion and/or action to consider the Mayor's declaration of local disaster regarding requiring face coverings, and addressing other matters related to COVID-19, if necessary.

**ORIGINATING DEPARTMENT AND CONTACT:** Mayor Lew White and Steve Lewis, City Manager

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

On September 1, 2020, the City Council adopted Resolution 2020-20 renewing and adopting a requirement that commercial establishments in the City post a notice that facial coverings are a requirement of employees and persons entering such establishments. The requirement that such notice be posted shall remain in effect until terminated or amended by the City Council.

On October 7, 2020, Governor Greg Abbott issued Executive Order GA-32 to allow certain bars and similar establishments to operate at 50% capacity with permission from the County Judge. GA-32 increased the occupancy levels for all business establishments other than bars to 75%. GA-32 also provides that outdoor gatherings in excess of 10 people is prohibited unless the Mayor of the City in which the gathering is held, approves of the gathering, and such approval can be made subject to certain conditions or restrictions not inconsistent with GA-32.

Mayor's statement on reduced business capacity in Caldwell County. At 12:01 a.m. on Wednesday, January 13, 2021 the provisions of Governor Greg Abbott's Executive Order GA-32 that suspend elective surgeries, close bars and reduce business capacity to 50 percent go into effect in Lockhart and Caldwell County. This is occurring because under GA-32, these specific provisions take effect when a Trauma Service Area has seven consecutive days in which the number of COVID-19 hospitalized patients as a percentage of total capacity exceeds 15 percent. This has been the case in Trauma Service Area O, which includes Caldwell County. These provisions will be lifted once our Trauma Service Area's COVID-19 hospitalized patient ratio remains below 15 percent for seven days. While we wait for the population to receive the vaccine, it is imperative that we continue to take care of ourselves and each other by socially distancing, wearing face coverings in public, and practicing good hygiene.

COVID Relief Fund update. On January 19, 2021, the Council voted to offer a six-month forbearance to businesses that received a COVID-19 Recovery Loan in 2020. Council re-opened the COVID Relief Grants to small businesses for \$5,000 per business that qualifies. Restaurants and bars that are affected by the Governor's order will earn higher points on the application process.

During the February 23, 2021 meeting, Chief Jenkins provided an update of COVID compliance for local businesses.

On March 2, 2021, Governor Abbot issued GA-34 that is effective March 10, 2021. It provides that the State no longer requires face covering and it does not allow local jurisdictions to require face coverings. GA-34 supercedes all orders issued by local officials that conflict with regard to services or local orders and provides that businesses and other establishments may require customers and employees to wear face coverings. The consensus of the Council was to leave the Mayor's Declaration in effect and to encourage citizens to continue to wear face coverings and to maintain a six foot distance.

This item is returned to Council for consideration, if necessary.

**STAFF RECOMMENDATION/REQUESTED MOTION:** None.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution 2020-20, GA-32, and GA-34.

Department Head initials:

City Manager's Review:



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# Executive Order

BY THE  
GOVERNOR OF THE STATE OF TEXAS

Executive Department  
Austin, Texas  
March 2, 2021

EXECUTIVE ORDER  
GA 34

*Relating to the opening of Texas in response to the COVID-19 disaster.*

---

WHEREAS, I, Greg Abbott, Governor of Texas, issued a disaster proclamation on March 13, 2020, certifying under Section 418.014 of the Texas Government Code that the novel coronavirus (COVID-19) poses an imminent threat of disaster for all counties in the State of Texas; and

WHEREAS, in each subsequent month effective through today, I have renewed the disaster declaration for all Texas counties; and

WHEREAS, I have issued executive orders and suspensions of Texas laws in response to COVID-19, aimed at protecting the health and safety of Texans and ensuring an effective response to this disaster; and

WHEREAS, I issued Executive Order GA-08 on March 19, 2020, mandating social-distancing restrictions in accordance with guidelines promulgated by President Donald J. Trump and the Centers for Disease Control and Prevention (CDC); and

WHEREAS, I subsequently issued a series of superseding executive orders aiming to achieve the least restrictive means of combatting the evolving threat to public health by adjusting social-distancing restrictions while implementing a safe, strategic plan to reopen Texas; and

WHEREAS, under Executive Order GA-32, in effect since October 14, 2020, most establishments have been able to operate up to at least 75 percent of total occupancy, except in some areas with high hospitalizations as defined in that order, where most establishments have been able to operate up to at least 50 percent of total occupancy; and

WHEREAS, I also issued Executive Order GA-29, regarding the use of face coverings to control the spread of COVID-19, and a series of executive orders, most recently GA-31, limiting certain medical surgeries and procedures; and

WHEREAS, COVID-19 hospitalizations and the rate of new COVID-19 cases have steadily declined due to the millions of Texans who have voluntarily been vaccinated, many more who are otherwise immune, improved medical treatments for COVID-19 patients, abundant supplies of testing and personal protective equipment, and Texans' adherence to safe practices like social distancing, hand sanitizing, and use of face coverings; and

WHEREAS, in the Texas Disaster Act of 1975, the legislature charged the governor with the responsibility "for meeting the dangers to the state and people presented by

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disasters" under Section 418.011 of the Texas Government Code, and expressly granted the governor broad authority to fulfill that responsibility; and

WHEREAS, under Section 418.012, the "governor may issue executive orders hav[ing] the force and effect of law;"

NOW, THEREFORE, I, Greg Abbott, Governor of Texas, by virtue of the power and authority vested in me by the Constitution and laws of the State of Texas, and in accordance with guidance from medical advisors, do hereby order the following on a statewide basis effective at 12:01 a.m. on March 10, 2021:

1. In all counties not in an area with high hospitalizations as defined below:
  - a. there are no COVID-19-related operating limits for any business or other establishment; and
  - b. individuals are strongly encouraged to wear face coverings over the nose and mouth wherever it is not feasible to maintain six feet of social distancing from another person not in the same household, but no person may be required by any jurisdiction to wear or to mandate the wearing of a face covering.

"Area with high hospitalizations" means any Trauma Service Area that has had seven consecutive days in which the number of COVID-19 hospitalized patients as a percentage of total hospital capacity exceeds 15 percent, until such time as the Trauma Service Area has seven consecutive days in which the number of COVID-19 hospitalized patients as a percentage of total hospital capacity is 15 percent or less. A current list of areas with high hospitalizations will be maintained at [www.dshs.texas.gov/ga3031](http://www.dshs.texas.gov/ga3031).

2. In any county located in an area with high hospitalizations as defined above:
  - a. there are no state-imposed COVID-19-related operating limits for any business or other establishment;
  - b. there is no state-imposed requirement to wear a face covering; and
  - c. the county judge may use COVID-19-related mitigation strategies: provided, however, that:
    - i. business and other establishments may not be required to operate at less than 50 percent of total occupancy, with no operating limits allowed to be imposed for religious services (including those conducted in churches, congregations, and houses of worship), public and private schools and institutions of higher education, and child-care services;
    - ii. no jurisdiction may impose confinement in jail as a penalty for violating any order issued in response to COVID-19; and
    - iii. no jurisdiction may impose a penalty of any kind for failure to wear a face covering or failure to mandate that customers or employees wear face coverings, except that a legally authorized official may act to enforce trespassing laws and remove violators at the request of a business establishment or other property owner.
3. In providing or obtaining services, every person (including individuals, businesses, and other legal entities) is strongly encouraged to use good-faith efforts and available resources to follow the Texas Department of State Health Services (DSHS) health recommendations, found at [www.dshs.texas.gov/coronavirus](http://www.dshs.texas.gov/coronavirus).
4. Nothing in this executive order precludes businesses or other establishments from requiring employees or customers to follow additional hygiene measures, including the wearing of a face covering.
5. Nursing homes, state supported living centers, assisted living facilities, and long-

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MAR 02 2021

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- term care facilities should follow guidance from the Texas Health and Human Services Commission (HHSC) regarding visitations, and should follow infection control policies and practices set forth by HHSC, including minimizing the movement of staff between facilities whenever possible.
6. Public schools may operate as provided by, and under the minimum standard health protocols found in, guidance issued by the Texas Education Agency. Private schools and institutions of higher education are encouraged to establish similar standards.
  7. County and municipal jails should follow guidance from the Texas Commission on Jail Standards regarding visitations.
  8. Executive Orders GA-17, GA-25, GA-29, and GA-31 are rescinded in their entirety.
  9. This executive order shall supersede any conflicting order issued by local officials in response to the COVID-19 disaster, but only to the extent that such a local order restricts services allowed by this executive order or allows gatherings restricted by this executive order. Pursuant to Section 418.016(a) of the Texas Government Code, I hereby suspend Sections 418.1015(b) and 418.108 of the Texas Government Code, Chapter 81, Subchapter E of the Texas Health and Safety Code, and any other relevant statutes, to the extent necessary to ensure that local officials do not impose restrictions in response to the COVID-19 disaster that are inconsistent with this executive order, provided that local officials may enforce this executive order as well as local restrictions that are consistent with this executive order.
  10. All existing state executive orders relating to COVID-19 are amended to eliminate confinement in jail as an available penalty for violating the executive orders. To the extent any order issued by local officials in response to the COVID-19 disaster would allow confinement in jail as an available penalty for violating a COVID-19-related order, that order allowing confinement in jail is superseded, and I hereby suspend all relevant laws to the extent necessary to ensure that local officials do not confine people in jail for violating any executive order or local order issued in response to the COVID-19 disaster.

This executive order supersedes Executive Orders GA-17, GA-25, GA-29, GA-31, and GA-32, but does not supersede Executive Orders GA-10 or GA-13. This executive order shall remain in effect and in full force unless it is modified, amended, rescinded, or superseded by the governor. This executive order may also be amended by proclamation of the governor.



Given under my hand this the 2nd  
day of March, 2021.

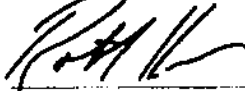
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GREG ABBOTT  
Governor

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SECRETARY OF STATE  
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MAR 02 2021

ATTESTED BY:



RUTH R. HUGHS  
Secretary of State

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SECRETARY OF STATE  
11:57 AM, 10:00 AM  
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# Executive Order

BY THE  
GOVERNOR OF THE STATE OF TEXAS

Executive Department  
Austin, Texas  
October 7, 2020

## EXECUTIVE ORDER GA 32

*Relating to the continued response to the COVID-19 disaster as Texas reopens.*

---

WHEREAS, I, Greg Abbott, Governor of Texas, issued a disaster proclamation on March 13, 2020, certifying under Section 418.014 of the Texas Government Code that the novel coronavirus (COVID-19) poses an imminent threat of disaster for all counties in the State of Texas; and

WHEREAS, in each subsequent month effective through today, I have renewed the disaster declaration for all Texas counties; and

WHEREAS, I have issued executive orders and suspensions of Texas laws in response to COVID-19, aimed at protecting the health and safety of Texans and ensuring an effective response to this disaster; and

WHEREAS, I issued Executive Order GA-08 on March 19, 2020, mandating certain social-distancing restrictions for Texans in accordance with guidelines promulgated by President Donald J. Trump and the Centers for Disease Control and Prevention (CDC); and

WHEREAS, I issued Executive Order GA-14 on March 31, 2020, expanding the social-distancing restrictions for Texans based on guidance from health experts and the President; and

WHEREAS, I subsequently issued Executive Orders GA-16, GA-18, GA-21, GA-23, and GA-26 from April through early June 2020, aiming to achieve the least restrictive means of combatting the threat to public health by continuing certain social-distancing restrictions, while implementing a safe, strategic plan to reopen Texas; and

WHEREAS, as Texas reopens in the midst of COVID-19, increased spread is to be expected, and the key to controlling the spread and keeping Texas residents safe is for all Texans to consistently follow good hygiene and social-distancing practices, especially those set forth in the minimum standard health protocols from the Texas Department of State Health Services (DSHS); and

WHEREAS, in June 2020, Texas experienced substantial increases in COVID-19 cases and hospitalizations, necessitating targeted and temporary adjustments to the reopening plan to achieve the least restrictive means for reducing the growing spread of COVID-19 and the resulting imminent threat to public health, and to avoid a need for more extreme measures; and

WHEREAS, I therefore issued Executive Orders GA-28 and GA-29 in late June and early

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July 2020, respectively, and amended Executive Order GA-28 by proclamation on July 2, 2020; and

WHEREAS, due to improved medical treatments for COVID-19 patients, substantial increases in testing, abundant supplies of personal protective equipment, and Texans' adherence to safe practices like social distancing, hand sanitizing, and use of face coverings, the spread of COVID-19 and the number of new COVID-19 cases and hospitalizations have steadily and significantly declined since late July; and

WHEREAS, I therefore issued Executive Orders GA-30 and GA-31 on September 17, 2020, allowing additional reopening and non-essential medical surgeries and procedures in Texas, except in some areas with high hospitalizations as defined in those orders; and

WHEREAS, as Texas continues to reopen, everyone must act safely, and to that end, this executive order and prior executive orders provide that all persons should follow the health protocols from DSHS, which whenever achieved will mean compliance with the minimum standards for safely reopening, but which should not be used to fault those who act in good faith but can only substantially comply with the standards in light of scarce resources and other extenuating COVID-19 circumstances; and

WHEREAS, in the Texas Disaster Act of 1975, the legislature charged the governor with the responsibility "for meeting ... the dangers to the state and people presented by disasters" under Section 418.011 of the Texas Government Code, and expressly granted the governor broad authority to fulfill that responsibility; and

WHEREAS, under Section 418.012, the "governor may issue executive orders ... hav[ing] the force and effect of law;" and

WHEREAS, failure to comply with any executive order issued during the COVID-19 disaster is an offense punishable under Section 418.173 by a fine not to exceed \$1,000, and may be subject to regulatory enforcement;

NOW, THEREFORE, I, Greg Abbott, Governor of Texas, by virtue of the power and authority vested in me by the Constitution and laws of the State of Texas, and in accordance with guidance from the Commissioner of the Texas Department of State Health Services, Dr. John Hellerstedt, other medical advisors, the White House, and the CDC, do hereby order the following on a statewide basis effective at 12:01 a.m. on October 14, 2020:

Every business establishment in Texas shall operate at no more than 75 percent of the total listed occupancy of the establishment: provided, however, that:

1. There is no occupancy limit for the following:
  - a. any services listed by the U.S. Department of Homeland Security's Cybersecurity and Infrastructure Security Agency (CISA) in its Guidance on the Essential Critical Infrastructure Workforce, Version 4.0 or any subsequent version;
  - b. religious services, including those conducted in churches, congregations, and houses of worship;
  - c. local government operations, including county and municipal governmental operations relating to licensing (including marriage licenses), permitting, recordation, and document-filing services, as determined by the local government;

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- d. child-care services;
  - e. youth camps, including but not limited to those defined as such under Chapter 141 of the Texas Health and Safety Code, and including all summer camps and other daytime and overnight camps for youths;
  - f. recreational sports programs for youths and adults;
  - g. any public or private schools, and any public or private institutions of higher education, not already covered above;
  - h. drive-in concerts, movies, or similar events, under guidelines that facilitate appropriate social distancing, that generally require spectators to remain in their vehicles, and that minimize in-person contact between people who are not in the same household or vehicle; and
  - i. the following establishments that operate with at least six feet of social distancing between work stations: cosmetology salons, hair salons, barber shops, nail salons/shops, and other establishments where licensed cosmetologists or barbers practice their trade; massage establishments and other facilities where licensed massage therapists or other persons licensed or otherwise authorized to practice under Chapter 455 of the Texas Occupations Code practice their trade; and other personal-care and beauty services such as tanning salons, tattoo studios, piercing studios, hair removal services, and hair loss treatment and growth services.
2. In areas with high hospitalizations as defined below, any business establishment that otherwise would have a 75 percent occupancy or operating limit may operate at up to only 50 percent. This paragraph does not apply, however, to business establishments located in a county that has filed with DSHS, and is in compliance with, the requisite attestation form promulgated by DSHS regarding minimal cases of COVID-19.
- "Areas with high hospitalizations" means any Trauma Service Area that has had seven consecutive days in which the number of COVID-19 hospitalized patients as a percentage of total hospital capacity exceeds 15 percent, until such time as the Trauma Service Area has seven consecutive days in which the number of COVID-19 hospitalized patients as a percentage of total hospital capacity is 15 percent or less. A current list of areas with high hospitalizations will be maintained at [www.dshs.texas.gov/ga3031](http://www.dshs.texas.gov/ga3031).
3. Except as provided below by paragraph No. 5, there is no occupancy limit for outdoor areas, events, and establishments, with the exception of the following outdoor areas, events, or establishments that may operate at no more than 75 or 50 percent, as applicable, of the normal operating limits as determined by the owner:
- a. amusement parks;
  - b. water parks;
  - c. swimming pools;
  - d. museums and libraries; and
  - e. zoos, aquariums, natural caverns, and similar facilities.
4. All indoor and outdoor professional, collegiate, and similar sporting events, including rodeos and equestrian events, shall remain limited to 50 percent of the normal operating limits as determined by the owner.
5. For any outdoor gathering in excess of 10 people, including rafting, tubing, and related services, other than those set forth above in paragraph Nos. 1, 3, or 4, the gathering is prohibited unless the mayor of the city in which the gathering is held, or the county judge in the case of a gathering in an unincorporated area, approves of the gathering, and such approval can be made subject to certain conditions or restrictions not inconsistent with this executive order.

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6. Restaurants that have less than 51 percent of their gross receipts from the sale of alcoholic beverages, and whose customers eat or drink only while seated, may offer dine-in services.
7. Bars or similar establishments that hold a permit from the Texas Alcoholic Beverage Commission (TABC), and are not restaurants as defined above in paragraph No. 6, may offer on-premises services only as described by this paragraph. A bar or similar establishment may offer on-premises services at up to 50 percent of the total listed occupancy of the establishment *if*:
  - a. the bar or similar establishment is not in an area with high hospitalizations as defined above, and the county judge of the county in which the bar or similar establishment is located files the requisite form with TABC; or
  - b. the bar or similar establishment is in an area with high hospitalizations as defined above, but is located in a county that has filed with DSHS, and is in compliance with, the requisite attestation form promulgated by DSHS regarding minimal cases of COVID-19, and the county judge of the county in which the bar or similar establishment is located also files the requisite form with TABC.

Patrons at bars or similar establishments operating under this paragraph may eat or drink only while seated, except that in an establishment that holds a permit from TABC as a brewer, distiller/rectifier, or winery, customers may sample beverages while standing so long as they are in a group of six people or fewer and there is at least six feet of social distancing or engineering controls, such as partitions, between groups.

Where applicable, this 50 percent occupancy limit applies only indoors; the limit does not apply to outdoor areas, events, or establishments, although social distancing and other protocols must be followed.

People shall not visit bars or similar establishments that are located in counties not included in parts (a) or (b) above. A current list of all counties reopening under this paragraph will be maintained on TABC's website.

The use by bars or similar establishments of drive-thru, pickup, or delivery options for food and drinks remains allowed to the extent authorized by TABC.

8. For purposes of this executive order, facilities with retractable roofs are considered indoor facilities, whether the roof is opened or closed.
9. Staff members are not included in determining operating levels, except for manufacturing services and office workers.
10. Except as provided in this executive order or in the minimum standard health protocols recommended by DSHS, found at [www.dshs.texas.gov/coronavirus](http://www.dshs.texas.gov/coronavirus), people shall not be in groups larger than 10 and shall maintain six feet of social distancing from those not in their group.
11. People over the age of 65 are strongly encouraged to stay at home as much as possible; to maintain appropriate distance from any member of the household who has been out of the residence in the previous 14 days; and, if leaving the home, to implement social distancing and to practice good hygiene, environmental cleanliness, and sanitation.
12. In providing or obtaining services, every person (including individuals, businesses, and other legal entities) should use good-faith efforts and available resources to follow the minimum standard health protocols recommended by DSHS.
13. Nothing in this executive order or the DSHS minimum standards precludes requiring a customer to follow additional hygiene measures when obtaining

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services.

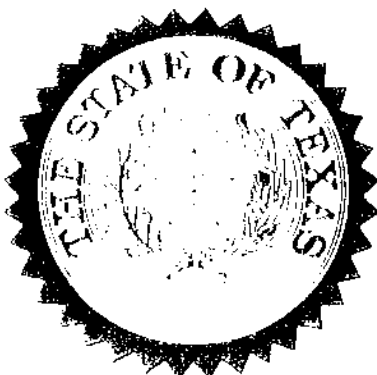
14. People may visit nursing homes, state supported living centers, assisted living facilities, or long-term care facilities as determined through guidance from the Texas Health and Human Services Commission (HHSC). Nursing homes, state supported living centers, assisted living facilities, and long-term care facilities should follow infection control policies and practices set forth by HHSC, including minimizing the movement of staff between facilities whenever possible.
15. Public schools may operate as provided by, and under the minimum standard health protocols found in, guidance issued by the Texas Education Agency (TEA). Private schools and institutions of higher education are encouraged to establish similar standards.

Notwithstanding anything herein to the contrary, the governor may by proclamation add to the list of establishments or venues that people shall not visit.

This executive order shall supersede any conflicting order issued by local officials in response to the COVID-19 disaster, but only to the extent that such a local order restricts services allowed by this executive order, allows gatherings prohibited by this executive order, or expands the list or scope of services as set forth in this executive order. Pursuant to Section 418.016(a) of the Texas Government Code, I hereby suspend Sections 418.1015(b) and 418.108 of the Texas Government Code, Chapter 81, Subchapter E of the Texas Health and Safety Code, and any other relevant statutes, to the extent necessary to ensure that local officials do not impose restrictions in response to the COVID-19 disaster that are inconsistent with this executive order, provided that local officials may enforce this executive order as well as local restrictions that are consistent with this executive order.

All existing state executive orders relating to COVID-19 are amended to eliminate confinement in jail as an available penalty for violating the executive orders. To the extent any order issued by local officials in response to the COVID-19 disaster would allow confinement in jail as an available penalty for violating a COVID-19-related order, that order allowing confinement in jail is superseded, and I hereby suspend all relevant laws to the extent necessary to ensure that local officials do not confine people in jail for violating any executive order or local order issued in response to the COVID-19 disaster.

This executive order supersedes Executive Order GA-30, but does not supersede Executive Orders GA-10, GA-13, GA-17, GA-24, GA-25, GA-29, or GA-31. This executive order shall remain in effect and in full force unless it is modified, amended, rescinded, or superseded by the governor. This executive order may also be amended by proclamation of the governor.



Given under my hand this the 7th  
day of October, 2020.

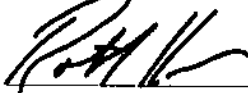
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GREG ABBOTT  
Governor

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3:00 O'CLOCK

OCT 07 2020

ATTESTED BY:



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RUTH R. HUGHS  
Secretary of State

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**RESOLUTION NO. 2020-20**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, RENEWING AND ADOPTING A REQUIREMENT THAT COMMERCIAL ESTABLISHMENTS IN THE CITY POST A NOTICE THAT FACIAL COVERINGS ARE REQUIRED OF PERSONS ENTERING SUCH ESTABLISHMENTS**

**WHEREAS**, by amended Declaration of State Declaration of Local State of Disaster related to the Coronavirus pandemic, effective on June 25, 2020 at 11:59 p.m., the Mayor of Lockhart required all commercial entities in the City providing goods or services directly to the public to require, at a minimum, that all employees and visitors wear facial covering of the nose and mouth while on the commercial entity's business premises or other facilities except in certain circumstances; and

**WHEREAS**, the amended Declaration provided an attached notice of the requirement for facial coverings and ordered that it be posted at the entrances to each commercial establishment or other conspicuous location sufficient to provide notice to employees and visitors of all health and safety requirements; and

**WHEREAS**, by Executive Order GA-29 issued by the Governor of Texas, effective statewide July 3, 2020, every person in Texas was required to wear a face covering over the nose and mouth when inside a commercial entity or other building or space open to the public, or when in an outdoor public space, wherever it is not feasible to maintain six feet of social distancing from another person not in the same household, except in certain enumerated circumstances listed in the order; and

**WHEREAS**, the City Council of Lockhart desires to renew and adopt the requirement that the notice that was attached to the amended Declaration be posted at the entrances to each commercial establishment or other conspicuous location sufficient to provide notice to employees and visitors of the requirement for facial covering and other health-related rules, which notice was not required under GA-29;

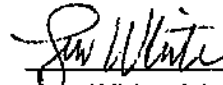
**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, that:**

1. The foregoing recitals are adopted and incorporated herein for all purposes.

2. Effective immediately, a notice of the requirement for facial coverings, in the form attached, shall be posted in the City of Lockhart at the entrances to each commercial establishment or other conspicuous location sufficient to provide notice to employees and visitors of the requirement for facial coverings and other health and safety requirements.
3. The requirement that such notice be posted shall remain in effect until terminated or amended by the City Council of Lockhart.

**APPROVED AND ADOPTED** on this the 1<sup>st</sup> day of September 2020.

**CITY OF LOCKHART**



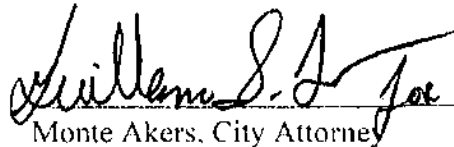
\_\_\_\_\_  
Lew White, Mayor

**ATTEST:**



\_\_\_\_\_  
Connie Constancio, City Secretary

Approved as to form:



\_\_\_\_\_  
Monte Akers, City Attorney



# NOTICE

## FACIAL COVERING REQUIRED

BY ORDER OF THE MAYOR OF LOCKHART UNDER THE TEXAS DISASTER ACT OF 1975:

All persons over the age of 10 entering, working, or visiting this establishment are required to wear covering over the nose and mouth for the purpose of slowing the spread of the COVID-19 virus and promoting the re-opening of the Lockhart economy.

Your cooperation is both critical and appreciated to protect public health and safety. We look forward to serving you with your mask.



# AVISO

## SE REQUIERE MASCARILLA

**POR ORDEN DEL ALCALDE DE LOCKHART BAJO LA LEY DE DESASTRES DE TEXAS DE 1975:**

Todas las personas mayores de 10 años que entren, trabajen o visiten este establecimiento están requeridos a cubrirse la nariz y la boca para el propósito de lentar el sparcimiento del virus de COVID-19 y promoviendo la reapertura de la economía de Lockhart.

Su cooperación es ambos críticos y apreciados para proteger la salud y la seguridad publica. Esperamos servirle con máscara.



**LIST OF BOARD/COMMISSION VACANCIES**

*Updated: February 24, 2021*

<b>Board Name</b>	<b>Reappointments/Vacancies</b>	<b>Council member</b>
Board of Adjustment	One Alternate position	Any Councilmember
Board of Adjustment	VACANT-Juan Juarez resigned	Councilmember Bryant

**APPLICATIONS RECEIVED TO BE ON A BOARD/COMMISSION**

<b>APPLICANT</b>	<b>BOARD REQUESTED</b>	<b>DATE RECEIVED</b>	<b>RESIDENCE DISTRICT</b>
Dennis McCown	LHPC	August 10, 2020	District 2
Anna Lowe	1 <sup>st</sup> pick - Planning & Zoning 2 <sup>nd</sup> pick – LHPC	August 13, 2020	Caldwell County Resident
Kristopher Krueger	LHPC Library Parks	December 21, 2020	District 3
Elizabeth Pickett	To be determined	December 21, 2020	District 3

<p>The following are NOTES regarding appointments to several boards that have certain criteria that should be met, such as qualifications or number to serve on the board. Boards that are not listed below have a seven member board and are open to any citizen without qualifications.</p>	
<p><b>NOTES:</b> AIRPORT ADVISORY BOARD</p>	<p><b>Sec. 4-26. Membership; appointments.</b> The Lockhart Airport Advisory Board shall be composed of seven members to be appointed in accordance with section 2-210. At least five members must currently be or have been flight rated, and two members may be appointed as at-large members. Members shall serve three-year terms, such terms coinciding with the council position making the appointment.</p> <p><b>Sec. 4-28. Eligibility for board membership.</b> No person having a financial interest in any commercial carrier by air, or in any concession, right or privilege to conduct any business or render any service for compensation upon the premises of the Lockhart Municipal Airport shall be eligible for membership on the Lockhart Airport Advisory Board.</p> <p><b>Sec. 4-32. Limitations of authority.</b> The Lockhart Municipal Airport Advisory Board shall not have authority to incur or create any debt in connection with airport operations; nor shall the board be empowered to enter into any contract, leases, or other legal obligations binding upon the City of Lockhart; nor shall the board have authority to hire airport personnel or direct airport personnel in the execution of their duties.</p>
<p><b>NOTES:</b> CONSTRUCTION BOARD APPOINTMENTS</p>	<p><i>Section 8101.4, Board Decision,</i> is amended to read as follows: The construction board of adjustments and appeals shall have the power, as further defined in Appendix B, to hear appeals of decisions and interpretations of the building official and consider variances of the technical codes; and to conduct hearings on determinations of the building official regarding unsafe or dangerous buildings, structures and/or service systems, and to issue orders in accordance with the procedures beginning with section 12-442 of this Code [of Ordinances].</p> <p><i>Section 8101.2, Membership of Board,</i> is amended to read as follows: Each District Council member and the Mayor shall appoint one member to the Construction Board of Appeals making it a five (5) member board and each Councilmember at Large shall appoint an alternate. The term of office of the board members shall be three (3) years, such terms coinciding with the council position making the appointment. The two (2) alternates shall also serve the term coinciding with the council position making the appointments. Vacancies shall be filled for an unexpired term in the manner in which the original appointments are required to be made. Board members shall consist of members who are qualified by experience and/or training to pass on matters pertaining to building construction and are not employees of the City of Lockhart.</p>
<p><b>NOTES:</b> ELECTRIC BOARD APPOINTMENTS</p>	<p><b>Sec. 12-132. Members.</b> (a) Appointments to the examining and supervisory board of electricians and appeals shall conform to section 2-210 except that the board shall consist of five persons with one being appointed by each district council member and one by the mayor. Each member shall serve three-year terms with such terms to coincide with the council position making the appointment. (b) Each board member shall reside within the county and such board shall include one member who shall be a building contractor; one layman; two members shall be master electricians who are currently licensed by the city; and one member shall be either a building contractor or master electrician licensed by the city. There shall be two ex-officio members, one who shall be the city electrical inspector, and one shall be the fire marshal.</p> <p><b>Sec. 12-133. Officers and quorum.</b> The members of the examining and supervising board of electricians and appeals shall select a chairman and secretary. A quorum shall consist of three members.</p>
<p><b>NOTES:</b> HISTORIC PRESERVATION COMMISSION</p>	<p><b>Sec. 28-3. Historical preservation commission.</b> (b) The commission shall consist of seven members, appointed by the city council in accordance with section 2-210, who shall whenever possible meet one or more of the following qualities: (1) A registered architect, planner or representative of a design profession, (2) A registered professional engineer in the State of Texas, (3) A member of a nonprofit historical organization of Caldwell County, (4) A local licensed real estate broker or member of the financial community, (5) An owner of an historic landmark residential building, (6) An owner or tenant of a business property that is an historic landmark or in an historic district, (7) A member of the Caldwell County Historical Commission.</p>
<p><b>NOTES:</b> PARKS ADVISORY BOARD</p>	<p><b>Sec. 40-133. Members.</b> (a) The board shall consist of seven members appointed in accordance with section 2-210 to serve three years terms, such terms to coincide with the council position making the appointment and two alternates shall also be appointed by the mayor and mayor pro-tem, one each. The two alternates shall also serve the term coinciding with the council position making the appointments. Vacancies shall be filled for an unexpired term in the manner in which the original appointments are required to be made. (Ordinance 06-08, adopted February 7, 2006)</p>

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<p><b>NOTES:</b> Lockhart Economic Dev Corp</p>	<p><b>LEDC Bylaws – Article II. Board of Directors</b>  <b>Section 1. Powers, Number and Term of Office</b>                  a. The property and affairs of the Corporation shall be managed and controlled by a Board of Directors (The “Board”) under the guidance and direction of the Lockhart City Council and, subject to the restrictions imposed by law, by the Articles of Incorporation, and by these Bylaws the Board shall exercise all of the powers of the Corporation.                  b. The Board shall consist of seven directors, each of whom shall be appointed by the City Council of the City. Each director shall occupy a place (individually the “Place” and collectively, the “Places”) as designated herein. Places 1-4 are designated for Councilmember Directors from Councilmember Districts 1 through 4 respectively. In the event that a particular Councilmember from said District is unable or unwilling to serve in the capacity as a Director, that Councilmember shall have the right to nominate a non-councilmember for approval and appointment. Places 5-7 are designated for Citizen Member Directors.                  c. The directors constituting the first Board shall be those directors named in the Articles of Incorporation. Successor directors shall have the qualifications, shall be of the classes of directors, and shall be appointed to the terms set forth in the Articles of Incorporation.                  d. Any director may be removed from office by the City Council at will.</p>
<p><b>NOTES:</b> ORDINANCE RE: ALL BOARD, COMMISSION APPOINTMENTS</p>	<p><b>Sec. 2-209. - Rules for appointment.</b>                  The city council hereby sets the following rules:                  (1) Except as may be established by existing city ordinances/resolutions the process for selecting members shall be open to all Lockhart citizens, who must apply for appointment, to include those applying for reappointment. Reappointment shall not be deemed automatic.                  (2) Council shall seek to appoint the most qualified or best persons available, while also respecting the need for diverse community opinions.                  (3) No member of any appointed body shall serve on more than one quasi-judicial or advisory board or commission.                  (4) No appointed body shall deviate from its charge, deliberate items not on its agendas, or speak for the council or City of Lockhart without council authorization.                  (5) Subject to other qualifications as specifically required for membership on the below boards and commissions, the city council shall have the right (but not the duty) to appoint up to two members who are not Lockhart citizens but who are residents of Caldwell County to the Lockhart Airport Advisory Board, the Eugene Clark Library Board, and the construction board of appeals.  <b>Section 2-210. Method of selection; number of members; terms.</b>                  (a) The mayor and city councilmembers shall nominate individuals to serve on boards and commissions. Each nomination shall then be confirmed by a simple majority of the entire city council.                  (b) Except as provided herein, there shall be seven members appointed to each board or commission corresponding with the seven members or places of the city council. Each city councilmember, except as provided herein, shall nominate a qualified person to serve in a place on an appointed body corresponding to their place on the council. At-large councilmembers shall be designated as places 5 and 6, and the mayor's position as place 7, for the purpose of this section. Nominations shall be made to fill vacant positions and/or positions whose terms have expired within 90 days of the event, such as a resignation or an election. Should any city councilmember fail to name an appointee to one of his/her corresponding places on any body within the above described 90 days, another councilmember shall then have the privilege to nominate a person to fill that same position, as described in subsection (a). However, once that position becomes vacant again for any reason, the appointment shall revert to the place corresponding with the original city council seat/place number for nominations.                  (c) Beginning with the election in May, 1998, the council shall nominate and confirm four members to serve in places 1, 2, 5, 6 on each board and commission in accordance with subsections (a) and (b) above, and with the standards set in Ordinance Number 97-09, Governance Policies. With the election of May, 1999, the remaining three places shall be filled following the same procedure as above.                  (d) Terms of service on appointed bodies shall be the same three-year terms as the councilmember who nominates a person to serve. However, a person may be appointed to complete the unexpired term of a vacant position, due to a resignation, for example.                  (e) When a person has completed a term, or terms, of service and will be vacating a place, that person may continue to serve until a replacement is nominated and confirmed by the city council.                  (f) At the discretion of the majority of the city council, one Caldwell County resident who is also an owner of real property within any local historic district may be appointed as a full member to the historical preservation commission.                  (g) Exceptions to the above regulations shall be all volunteer/special purpose/ad hoc committees appointed from time to time by the city council and the zoning board of adjustments, whose members shall serve two-year terms in accordance with V.T.C.A., Local Government Code § 211.008. All other provisions of this section, and ordinance number 97-09 which do not conflict with the chapters establishing these bodies shall be applicable.  <b>Sec. 2-212. Removal and resignation of members.</b>                  (a) All board, commission and committee members serve at the pleasure of the city council and may be removed from office with or without cause at the discretion of the city council.                  (b) Board, commission and committee members may resign from office at any time by filing a written resignation, dated and signed by the member, with the City Secretary. Such resignation shall take effect upon receipt by the City Secretary without further action by the city council. If the city council appoints a new member to replace the resigned member, the new member shall be appointed to serve out the remainder of the resigned member's term.</p>

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<p><b>NOTES:</b> PARKS MASTER PLAN STEERING COMMITTEE (Est. 09/05/2017)</p>	<p>Committee to have 8-10 members as follows:</p> <ul style="list-style-type: none"> <li>• Councilmembers</li> <li>• City staff</li> <li>• Two Parks Advisory Board members</li> <li>• Business owners</li> <li>• Civic Organization members</li> </ul> <p>Committee will assist Burditt Consultants to perform tasks outlined in the Parks Master Plan.</p>
<p><b>NOTES:</b> AD-HOC COMMITTEE – ST. PAUL UNITED CHURCH OF CHRIST PROPERTY (Est. 09/05/2017)</p>	<p>Committee will consist of at least one appointment from Mayor and each Councilmember.</p> <p>The Committee will make recommendations to the Council about the use of the property at 728 S. Main.</p>
<p><b>NOTES:</b> WAYFINDING SIGNAGE AND COMMUNITY BRANDING AD-HOC (Est. 01/02/2018)</p>	<p>Committee will assist City Planner/Development Services with wayfinding signage and community branding tasks.</p> <p>Committee will consist of up to five members appointed by the Council.</p> <p>NOTE: First Branding and Wayfinding Committee disbanded/dissolved on December 18, 2018.</p> <p>UPDATE: Second Branding and Wayfinding Committee appointed on March 5, 2019.</p>

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NOTES:  
HOTEL  
OCCUPANCY  
TAX ADVISORY  
BOARD  
(Est. 12-3-  
2019)

Sec. 54-117 MEMBERSHIP AND MEETING FREQUENCY

- a. The HOT Advisory Board should consist of five (5) members.
- b. Members shall consist of the following, the appointment of whom shall be confirmed by the City Council
  - i. A lodging facility representative;
  - ii. The City Manager or his/her designee;
  - iii. A former member of the City Council; and
  - iv. Two citizens nominated by Mayor.
- c. The HOT Advisory Board shall meet at least quarterly for allocation of funds and post-event reviews.
- d. Three Board members shall constitute a quorum.
- e. Each Board member shall serve a term of two years.
- f. Vacancies on the Board shall be filled by appointment by the City Council for the remainder of the existing term.

Sec. 54-128 PURPOSE AND RESPONSIBILITY

- a. The legislative functions of the city council shall in no way be delegated to the HOT Advisory Board. The HOT Advisory Board shall be considered a special purpose advisory committee.
- b. The purposes and responsibility of the HOT Advisory Board shall be:
  - i. To receive, review, and evaluate applications from organizations requesting HOT funds;
  - ii. To recommend allocation of HOT funds (as authorized by the Texas Tax Code, Chapter 351) to the City Council;
  - iii. To review the actual expenditures of HOT Funds;
  - iv. To offer suggestions for improvements or changes to the use or administration of HOT funds; and
  - v. To submit an annual report to the City Council that identifies approved expenditures by the City for the preceding year, reviews such approved expenditures in the context of compliance with state laws regarding the use of HOT funds, and evaluates the effectiveness of the approved HOT expenditures and the program.

Sec. 54-129 HOT FUND GRANT PROCESS AND POST-EVENT REPORTING

- a. Applications for funding will be considered at each meeting. Completed applications must be received ten (10) days prior to a meeting of the Board at which it will be reviewed.
- b. Applicants will be notified of the award of funds following approval by the City Council of the award, at which time one-half of approved funding will be awarded.
- c. The Board shall produce guidelines for approved applicants regarding a post-event report from each such applicant that demonstrates qualified expenditures
- d. A post-event report from each approved applicant is required in order for the applicant to receive final payment.

Sec. 54-130 HOT FUND GRANT PROCESS GUIDELINES.

In considering the grant of HOT Funds, the Board and City Council shall:

- i. Ensure that each funding requests for HOT revenues is for one or more statutorily defined purpose;
- ii. Establish and implement a policy of properly utilizing 100% of available HOT funds each year;
- iii. Consider whether funding should be based on a formula for pre-determined activities consistent with authorized uses (e.g. advertising, arts, signage, historical restoration/preservation);
- iv. Consider funding approaches that will allow for equitable funding
- v. opportunities for new as well as established events and activities; and
- vi. Consider eligibility criteria beyond the Tax Code requirements (e.g. limiting grants to 25% of the total event budget or disallowing/limiting use of HOT funds for events' programs that occur on a regular (e.g. monthly) basis.

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**COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS**

<b>Councilmember</b>	<b>Board/Commission</b>	<b>Appointee</b>	<b>Date Appointed</b>
Mayor – Lew White	Airport Board Board of Adjustment Construction Board Eco Dev. Corp. ½ Cent Sales Tax Electric Board Historical Preservation Library Board Parks and Recreation Planning & Zoning ETJ Rep-Impact Fee Adv Comm	John Hinnekamp Mike Annas Raymond DeLeon Alan Fielder, Vice-Chair Joe Colley, Chair John Lairsen Stephanie Riggins Karla Tate Ron Peterson Larry Metzler	01/19/21 01/19/21 01/19/21 01/19/21 01/19/21 01/19/21 01/19/21 02/02/21 01/19/21 01/19/21
District 1 – Juan Mendoza	Airport Board Board of Adjustment Construction Board Eco Dev. Corp. ½ Cent Sales Tax Electric Board Historical Preservation Library Board Parks and Recreation Planning & Zoning	Larry Burrier Lori Rangel Mike Votce Dyrall Thomas Frank Gomillion Christine Ohlendorf Shirley Williams Linda Thompson-Bennett Chris St. Leger	03/07/17 03/07/17 12/17/19 12/17/19 12/17/19 06/02/20 12/17/19 03/07/17 12/17/19 CM McGregor on behalf of Councilman Mendoza
District 2 David Bryant	Airport Board Board of Adjustment Construction Board Eco Dev. Corp. ½ Cent Sales Tax Electric Board Historical Preservation Library Board Parks and Recreation Planning & Zoning	Todd Blomerth VACANT-Juan Juarez resigned Oscar Torres Umesh Patel James Briceno Ron Faulstich Quartermetra Hughes James Torres Manuel Oliva	05/05/20  10/20/20 10/20/20 10/20/20 10/20/20 10/20/20 10/20/20 10/20/20

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**COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS**

District 3 – Kara McGregor	Airport Board Board of Adjustment  Construction Board Eco Dev. Corp. ½ Cent Sales Tax Electric Board Historical Preservation Library Board Parks and Recreation Planning & Zoning	Ray Chandler Anne Clark, Vice-Chair Kirk Smith (Alternate) Jerry West, Vice-Chair Sally Daniel John Voigt Ronda Reagan Jean Clark Fox, Chair Warren Burnett Philip McBride, Chair	02/06/18 02/23/21 12/05/17 01/19/21 01/05/21 01/19/21 01/19/21 01/19/21 01/19/21 01/19/21
District 4 - Jeffry Michelson	Airport Board Board of Adjustment Construction Board Eco Dev. Corp. ½ Cent Sales Tax Electric Board Historical Preservation Library Board Parks and Recreation Planning & Zoning	Mark Brown, Vice-Chair Wayne Reeder Rick Winnett Doug Foster Ian Stowe Michel Royal Donaly Brice Russell Wheeler Rick Arnic	03/07/17 12/15/20 12/05/17 11/17/20 12/15/20 07/07/20 12/15/20 12/15/20 12/15/20
Mayor Pro-Tem (At-Large) Angie Gonzales-Sanchez	Airport Board Board of Adjustment Construction Board Eco Dev. Corp. ½ Cent Sales Tax Historical Preservation Library Board Parks and Recreation Planning & Zoning	Andrew Reyes Laura Cline, Chair Paul Martinez Alfredo Munoz Ray Ramsey Jodi King Chris Schexnayder Philip Ruiz, Vice-Chair	01/07/20 01/07/20 01/07/20 01/07/20 07/07/20 01/07/20 03/07/17 01/07/20

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**COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS**

At-Large - Brad Westmoreland	Airport Board Board of Adjustment Construction Board (Alternate) Eco Dev. Corp. ½ Cent Sales Tax Historical Preservation Library Board Parks and Recreation Planning & Zoning	Jayson "Tex" Cordova Severo Castillo Gary Shafer Frank Estrada Richard Thomson Rebecca Lockhart Dennis Placke Brad Lingvai	02/04/20 02/04/20 02/04/20 02/04/20 02/04/20 02/04/20 02/04/20 02/04/20
	Charter Review Commission (Five member commission) Term – 24 months after appointment	Ray Sanders Bill Hernandez Roland Velvin Elizabeth Raxter Alan Fielder	03/01/16 – Michelson 03/01/16 – Michelson 03/01/16 – Michelson 03/01/16 – Hilburn 03/15/16 – Hilburn
	Sign Review Committee (no longer meeting)	Gabe Medina Neto Madrigal Terry Black Kenneth Sneed Johnny Barron, Jr. Tim Clark	03/17/15 - Mayor Pro-Tem Sanchez 04/21/15 – Councilmember Mendoza 12/19/17 Councilmember McGregor 03/17/15 - Mayor White 03/17/15 – Councilmember Castillo 03/17/15– Councilmember Michelson
	Parks Master Plan Steering Committee (8-10 members)	Albert Villalapando Dennis Placke Nita McBride Rebecca Pulliam Bernie Rangel Derrick David Bryant Beverly Anderson Carl Ohlendorf Beverly Hill	09/05/17 - Parks Bd appointee 09/05/17 - Parks Bd appointee 12/05/17– McGregor 09/19/17– Michelson 09/19/17 – Castillo 09/19/17 - Sanchez 09/19/17 - Mendoza 09/19/17 – Westmoreland 09/19/17 – Mayor White
	Church Property Ad-hoc Committee (7 members)	Amelia Smith Jackie Westmoreland Todd Blomerth Andy Govea Terry Black	09/05/17 – Westmoreland 09/05/17 – Westmoreland 09/05/17 – Mayor White 09/1917 – Sanchez 12/19/17 – McGregor

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		Jane Brown Raymond DeLeon Dyral Thomas	09/19/17 - Michelson 09/20/17 - Castillo 09/22/17 - Mendoza
	Wayfinding Signage and Community Branding Ad-Hoc Committee (5 members)  <b>THIS COMMITTEE WAS - RE-ESTABLISHED ON MARCH 5, 2019</b>	Roy Watson Ronda Reagan Sally Daniel Rob Ortiz Bobby Herzog	03/05/19 03/05/19 03/05/19 03/05/19 03/05/19 Appointed by Mayor with consensus of Council
	HOT Advisory Bd	Ray Sanders Alfredo Munoz Archana "Archie" Gandhi Roxanne Rix Steve Lewis and Pam Larison Sally Daniel (Alternate) Janet Grigar (Alternate)	All members appointed by consensus of the Council on 12/03/2019

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# City of Lockhart

2020-2021 Strategic Priorities

Prepared by:



## **City of Lockhart**

### **Summary**

On January 17 & 18, 2020 the City of Lockhart hosted two half-day planning sessions to develop goals and strategies for the next 2 years. Some of these goal areas were internal, whereas others were external. The following is the process used to reach the conclusions for the plan.

The process began with a preliminary phone meeting between the facilitator and Steve Lewis, City Manager, to go over key issues facing the City, understand the programs and projects underway through the community, and to prepare the agenda and format for the planning retreat.

The first portion of the strategic planning process began on Friday, January 17, 2020 with the City Manager and the City of Lockhart Management Team. The facilitator began by asking the Management Team participants what their expectations for discussion for the day were. She then conducted a group brainstorm exercise called Start/Stop/Continue that lists the things that need to begin happening, stop happening, and are mission-critical and must continue regardless of circumstances.

The facilitator then guided the Management Team through 2020-2021 goal and strategy development to recommend to the City Council the following day.

On Saturday, January 18, 2020, the City Council and City Manager convened to review, revise, and establish priorities related to the recommendations generated the day before by the Management Team. Prior to the review, the facilitator asked the City Council to list their expectations for discussion for the day.

The following are the results.

## Management Team Expectations for the Day's Discussion Topics

- Holistic view of the City
- Understanding other departments better
- Council to continue to be open to new ideas
- As the city grows, facilities and staff must keep up
- Next comprehensive master plan
- Establish an IT 3-5-year plan to keep current
- Replace phone systems and phone equipment
- Discuss records storage
- What is there for teens and tweens to do?
- Need administrative assistance
- Public Information Officer – keep information on point, factual, and streamlining voice: sharing voice vs. many voices
- Law enforcement: recruitment and administrative assistance
- Stick to implementing plan
- Fire equipment replacement plan and funding
- Achieve “needs” so we can work on “wants” for the future
- Customer service needs additional staff – same staffing level as 1000 accounts ago
- Technology training needed in Library (provide for public)
- Additional Library storage needed
- Electric services study needed and replace needed items
- Salary and compensation study to begin soon – want council to support and fund the results of the study

## City Council Expectations for the Day's Discussion Topics

- Improve work environment for staff
- Accomplish unfinished business from last strategic plan
- 142 & I-130 development
- Low-hanging fruit and larger longer-term goals
- Eliminate the red tape
- Look ahead to see what's next
- Balance citizen needs and staff needs
- Keep on track
- Prepare for quality growth
- Neighborhood beautification
- City Hall facilities
- Discuss hospital/after-hours clinic
- Hear staff recommendations

## Start/Stop/Continue

The facilitator guided the Management Team through an exercise that challenged them to brainstorm things that the City really needed to begin doing, what they should stop doing that could be a waste of resources, and what must they continue doing, regardless of circumstances. Below are their responses. Note that there are no right or wrong items; these are merely individuals' opinions about the things that should and shouldn't change in Lockhart. Just because one person has a certain opinion on a topic, that does not imply anyone else shared that opinion.

### Start

- Long-term street paving plan (paving/resurfacing)
- Electrical system study
- Formal grantsmanship program
- Records storage facility
- Digitize public works and utility records/maps
- Establish fee schedule for fire plan reviews and inspections
- Review development related fees
- Improve customer service at Police Department and Utilities Department by increasing administrative staff
- Start a Main Street Program
- New City facilities (abolish sewer smell)
- Consider a 4-day/10-hour work week option
- Annual review of facility maintenance, i.e. HVAC systems, etc.
- Make Parks Department into Parks and Recreation Department (start recreation program)
- Review and fund vehicle replacement fund
- Expand/improve airport facilities
- Figuring out how to generate more general fund revenues to pay for items on this “start” list

## Stop

- Printing reports – use digital reports when we can
- The waste in Archives
- Excessive paperwork related to personnel (consider paper reduction techniques instead)
- Making new employees wait 6 months to take time off/sick days/etc (other cities do 3 months)
- Excessive engine idling of city vehicles
- Worrying about other departments and focus on making your own team better
- Picking up commercial recycling for free
- Hanging highway banners for free
- Circulating city council department head reports monthly (do quarterly instead)
- Workshop portion of council meetings unless needed (they run too long)
- Referencing the past as “we have always done it that way” (we can be more innovative)



## Continue

- Effective communication with customers/website
- Planning for the future
- Maintaining hiring standards
- Improving community amenities finding external funding sources
- Succession planning and cross-training
- Staff meetings
- Learning new ways of doing things
- Employee longevity and retention efforts
- Good customer service
- Acknowledging staff accomplishments
- Great teamwork
- Parks improvements/parks master plan
- Efforts on wayfinding program
- Replacing aged power lines
- Planning and engineering for downtown paving and drainage improvements
- Providing utilities to areas of anticipated future growth and development
- Planning for future industrial parks
- Accreditation for Police and Fire Departments

## Recommendations from Staff:

The following items were recommendations from staff to city council. Items that have a checkbox (R) had agreement of city council the following day. The one item with no checkbox was rolled to consideration for 2022.

- Create and adopt 5-7-year paving/resurfacing plan (roads and sidewalks)
- Lockhart Police Department to conduct Active Shooter training for all City staff and elected officials and review official safety procedures for council meetings
- Explore asking the county for grant writer assistance
- Establish fee schedule for fire plan reviews and inspections
- Considering increasing existing fees for applications and development fees
- Develop an Airport Business Plan
- Research options for additional records storage
- Transition staff department reports from monthly to quarterly
- Pursue agenda management process and software
- Streamline paper processes where possible/evaluate software options
  - Utility billing
  - Applications
  - Council, boards, commissions:
    - Packets
    - Minutes




## **Goal Development from City Council:**

The following items were items identified by council to move forward on for 2020-2021:




- Establish a Hospital with an Emergency Room in town
- Sell church property
- Create resources via Lockhart EDC for proactive outreach to quality builders for additional housing
- Create a Youth Advisory Board to explore options around youth programs/activities
- Adopt a TIF (tax increment financing) policy prior to project being submitted
- Implement downtown drainage improvements
- Develop fiber down 142, 183, and the Central Business District
- Traffic safety improvements: turn lanes and traffic lights
- Consider submitting a multi-year street bond program to voters
- Begin TXDOT safety projects
- Promote a Neighborhood Watch Program
- Promote beautification projects through teamwork
- Clean up trash/enforcement
- Enhance lower income districts/beautification efforts









## Progress Reporting

The following icons are used to document progress of the following goals and strategies:

 = Completed
 = On Target or In Progress
 = Not on Target

### Goal 1: Economic Development / Planning

Strategies	2019-2020 Progress	2020-2021 Progress
1. Continue to partner with LISD and local youth organizations to encourage careers in local emergency services (Fire and Police)	 Partner with Boy Scouts to develop Police Explorer Program. Fire personnel attend and participate in LISD career days.	
2. Better collaborate with downtown stakeholders and both Chambers of Commerce		
3. Complete updating our development ordinances	 Revised Engineering Standards – presented to Council January 2020. Subdivision Regulations to follow.	







<p>4. Consider development tools to facilitate attraction / recruitment to SH 130 corridor</p>	 IEDC business park development study completed. Future consideration by LEDC.	
<p>5. Bring utilities, assist assembling parcels, rezoning tracts along SH 130/142 and become shovel-ready</p>	 Mostly done. Site development will facilitate the remainder.	
<p>6. Pursue prospects and developers and create a BRE (business retention and expansion) program</p>	 Hiring a second Economic Development practitioner.	
<p>7. Start investing in more property for growth</p>	 IEDC study.	
<p>8. Explore next industrial park</p>	 IEDC study.	
<p>9. HOT (Hotel Occupancy Tax) Funds – board to develop and adopt new process to collect payments from B&amp;Bs</p>	 HOT Advisory Board created. Board training and funding processes under review.	
<p>10. Adopt and implement the Economic Development Strategic Plan (currently underway by Garner Economics) by Q4 2020</p>	 LEDC Board hired Garner Economics January 2020	
<p>11. Robust LEDC website</p>	 Underway with EDsuite contract.	
<p>12. Create resources via Lockhart EDC for proactive outreach to quality builders for additional housing</p>	<p><i>N/A Brand new/created in 2020</i></p>	

Strategies	2019-2020 Progress	2020-2021 Progress
13. Adopt a TIF (tax increment financing) policy prior to project being submitted	<i>N/A Brand new/created in 2020</i>	
14. Develop fiber down 142, 183, and the Central Business District	<i>N/A Brand new/created in 2020</i>	

**Goal #1 KPIs / Metrics:**

- Did we partner with LISD & other youth organizations to encourage emergency services careers?
- Did we collaborate with downtown stakeholders and both Chambers of Commerce?
- Did we completely update our development ordinances?
- Did we brainstorm development tools for SH-130 development?
- Did we bring utilities and assemble parcels along SH-130?
- Did we develop shovel-ready development sites?
- Did we market those sites to prospective investors?
- Did we develop plans for our next industrial park?
- Did we revamp the way HOT funds are structured?
- Did we develop and implement an Economic Development Strategic Plan?
- Did the Lockhart EDC revamp their website to better attract investment?
- # of quality home builders the Lockhart EDC proactively reached out to in 2020-2021? \_\_\_\_\_
- Did we adopt a new TIF policy?
- # of miles of new fiber optics laid in Lockhart in 2020-2021? \_\_\_\_\_

**Goal 2: Quality of Life / Quality of Facilities**

Strategies	2019-2020 Progress	2020-2021 Progress
1. Invest money to improve the appearance of our town (streets, parks, entry signs)	 Doubled street resurfacing funds in FY 20; Parks Master Plan projects.	
2. Conduct and implement a Space Study of City Buildings and facilities including City Hall	 Budget established for FY 20 Space Study. RFP under development.	
3. Improve the image of City facilities as needed and conduct cosmetic improvements in the meantime	 See No. 2 above.	
4. Update, renovate, and construct City facilities as needed, based on the space study. Realize that remodel of Central Fire Station is likely next.	 Electrical panel upgrade at the Water Treatment Plant; Budget established for FY 20 Space Study; Fire Station No. 2 completed.	
5. Implement the Parks Master Plan, improving the quality of life for the community. What is in Phase 2: splash pad, restroom renovations, dog park, picnic shelter upgrades, and tree planting initiatives	 Multiple Phase I projects underway.	
6. Conduct a citywide quality of life citizen survey and ask council to fund.	 Allocate funds in FY 20-21; assign project to PIO.	
7. Establish a Hospital with an Emergency Room in town	<i>N/A Brand new/created in 2020</i>	
8. Sell church property	<i>N/A Brand new/created in 2020</i>	
9. Create a Youth Advisory Board to explore options around youth programs/activities	<i>N/A Brand new/created in 2020</i>	
10. Implement downtown drainage improvements	<i>N/A Brand new/created in 2020</i>	

Strategies	2019-2020 Progress	2020-2021 Progress
11. Consider submitting a multi-year street bond program to voters	<i>N/A Brand new/created in 2020</i>	
12. Promote beautification projects through teamwork	<i>N/A Brand new/created in 2020</i>	
13. Clean up trash/enforcement citywide	<i>N/A Brand new/created in 2020</i>	
14. Enhance lower income districts with beautification efforts	<i>N/A Brand new/created in 2020</i>	

**Goal #2 KPIs / Metrics:**

\$ amount invested in streets in 2019? \$ \_\_\_\_\_

\$ amount invested in parks in 2019? \$ \_\_\_\_\_

\$ amount invested in gateway entry signs in 2019? \$ \_\_\_\_\_

\$ amount invested in streets in 2020? \$ \_\_\_\_\_

\$ amount invested in parks in 2020? \$ \_\_\_\_\_







\$ amount invested in gateway entry signs in 2020? \$ \_\_\_\_\_




Which facilities did we improve the image of? \_\_\_\_\_

- Did we implement elements of the Parks Master Plan?
- Did we secure quotes on a Space Study of City buildings including City Hall?
- # of City-owned buildings we renovated or retrofitted? \_\_\_\_\_
- Did we conduct a citywide quality of life citizen survey?
- Did we address levels of service based on the citizen responses we received?
- Did we address levels of satisfaction based on the citizen responses we received?
- Did we address areas for improvement based on the citizen responses we received?
- Did we court hospital providers?
- Did we sell the church property?
- Did we create a Youth Advisory Board?
- Did we implement downtown drainage improvements?
- Did we fully investigate issuing a street bond?
- Did we fully enforce trash clean up around town?
- Did we specifically target lower income neighborhoods for new beautification projects?



**Goal 3: Staffing / Personnel**

Strategies	2019-2020 Progress	2020-2021 Progress
1. Consider hiring additional personnel (engineer, IT, etc.)	 In FY 20, staffing levels were increased by 2 full-time and 1 part-time positions.	
2. Conduct a staffing study that includes evaluating efficiencies and compensation	 Classification and Compensation Study underway.	
3. Right size staffing levels city-wide based on study results	 No funding was allocated for such a study; discuss need/timing of study during FY 20-21 budget process.	
4. Consider starting salaries that compete with surrounding communities	 Classification and Compensation Study underway.	
5. Be consistent with staff development / policies / purchasing procedures	 Comprehensive Purchasing Policy under development (anticipated to be complete 1 <sup>st</sup> quarter of 2020). Revision of City Personnel Policy underway.	
6. Implement a staff development program (be consistent)	 House Bill 3834 mandated cybersecurity training for all employees with computer access and elected officials – cybersecurity training program underway.	

Strategies	2019-2020 Progress	2020-2021 Progress
7. Start developing / preparing current staff to take on leadership roles within the organization in the future. Work on succession planning: add Fire, add Electric, add Streets, and add Animal Control.	 Emphasis on leadership training for police personnel, cross training of job duties underway in Finance Department.	
8. Recruit and attract more bi-lingual staff	 No funding was allocated to recruit bi-lingual staff; explore possible options during FY 20-21 budget process and the classification and compensation study.	
9. Customer service / experience excellence training for the Utility and Planning Development teams	 Training budgeted item in FY 20 for Utility Customer Services staff.	

**Goal #3 KPIs / Metrics:**

# of new positions in 2019? \_\_\_\_\_

# of new positions in 2020 and 2021? \_\_\_\_\_

Did we perform a staffing efficiency/compensation study?

Did we right-size our salaries based on that study by the end of 2020?

Did we develop new consistent policies and procedures regarding professional development of staff?

Did we develop new consistent policies and procedures regarding purchasing/procurement?

Did we create and implement a new staff development program to ensure everyone has training opportunities?







Did we begin grooming current staff for future leadership roles?



How many staff do we have on a leadership track by the end of 2020?

# of new employees added in 2019 through 2021 who are bilingual? \_\_\_\_\_

Did we deliver Customer Experience Excellence training to every City employee?

**Goal 4: Procedures / IT Management and Services**



Strategies	2019-2020 Progress	2020-2021 Progress
1. Improve technology / create specific strategies to have better IT support based on Assessment results	 New outside IT management team hired; Strategic plan for current and emerging issues (cyber) near completion.	
2. Upgrade all technology-related issues as recommended – desktops, servers, software, equipment, and peripherals. \$100K will pay for equipment, \$20K is licensing agreement costs.	 City-wide replacement of desktops with current operating systems complete; new servers in current fiscal year.	
3. Create a 5-year rolling IT equipment replacement plan	 See above notes 1 and 2.	
4. Provide superior service by keeping technology up to date and being able to communicate with the public (keep an open line of communication through website.) Purchase next modules: INCODE	 New PIO hired. Increased social media updates. INCODE permits and inspections software module implemented to track permit and inspections progress; online access to permit applications and tracking underway.	
5. Upgrade the server system	 Desktop operating systems upgrade 100% complete. Server upgrades in progress.	
6. Streamline technology hardware, software processes within the City, based on Assessment recommendations	 Ongoing and FY 20-21.	





Strategies	2019-2020 Progress	2020-2021 Progress
7. Upgrade all equipment and software and be trained on specific software to be used to maximum potential and determine which staff will require which trainings.	 Current year 2020 departmental goal.	
8. Explore implementing downtown Wi-Fi	 To be addressed in 2020 or 2021. Explore options with the Downtown Business Association and both Chambers of Commerce.	

**Goal #4 KPIs / Metrics:**

- Did we secure top quality technology support across all departments by the end of 2020?
- Did we upgrade our desktop computers?
- % of employees who received upgraded computers by the end of 2020 (from 2018 numbers)? \_\_\_\_\_
- Did we upgrade our servers?
- Did we upgrade our computer software, subscriptions, and licenses?
- Did we upgrade our peripherals?
- Did we upgrade our other technology equipment?
- Did we establish an IT policy for updates and replacements that will keep us up-to-date from now through the future?
- Did we upgrade our City server system?
- Did we streamline our City technology processes?
- Did we secure training for staff to use all new equipment properly and efficiently?
- Did we investigate implementing WiFi throughout Downtown Lockhart?

**Goal 5: Public Safety**

Strategies	2019-2020 Progress	2020-2021 Progress
1. Provide quality public safety to all citizens of Lockhart		
a. Develop a specific Retention Strategy first	 <p>City-wide classification and compensation study underway.  <b>Fire:</b> Council approved 7% salary adjustment in FY 19-20.  <b>Police:</b> all officers to attend leadership training, host ceremonial recognition events, retention strategy under development.</p>	
b. Continue to implement hiring strategies we developed such as Fire and Police.	 <p><b>Fire:</b> Use of recruitment video; developing recruitment flyer for use with LISD and the public; career day with Lockhart High School students; Fire Chief to serve on LISD Career and Technical Education Advisory Committee.  <b>Police:</b> In 2019, Lockhart Police Officers visited with police cadets attending the AACOG Academy and made presentations to 2 classes of prospective candidates. In 1<sup>st</sup> quarter of 2020, LPD will make presentations to the CAPCOG Academy currently in progress.</p>	

Strategies	2019-2020 Progress	2020-2021 Progress
c. Long-term public safety facility planning for Station #1.	 Completed Fire Station No. 2. Analysis and cost estimate to remodel and upgrade Fire Station No. 1 underway.	
d. Develop an equipment replacement schedule. Seek funding for existing equipment (fire apparatus and patrol cars) replacements.	 Developed an ambulance replacement schedule with Caldwell County and Seton. Upgrades to two-way radios (portables and mobiles) underway.	
e. Continue to ensure use of best practices / standards (research best practices, then implement)	 <b>Fire:</b> Fire Department is preparing an emergency management tabletop exercise for City staff. <b>Police:</b> Upgraded Police Officer body-worn cameras to 3 <sup>rd</sup> generation models.	
f. Evaluate Accreditation opportunities	 <b>Fire:</b> Reviewing the Texas Fire Chief’s Association (TFCA) accreditation process before formal enrollment. <b>Police:</b> Currently reviewing the 166 Texas Law Enforcement Best Practices. Will submit for recognition in the 3 <sup>rd</sup> quarter of 2020.	

Strategies	2019-2020 Progress	2020-2021 Progress
g. Traffic safety improvements: turn lanes and traffic lights	<i>N/A Brand new/created in 2020</i>	
h. Begin TXDOT safety projects	<i>N/A Brand new/created in 2020</i>	
i. Promote a Neighborhood Watch Program	<i>N/A Brand new/created in 2020</i>	

**Goal #5 KPIs / Metrics:**

# of new law enforcement officers hired in 2019? \_\_\_\_\_

# of new law enforcement officers hired in 2020? \_\_\_\_\_

# of new law enforcement officers hired in 2021? \_\_\_\_\_

% law enforcement officers retained? \_\_\_\_\_%

# of new firefighters hired in 2019? \_\_\_\_\_

# of new firefighters hired in 2020? \_\_\_\_\_

# of new firefighters hired in 2021? \_\_\_\_\_

% firefighters retained? \_\_\_\_\_%

- Did we develop a long-term public safety facilities plan?
- Did we develop a public safety equipment replacement schedule?
- Did we implement that new replacement schedule?
- Did we research and record best practices across the country regarding public safety policy?
- Did we make any modifications to our public safety policies based on that research?
- Did we explore and evaluate Accreditation opportunities?
- Did we implement new turn lane and traffic light improvements in 2020-2021?
- Did we begin the TXDOT safety projects?
- Did we proactively promote a Neighborhood Watch Program for Lockhart?

## **Conclusion**

At the end of the planning retreat, the facilitator reminded all the participants that these goals would only be achieved if they held true to their commitments today to implement these specific strategies and tactics.

She reminded them that they are one team working toward one vision. The city council and management team agreed to use this document regularly throughout 2020 and 2021 to track progress and measure accomplishments.





# City of Lockhart

2019-2020 Strategic Priorities

Prepared by:



# City of Lockhart

## Summary

On February 1 & 2, 2019 the City of Lockhart hosted two half-day planning sessions to develop goals and strategies for the next 2 years. Some of these goal areas were internal, whereas others were external. The following is the process used to reach the conclusions for the plan.

The process began with a preliminary phone meeting between the facilitator and Steve Lewis, City Manager, to go over key issues facing the City, understand the programs and projects underway through the community, and to prepare the agenda and format for the planning retreat.

The first portion of the strategic planning process began on Friday, February 1, 2019 with the City Manager and the City of Lockhart Management Team. The facilitator began by asking the Management Team participants what their expectations for discussion for the day were. She then took the team through a SWOT (Strengths, Weaknesses, Opportunities, & Threats) Analysis. The next group exercise was a brainstorm called Start/Stop/Continue that lists the things that need to begin happening, stop happening, and are mission-critical and must continue regardless of circumstances.

The facilitator then guided the Management Team through 2019-2020 goal and strategy development to recommend to the City Council the following day.

On Saturday, February 2, 2019, the City Council and City Manager convened to review, revise, and establish priorities related to the recommendations generated the day before by the Management Team. Prior to the review, the facilitator asked the City Council to list their expectations for discussion for the day.

The following are the results.

## Management Team Expectations for the Day's Discussion Topics

- That City Council will take what we say seriously
- Consider all staff in decisions
- Hear each other's goals
- Live by the plans we create / develop
- That Council develop goals / priorities based on sound data / research
- Focus
- Consider quality of life as over-arching goal
- Discuss business attraction vs. recruitment
- Being prepared for growth
- Facilities improvements
- Facilities maintenance
- How do we give back to those who need extra help?
- Smart land use practices
- Discuss Tourists/Tourism – what is there for kids to do while in town visiting family?

## City Council Expectations for the Day's Discussion Topics

- Capitalize on Tourism
- Discuss Wi-Fi
- Capitalize on BBQ Capital of Texas
- Cleaning up of unsightly properties (residential)
- Work in unity today
- Serve our community
- Focus
- To discuss Economic Development targeting technology jobs
- Industrial Park is full – now what?
- Cleaning up of City properties / facilities
- Actually implement our goals
- Discuss the direction of Economic Development
- Think bigger / think change / embrace change
- Develop our identity
- Attractive gateway signage
- Employee wages
- Technology infrastructure

## SWOT Analysis

The facilitator guided the participants through an analysis of their current Strengths, the current Weaknesses or Challenges they are facing, Opportunities that may come their way in the future, and Threats that are possible to occur in the future. Note that there are no right or wrong answers here and no implication of likelihood. This is simply a brainstorm of the opinions of the participants to get them thinking about goals in the next portion. The Management Team listed their responses first, then the City Council added additional items the following day.

### Strengths

- Historic district
- County seat
- BBQ Capital of Texas
- Location to highways
- Tourism
- Small town (family-oriented)
- Growing – room for more
- Desire to manage growth
- Good development process
- Proximity to Austin
- Comparable housing prices
- Existing capacity of utilities
- Easy mobility
- Economic Development Sales tax
- Clark Library
- Baker Theatre
- Ease of developing land (flat)
- Employees who experience long tenure
- Volunteers
- CTR (Chisholm Trail Roundup) & other local events
- Community support
- Recognizable court house
- Movies / film production (TFC)
- Long-term water planning
- High-level financial planning
- Competitive building / development fees
- “Real” city with well-managed growth
- New energy
- Proximity to large cities / airport
- New residents – new ideas – changing priorities
- Diversity
- First Friday Downtown Event

## Weaknesses / Challenges

- Incentives – Economic Development lack of use
- Technology – aging equipment and software
- Infrastructure
- Facilities – condition / maintenance
- Competitive salaries within region
- Training opportunities
  - Professional development
  - Budget
- Closed minds – have always done it this way
- Tourism
- Managing growth
- Need for succession planning
- Public perception influencing job applicant pool
- Weak tax base
- Limited in-town post-secondary educational opportunities
- Lack of retail
- Lack of entertainment (kids)
- Limited grocery options
- City-owned property
- College
- Venue / convention center
- Lack of hotels
- Entryways to community
- Not using TIF financing
- Emerging downtown organization
- How to effectively support increasing, ever-growing number of festivals
  - Create packages for vendors and festivals
- No city recreation programs
- In-kind services
- Very limited public transportation services
- Outdated web information
- Poor communication with citizens

## Opportunities

- Expand airport (hangars)
  - Install AWOS (Automated Weather Observing System)
- Improve working conditions of employees
- Proximity to Austin
- Implement first phase of parks master plan
- SH-130 has great properties but not city-owned property
- Undeveloped lots on Square and north / northwest of Square
- Long-tenured elected leadership
- Increase community involvement
- To develop positive relationship with County, School, and organizations
- Quality economic growth
- Franchise recreational or entertainment venues (theaters, bowling, outlets, concerts, water parks)
- Community college campus
- Increased communication needed with ISD for school planning, infrastructure, etc.
- Expand walking / biking opportunities for exercise and community involvement
- Lockhart Springs (natural spring)
- Lockhart State Park transfer to City
- Potential residential development around golf course
- Development within historic district
- School district growth
- Housing growth
- Business growth
- St. Paul Church and other redevelopment opportunities
- Hospital / medical facilities
- Public bathrooms downtown
- Develop Industrial Park
- More involvement with San Marcos Greater Partnership
- Partnership with Austin Chamber
- EDC \$ will go further today than in 2 years (spec buildings, parking)

## Threats

- Economic recession
- Voter turnout
- Government shutdown
- Citizen input
- Natural disaster
- Leadership in government
- Lack of economic development direction
- Competition from other cities
- Lack of resources
- Building maintenance
- Technology – cyber security
- Surging population
- Infrastructure improvement
- Maintaining reputation
- Planning without follow through
- Lack of educated workforce – skilled labor
- Crime
- Lack of workforce – people
- Retention and hiring
- Youth retention
- School quality
- Lack of industry
- Lack of racial unity
- Micro-managing
- Other utilities providers
- Homeless services – transportation
- Types of future growth

## Start/Stop/Continue

The facilitator guided the Management Team through an exercise that challenged them to brainstorm things that the City really needed to begin doing, what they should stop doing that could be a waste of resources, and what must they continue doing, regardless of circumstances. Below are their responses. Note that there are no right or wrong items; these are merely individuals' opinions about the things that should and shouldn't change in Lockhart. Just because one person has a certain opinion on a topic, that does not imply anyone else shared that opinion.

### Start

- Space allocation study
- Renovate City buildings – construct
- Downtown bathrooms
- Improve salaries – salary survey
- Staff development program / policies / procedures
- Consistency in purchasing
  - Revamp purchasing policy
- Replacing capital equipment / vehicles – vehicle fund
- Mandatory single stream recycling
- IT department, in-house City Engineer
- New technology in terms of equipment, network, server, software
- Re-assess who is in charge of downtown redevelopment
  - Name which entity (or entities) funds downtown redevelopment initiatives
  - Name which entity (or entities) manages downtown redevelopment initiatives
- 2020 Comprehensive Master Plan Update that includes a future land use plan and map



## Stop

- In-house utility billing (consider outsourcing)
- Outsourcing IT (consider bringing in-house)
- Repetitive useless paperwork (paperwork/policies must be updated and streamlined)
- Increasing overtime in fire and police (hire more to fix this issue)
- Using outdated equipment
- Hand -picking collections of recycled goods (business pick up)
- Laying asphalt driveway approaches for “free”
- Demolition of condemned houses – stop doing in-house (needs to be outsourced)

## Continue

- Meeting with County, City, School, Chamber, EDC
- Implementing 2020 Plan and Updates
- Attracting businesses – growth
- Providing superior service
- Redeveloping Downtown
- Implement Parks Master Plan
- Being a great place to work
- Public investments along SH-130
- Supporting festivals / movie projects
- Financial planning
- Embracing tourism

**Goal 1: Economic Development / Planning**

<b>Strategies</b>
1. Partner with LISD and local youth organizations to encourage careers in local emergency services (Fire and Police)
2. Reassess who is in charge of managing and funding downtown development and tourism
3. Attract a post-secondary education campus / facility
4. Complete updating our development ordinances
5. Consider development tools to facilitate attraction / recruitment to SH 130 corridor
6. Bring utilities, assist assembling parcels, rezoning tracts along SH 130
a) Shovel ready
b) Pursue prospects
7. Start investing in more property for growth
8. Explore next industrial park
9. HOT (Hotel Occupancy Tax) Funds – revamp structure
10. Economic Development Strategic Plan
11. Robust LEDC website

***Goal #1 KPIs / Metrics:***

- Did we partner with LISD & other youth organizations to encourage emergency services careers?
- Did we reassess downtown development and tourism initiatives and who leads each?
- Did we initiate efforts to attract a post-secondary educational institution or facility to Lockhart?
- Did we completely update our development ordinances?
- Did we brainstorm development tools for SH-130 development?
- Did we bring utilities and assemble parcels along SH-130?
- Did we develop shovel-ready development sites?
- Did we market those sites to prospective investors?
- Did we develop plans for our next industrial park?
- Did we revamp the way HOT funds are structured?
- Did we develop and implement an Economic Development Strategic Plan?
- Did the Lockhart EDC revamp their website to better attract investment?

## Goal 2: Quality of Life / Quality of Facilities

Strategies
1. Invest money to improve the appearance of our town (streets, parks, entry signs)
2. Conduct a Space Study of City Buildings and facilities including City Hall
3. Improve the image of City facilities as needed
4. Update, renovate, and construct City facilities as needed
5. Implement the Parks Master Plan, improving the quality of life for community
6. Conduct a citywide quality of life citizen survey

### Goal #2 KPIs / Metrics:

\$ amount invested in streets in 2019 and 2020? \$ \_\_\_\_\_

\$ amount invested in parks in 2019 and 2020? \$ \_\_\_\_\_

\$ amount invested in gateway entry signs in 2019 and 2020? \$ \_\_\_\_\_

# of City facilities we improved the appearance of? \_\_\_\_\_

- Which facilities did we improve the image of?
- Did we implement elements of the Parks Master Plan?
- Did we secure quotes on a Space Study of City buildings including City Hall?
- How many City-owned buildings did we renovate or retrofit?
- Did we conduct a citywide quality of life citizen survey?
- Did we address levels of service based on the citizen responses we received?
- Did we address levels of satisfaction based on the citizen responses we received?
- Did we address areas for improvement based on the citizen responses we received?

### Goal 3: Staffing / Personnel

Strategies
1. Consider hiring additional personnel (engineer, IT, etc.)
2. Conduct a staffing study that includes evaluating efficiencies and compensations
3. Right size staffing levels city-wide based on study results
3. Consider starting salaries that compete with surrounding communities
4. Be consistent with staff development / policies / purchasing procedures
5. Implement a staff development program (be consistent)
6. Start developing / preparing current staff to take on leadership roles within the organization in the future
7. Bi-lingual staff
8. Customer service / experience excellence training

#### Goal #3 KPIs / Metrics:

# of new positions in 2019 and 2020? \_\_\_\_\_

- Did we perform a staffing efficiency/compensation study?
- Did we right-size our salaries based on that study by the end of 2020?
- Did we develop new consistent policies and procedures regarding professional development of staff?
- Did we develop new consistent policies and procedures regarding purchasing/procurement?
- Did we create and implement a new staff development program to ensure everyone has training opportunities?
- Did we begin grooming current staff for future leadership roles?
- How many staff do we have on a leadership track by the end of 2020?

# of new employees added in 2019 and 2020 who are bilingual? \_\_\_\_\_

- Did we deliver Customer Experience Excellence training to every City employee?

**Goal 4: Procedures / IT / Software and Hardware**

<b>Strategies</b>
1. Conduct a Technology Assessment that yields specific recommendations
2. Improve technology / create specific strategies to have better IT support based on Assessment results
3. Upgrade all technology-related issues as recommended – desktops, servers, software, equipment, and peripherals
4. Start replacing old equipment
5. Provide superior service by keeping technology up to date and being able to communicate with the public (keep an open line of communication through website)
6. Carefully weigh all the pros and cons of considering bringing IT in-house
7. Upgrade the operating system
8. Streamline technology hardware, software processes within the City, based on Assessment recommendations
9. Upgrade all equipment and software and be trained on specific software to be used to maximum potential
10. Explore implementing downtown Wi-Fi

**Goal #4 KPIs / Metrics:**

- Did we conduct a Technology Assessment?
- Did we secure top quality technology support across all departments by the end of 2020?
- Did we upgrade our desktop computers?  
% of employees who received upgraded computers by the end of 2020 (from 2018 numbers)? \_\_\_\_\_
- Did we upgrade our servers?
- Did we upgrade our computer software, subscriptions, and licenses?
- Did we upgrade our peripherals?
- Did we upgrade our other technology equipment?
- Did we establish an IT policy for updates and replacements that will keep us up-to-date from now through the future?
- Did we carefully weigh all the pros and cons of keeping IT outsourced vs. bringing it in-house?
- Did we upgrade our City operating system?
- Did we streamline our City technology processes?
- Did we secure training for staff to use all new equipment properly and efficiently?
- Did we investigate implementing WiFi throughout Downtown Lockhart?



## Goal 5: Public Safety

Strategies
1. Provide quality public safety to all citizens of Lockhart
a) Develop a specific Retention Strategy first
b) Develop a specific Hiring Strategy
c) Long-term public safety facility planning
d) Develop an equipment replacement schedule
e) Ensure use of best practices / standards (research best practices, then implement)
f) Evaluate Accreditation opportunities

### **Goal #5 KPIs / Metrics:**

# of new law enforcement officers hired in 2019?

# of new law enforcement officers hired in 2020?

% law enforcement officers retained?

# of new firefighters hired in 2019?

# of new firefighters hired in 2020?

% firefighters retained?

Did we develop a long-term public safety facilities plan?

Did we develop a public safety equipment replacement schedule?

Did we implement that new replacement schedule?

Did we research and record best practices across the country regarding public safety policy?

Did we make any modifications to our public safety policies based on that research?

Did we explore and evaluate Accreditation opportunities?

## Conclusion

At the end of the planning retreat, the facilitator reminded all the participants that these goals would only be achieved if they held true to their commitments today to implement these specific strategies and tactics.

She reminded them that they are one team working toward one vision. The participants agreed to use this document regularly throughout 2019 and 2020 to track progress and measure accomplishments.

**CITY COUNCIL FY 18-19 GOALS (FINAL COMBINED)**

**PRIORITY ORDER**

<b>COUNCILMEMBER</b>	<b>PRIORITY</b>	<b>FY 18-19 GOALS</b>
CASTILLO	1	Infrastructure Improvements: streets
GONZALES-SANCHEZ	1	Hire A City Manager
MCGREGOR	1	Economic development, creating and retaining jobs, grocery campaign.
MENDOZA	1	Pay Raise City Employees.
MICHELSON	1	Public relations position/ get the word out about Lockhart (promoting)
WESTMORELAND	1	Infrastructure Improvements: streets
WHITE	1	Economic development, creating and retaining jobs, grocery campaign.
CASTILLO	2	Economic development, creating and retaining jobs, grocery campaign.
GONZALES-SANCHEZ	2	All Department Heads to Budget Salary Increases for all City Employees.
MCGREGOR	2	Work with LISD to establish a community recreation center at the Adams Gym, per under Parks
MENDOZA	2	Economic development, creating and retaining jobs, grocery campaign.
MICHELSON	2	Signage in Lockhart (highway, downtown, and toll) / Wayfinding, branding,,,) )
WESTMORELAND	2	Signage in Lockhart (highway, downtown, and toll) / Wayfinding, branding,,,) )
WHITE	2	Public relations position
CASTILLO	3	Continued police community committee involvement, neighborhood watch, gang awareness
GONZALES-SANCHEZ	3	Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods
MCGREGOR	3	Prepare Fire Station #3 (so we can have existing station remodeled)
MENDOZA	3	Continued police community committee involvement, neighborhood watch, gang awareness
MICHELSON	3	Prepare Fire Station #3 (so we can have existing station remodeled)
WESTMORELAND	3	More enforcement of codes directed at unsightly properties
WHITE	3	Wayfinding, branding, develop new entry sign and city markers
CASTILLO	4	City Facilities: Maintenance and repairs Economic Development: Recruit more businesses especially retail and continue efforts; contact existing and vacant building owners to see if they are willing to work with the City of Lockhart to bring retail businesses and specialty shops, as well as industrial. Purchase buildings and land when on the market for possible new businesses for the city.
GONZALES-SANCHEZ	4	Public relations position work with social media/ get the word out about Lockhart
MCGREGOR	4	Public relations position work with social media/ get the word out about Lockhart
MENDOZA	4	City Facilities: Maintenance and repairs

**CITY COUNCIL FY 18-19 GOALS (FINAL COMBINED)**

**PRIORITY ORDER**

<b>COUNCILMEMBER</b>	<b>PRIORITY</b>	<b>FY 18-19 GOALS</b>
MICHELSON	4	Refurbish City Hall inside (making it more inviting)
WESTMORELAND	4	Move forward with St Paul property project
WHITE	4	Park improvements- consider medium to long range plan for Town Branch development
CASTILLO	5	Affordable housing Police Task Force: Budget extra funds for a Police Task Force, a Narcotics Officer and a Mental Health Officer to address any drug and gang related problems and mental issues our city is being faced not only on the East side of our city but citywide. Budget for updated training for our police officers. There is a lot of training that is free but a lot additional money for registration fees and course material.
GONZALES-SANCHEZ	5	
MCGREGOR	5	Free public wifi on the square
MENDOZA	5	Parks improvements
MICHELSON	5	Continued police community committee involvement, neighborhood watch, gang awareness
WESTMORELAND	5	Angled parking downtown: N Main and N Commerce Sts(change during downtown drainage project)
WHITE	5	Continued police community committee involvement, neighborhood watch, gang awareness
CASTILLO	6	Wellness for employees



## CITY COUNCIL FY 18-19 GOALS

### Category Order and Comments by City Manager

Council agreed at February 13 meeting that each Councilmember will submit at least 5 category goals in priority order to the City Manager to be considered by Council at first meeting in March, 2018

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CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY FINAL LIST BY COUNCIL PRIORITIZED BY CATEGORY: SUBMIT TO CITY MGR BY MARCH 1 PLEASE	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY
		Improve communication between City and Chamber of Commerce	In-House	Chamber
		City Facilities	GF	City Bldgs
		Refurbish City Hall inside (making it more inviting)	Gen Fund	City Bldgs
		Prepare Fire Station 3 (so we can have main station remodeled)	Gen Fund	City Bldgs
		Hire A City Manager. Hire a City Manager that is Well Rounded and Experienced and Will Help our City to Continue to Grow for the right and positive reasons. To hire a City Manager that will allow our Department Heads to Grow and Improve Our Departments with their recommended suggestions not only from our department heads but from our employees. Working Smarter not Harder.	GF	City Manager
		More code enforcement of codes directed at unsightly properties	In-House	Code Enforc
		Continue demo of unsafe structures and pursue liens aggressively	GF	Code Enforc
		Convention Center. Our city is growing and there are too many events, programs and conferences that are going to other surrounding areas to have these events and those surrounding area businesses are benefitting and money is being spent in those areas instead on money being spent in our city. Granted, we do have meeting facilities in our city but these meeting facilities do not accomodate the number of people for the above events that have been mentioned.	GF	Convention Center
		Downtown improvements-lighting, pedestrian safety, south plaza idea? Sculpture? Sidewalk mosaics?	GF	Downtown
		Economic development, creating and retaining jobs, grocery campaign	general fund, LEDC	Econo Devl
		Economic Development	GF	Econo Devl
		Expand economic development (by helping to spread the word & being more involved)	Gen Fund	Econo Devl
		Economic Development: Recruit more businesses especailly retail and continue efforts; contact existing and vacant building owners to see if they are willing to work with the City of Lockhart to bring retail businesses and speciality shops, as well as industrial. Purchase buildings and land when on the market for possible new businesses for the city. Art Galleries and Music Venues have increased within our downtown area and though many many not appreciate these type of business and or venues, it is good for our downtown and its livelihood. Let's work on getting more of the speciality shops and boutiques in or around the sqare.	GF	Econo Devl
		Pay raise across the board	GF	Employees
		All Department Heads to Budget Salary Increases for all City Employees.	GF	Employees
		Wellness for employees	GF	Employees
		Employee: Possible additional Employee Holiday Time Off-Alternating System. Even though this has been discussed and the reasons for why it cannot be done, I would like to see a time off altenating system, especailly during the holidays. I did appreciate that the city employees were allowed to stay home during our icy, sleet and snow days. The safety of our employees is very important.	GF	Employees
		Subdivision developemnt to attract more businesses to Lockhart. Increase the number of homes, apartments, housing. Our city is growing with new citizens wanting to make Lockhart their home but due to the number of housing available, they wait and or possibly lose interest.	GF	Housing
		Infrastructure	GF	Infrastructure
		Infrastructure improvement- uncurbed streets, street rehab	GF	Infrastructure
		Improve Streets (repairs)	In-House	Infrastructure

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY FINAL LIST BY COUNCIL PRIORITIZED BY CATEGORY: SUBMIT TO CITY MGR BY MARCH 1 PLEASE	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY
		Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods	GF	Infrastructure
		Angled parking for N Main and N Commerce Streets (change during downtown project)	In-House	Parking Downtown
		Parking around and surrounding the square. Issues with larger vehicles parked in areas that are narrow and that make it hard to see oncoming traffic. Our city is growing and we have been very fortunate with our parking however, it is a concern especially when you have the bigger and wider trucks that are parked in an area that is for a moderate size car. It becomes a hazard and a blind spot when trying to reverse out of the parking space and a blind spot for any and all pedestrians.	GF	Parking Downtown
		Continue to work on City Park improvements	Gen Fund	Parks
		Revive all City parks	Grants	Parks
		Work with LISD to establish a community recreation center at Adams Gym, perhaps under Parks (PUBLIC HEALTH/PARKS)	General Fund/Parks & Rec	Parks
		Add 3 positions to the Parks Department, to help facilitate other improvements (PARKS)	General Fund/Parks & Rec	Parks
		Park improvements - consider medium to long range Town branch development	GF	Parks
		Develop a dog park as part of the Stueve Lane Monte Vista Tract (PARKS/ANIMAL SHELTER/PUBLIC HEALTH)	General Fund/Parks & Rec	Parks
		Parks Improvemens: Purchase and update the park equipment to provide safe and fun filled parks for all to use.	GF	Parks
		Start Planning for 2040 plan	GF	Planning
		Police	GF	Police
		Continued Police Community committee involvement, neighborhood watch, gang awareness	GF	Police
		Work with Police Department to bring back drug enforcement program	Gen Fund	Police
		Get back to Neighborhood Townhall Meetings	GF	Police
		Police Task Force: Budget extra funds for a Police Task Force, a Narcotics Officer and a Mental Health Officer to address any drug and gang related problems and mental issues our city is being faced not only on the East side of our city but citywide. Budget for updated training for our police officers. There is alot of training that is free but alot additional money for registration fees and course material. I am grateful that the Police Department did invest in our Drug Dog and is being utilized by the school as well.	GF	Police
		High School cadet programs for police, fire, EMS	GF	Police/Fire
		Public relations position to deal with social media	GF	Public Relations
		Get the word out about Lockhart (promoting, hiring a Public Relations person)	Gen Fund	Public Relations
		Sidewalk repair and expansion	GF	Sidewalks
		Signage in Lockhart (highway, downtown, and toll road)	Gen Fund	Signage
		Wayfinding, branding - develop new entry sign and city property markers	GF	Signage
		Move Forward with St Paul property project	In-House	St Paul Gift
		Develop an oral history project to support a future "Walking Tour" app for Lockhart (ECONOMIC DEV/DOWNTOWN)	General Fund/Fundraising	Tourism
		More Events to Attract Tourism in Lockhart and Include Way Finding Signage (Hotels and Restaurants). Added events, especially the events that are free to the public do very well for the city as well as for the businesses and tourism. I welcome new events to the city but need to be selective in the events that we do host.	GF	Tourism
		Create a Good Neighbor program (Lockhart Utility Customers can add an additional amount to utility bill to help others)	GF	Utility Customers

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY FINAL LIST BY COUNCIL PRIORITIZED BY CATEGORY: SUBMIT TO CITY MGR BY MARCH 1 PLEASE	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY
		Access to Municipal Court for Utility Payments	In-House	Utility Customers
		Free public wifi on the square as part of the redevelopment on the North side (ECONOMIC DEV/DOWNTOWN)	CAPCOG Grant?	Wifi
		Free public wifi on the square as part of the redevelopment on the North side	GF	Wifi



CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY	CITY MANAGER COMMENTS
BW	7	Improve communication between City and Chamber of Commerce	In-House	Chamber	City Staff works together with Chambers on all their events by being a co-sponsor with many in-kind services. Robert Tobias attends their meetings and periodically makes presentations about Economic Development issues.
JC	4	City Facilities	GF	City Bldgs	Budget for roofs and major repairs
JEFF M	5	Refurbish City Hall inside (making it more inviting)	Gen Fund	City Bldgs	Working on it; repairs to ceiling in progress, restrooms to be refurbished and replace signage with more informative directions.
JEFF M	7	Prepare Fire Station 3 (so we can have main station remodeled)	Gen Fund	City Bldgs	New plans will be prepared working with new Chief who has different ideas than the previous Chief
AGS	1	Hire A City Manager. Hire a City Manager that is Well Rounded and Experienced and Will Help our City to Continue to Grow for the right and positive reasons. To hire a City Manager that will allow our Department Heads to Grow and Improve Our Departments with their recommended suggestions not only from our department heads but from our employees. Working Smarter not Harder.	GF	City Manager	I concur. The current City Mgr has rode back of garbage trucks, climbed electrical poles, worked water/sewer/asphalt/concrete projects, and has been a utility collections clerk, and during these experiences learned the value of suggestions for charge that comes from employees in such positions. All department heads/supervisors are encourage to listen to employees who have constructive ideas that would benefit in performing assigned tasks. City Mgr has also learned there are employees who keep there hands in their pockets and talk while everyone else is working and these are the same ones who are often found to be dishonest in their paperwork, sleep on the job, and have a poor attendance record.
BW	1	More code enforcement of codes directed at unsightly properties	In-House	Code Enforc	Will continue to address as complaints come in and as found during investigation outings.
LW	8	Continue demo of unsafe structures and pursue liens aggressively	GF	Code Enforc	Will continue to address and City Attorney exploring process to recover demolition costs
AGS	11	Convention Center. Our city is growing and there are too many events, programs and conferences that are going to other surrounding areas to have these events and those surrounding area businesses are benefitting and money is being spent in those areas instead on money being spent in our city. Granted, we do have meeting facilities in our city but these meeting facilities do not accommodate the number of people for the above events that have been mentioned.	GF	Convention Center	HOT funds and/or Bond Issue. Maintenance funds will be a minimum of \$150,000 annually not including director's salary, utilities, and insurance.
LW	9	Downtown improvements-lighting, pedestrian safety, south plaza idea? Sculpture? Sidewalk mosaics?	GF	Downtown	CAPCOG/CO project will address
LW	1	Economic development, creating and retaining jobs, grocery campaign	general fund, LEDC	Econo Devl	Robert Tobias working with several companies now
JC	2	Economic Development	GF	Econo Devl	See above

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY	CITY MANAGER COMMENTS
JEFF M	3	Expand economic development (by helping to spread the word & being more involved)	Gen Fund	Econo Devl	Robert Tobias is involved with the San Marcos Partnership, local chambers, and with downtown businesses on a regular basis. Leads from the Governor's office and the Austin Chamber are also pursued as applicable.
AGS	4	Economic Development: Recruit more businesses especially retail and continue efforts; contact existing and vacant building owners to see if they are willing to work with the City of Lockhart to bring retail businesses and specialty shops, as well as industrial. Purchase buildings and land when on the market for possible new businesses for the city. Art Galleries and Music Venues have increased within our downtown area and though many not appreciate these type of business and or venues, it is good for our downtown and its livelihood. Let's work on getting more of the specialty shops and boutiques in or around the square.	GF	Econo Devl	The problem is that many of the property owners downtown do not have the funds to customize their buildings to support specialty shops which most the time are not willing to spend money on a building. Rob Tobias is exploring ways to address this issue.
JUAN M	1	Pay raise across the board	GF	Employees	Estimated Costs Including Benefits: For each 1% for non-civil service= \$52,000 For each 1% for civil service = \$28,000
AGS	2	All Department Heads to Budget Salary Increases for all City Employees.	GF	Employees	See above
IC	5	Wellness for employees	GF	Employees	City provides good health insurance (\$586 per month each) with wellness plans for employees; many Cities have stopped this benefit and only provide a stipend for insurance.
AGS	9	Employee: Possible additional Employee Holiday Time Off-Alternating System. Even though this has been discussed and the reasons for why it cannot be done, I would like to see a time off alternating system, especially during the holidays. I did appreciate that the city employees were allowed to stay home during our icy, sleet and snow days. The safety of our employees is very important.	GF	Employees	City employees with vacation leave and holiday time are off 23 days a year with pay which is more than a month of work days. The only holidays not given that we found are Columbus Day and Texas Independence Day. Employee safety is very important, however, some employees must come in to make conditions safe for residents and to respond to emergency conditions and that responsibility belongs to each department head who determines based on staff levels and skills time off during holiday times.
AGS	6	Subdivision development to attract more businesses to Lockhart. Increase the number of homes, apartments, housing. Our city is growing with new citizens wanting to make Lockhart their home but due to the number of housing available, they wait and or possibly lose interest.	GF	Housing	6 housing projects in place at different phases. City Manager recommended incentives to builders three years ago which Council approved and during the time it was in place it produced more housing. As a result, more engineering of subdivisions has begun.
IC	1	Infrastructure	GF	Infrastructure	\$400,000 or more yearly needed for streets
LW	2	Infrastructure improvement- uncurbed streets, street rehab	GF	Infrastructure	See above. It will take a major bond issue to address all streets that do not have curbs.
BW	3	Improve Streets (repairs)	In-House	Infrastructure	See above.

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY	CITY MANAGER COMMENTS
AGS	3	Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods	GF	Infrastructure	For streets please see above. Brighter lighting is always a challenge in a city with so many trees. Lockhart still must comply with Senate Bill 5 which regulates power usage. Several cities have passed an ordinance that does not allow for the planting of trees within 15' of the right of way to improve lighting of streets and reduce tree trimming around power lines.
BW	4	Angled parking for N Main and N Commerce Streets (change during downtown project)	Ja-House	Parking Downtown	Scheduled with downtown improvements. Should also consider making 100 Blocks of N Main and N Commerce one-way and possibly consider other blocks downtown especially north/south streets.
AGS	10	Parking around and surrounding the square. Issues with larger vehicles parked in areas that are narrow and that make it hard to see oncoming traffic. Our city is growing and we have been very fortunate with our parking however, it is a concern especially when you have the bigger and wider trucks that are parked in an area that is for a moderate size car. It becomes a hazard and a blind spot when trying to reverse out of the parking space and a blind spot for any and all pedestrians.	GF	Parking Downtown	Scheduled with downtown improvements
JEFF M	2	Continue to work on City Park improvements	Gen Fund	Parks	Master Plan near complete
BW	2	Revive all City parks	Grants	Parks	Master Plan near complete
KM	2	Work with LISD to establish a community recreation center at Adams Gym, perhaps under Parks (PUBLIC HEALTH/PARKS)	General Fund/Parks & Rec	Parks	Mayor is visiting with LISD about this
KM	3	Add 3 positions to the Parks Department, to help facilitate other improvements (PARKS)	General Fund/Parks & Rec	Parks	Approx. \$100,000 to budget not including equipment and vehicles
LW	3	Park improvements - consider medium to long range Town branch development	GF	Parks	Bond issue needed
KM	4	Develop a dog park as part of the Stueve Lane Monte Vista Tract (PARKS/ANIMAL SHELTER/PUBLIC HEALTH)	General Fund/Parks & Rec	Parks	Estimate on this property is \$ 25000 using used fencing. Maintenance and insurance are also cost factors
AGS	8	Parks Improvements: Purchase and update the park equipment to provide safe and fun filled parks for all to use.	GF	Parks	Master Plan near complete
JUAN M	3	Start Planning for 2040 plan	GF	Planning	Needs to be done
JC	3	Police	GF	Police	Chief Pedraza is working on these issues. Recently issued update that was sent to Council.
LW	4	Continued Police Community committee involvement, neighborhood watch, gang awareness	GF	Police	See above
JEFF M	4	Work with Police Department to bring back drug enforcement program	Gen Fund	Police	See above
JUAN M	5	Get back to Neighborhood Townhall Meetings	GF	Police	Will get with Chief about this

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY	CITY MANAGER COMMENTS
AGS	5	Police Task Force: Budget extra funds for a Police Task Force, a Narcotics Officer and a Mental Health Officer to address any drug and gang related problems and mental issues our city is being faced not only on the East side of our city but citywide. Budget for updated training for our police officers. There is a lot of training that is free but a lot additional money for registration fees and course material. I am grateful that the Police Department did invest in our Drug Dog and is being utilized by the school as well.	GF	Police	Chief Pedraza reports that Lockhart has two certified mental health officers, and he feels there is sufficient funding for training. He also reports that a new Narcotics Officer would cost about \$90,000 for salary/benefits, training, a vehicle, and all required equipment.
LW	10	High School cadet programs for police, fire, EMS	GF	Police/Fire	Will visit with department heads again about this
LW	6	Public relations position to deal with social media	GF	Public Relations	Position would cost with benefits about \$45,000 annually and would need more tasks to perform.
JEFF M	6	Public relations position to deal with social media	GF	Public Relations	See above
LW	7	Sidewalk repair and expansion	GF	Sidewalks	Costs average about \$25 per linear foot
JEFF M	1	Signage in Lockhart (highway, downtown, and toll road)	Gen Fund	Signage	Wayfinding and Branding Committee in place
LW	5	Wayfinding, branding - develop new entry sign and city property markers	GF	Signage	See above
BW	5	Move Forward with St Paul property project	In-House General	St Paul Gift	Working on costs associated with this projects which involve asbestos/lead paint survey and possible abatement, ADA restrooms, ADA entry ramp, kitchen changes, and other repairs.
KM	5	Develop an oral history project to support a future "Walking Tour" app for Lockhart	Fund/Fundraising	Tourism	Could be part of the Wayfinding and Branding Committee tasks
AGS	7	More Events to Attract Tourism in Lockhart and Include Way Finding Signage (Hotels and Restaurants). Added events, especially the events that are free to the public do very well for the city as well as for the businesses and tourism. I welcome new events to the city but need to be selective in the events that we do host.	GF	Tourism	Chambers receive HOT funds for tourism and City co-sponsors events that contribute to tourism.
JUAN M	4	Create a Good Neighbor program (Lockhart Utility Customers can add an additional amount to utility bill to help others)	GF	Utility Customers	Have pursued this in the past. Requires a Board or Committee that is willing to take on the tasks of selecting who and how much help can be provided to customers. Some Cities allocate the funds to existing organization that is willing to take on the project.
BW	6	Access to Municipal Court for Utility Payments	In-House	Utility Customers	Working to this; advertisements and office training needed.
KM	1	Free public Wi-Fi on the square as part of the redevelopment on the North side (ECONOMIC DEV/DOWNTOWN)	CAPCOG Grant?	Wi-Fi	County Judge had indicated to Mayor that the County could do this.
JUAN M	2	Free public wifi on the square as part of the redevelopment on the North side	GF	Wifi	See Above

LOCKHART CITY COUNCIL FY 17-18 GOALS				
Category and Priority Order				
COUNCIL MEMBER	PRIORITY	GOALS IDENTIFIED BY COUNCIL FOR FY 17-18 (as submitted by Councilmembers)	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	CATEGORY
BH	3	Continue Improving City Cemetery	with GF Expiring debt saving and/or Cemetery Tax	CEMETERY
Jeff M	2	Refurbish City Hall in the inside (to make more inviting to the public) as well as doing some landscaping outside	General Fund	CITY BLDGS
BW	3	Spruce up and clean up City properies		CITY BLDGS
BH	4	Improve City Facilities Appearance		CITY BLDGS
JC	4	City Facilities		CITY BLDGS
AGS	10	Convention Center		CONVENTION CTR
JC	2	Crime		CRIME
AGS	4	Police Task Force: Budget extra funds for a Police Task Force, a Narcotics Officer and a Mental Health Officer to address any drug and gang related problems and mental issues our city is being faced not only on the East side of our city but citywide. Budget for updated training for our police officers. There is alot of training that is free but alot additional money for registration fees and course material.		CRIME
Jeff M	4	Work with Police Department to bring back drug enforcement program		CRIME
LW	8	Fund for helping utility customers in need	???	CUSTOMER SERV
BW	2	Continue to change angle parking downtown: 200 Blk S Main, 100 Blk N Main, 100 Blk N Commerce, 200 Blk E Market; little time and expense invovled	??	DOWNTOWN
LW	2	Downtown improvements,bathrooms, electric, pedestrian safety, beautification, wifi, lighting		DOWNTOWN
AGS	9	Parking around and surrounding the square. Issues with larger vehicles parked in areas that are narrow and that make it hard to see oncoming traffic		DOWNTOWN
LW	1	Expanding economic development department, budget, office, staff?, marketing	General fund, LEDC	ECCONOMIC DEV
AGS	3	Economic Development: Recurit more businesses especailly retail and continue efforts; contact existing and vacant building owners to see if they are willing to work with the City of Lockhart to bring retail businesses and speciality shops, as well as industrial. Purchase buildings and land when on the market for possible new businesses for the city.		ECCONOMIC DEV
JC	3	Economic Development		ECCONOMIC DEV
AGS	5	Subdivision development to attract more businesses to Lockhart.		ECCONOMIC DEV
JM	5	Set up meetings with developers for more retail space shopping centers along US 183		ECCONOMIC DEV

LOCKHART CITY COUNCIL FY 17-18 GOALS				
Category and Priority Order				
COUNCIL MEMBER	PRIORITY	GOALS IDENTIFIED BY COUNCIL FOR FY 17-18 (as submitted by Councilmembers)	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	CATEGORY
AGS	6	More Events to Attract Tourism in Lockhart and Include Way Finding Signage (Hotels and Restaurants)		ECONOMIC DEV
AGS	1	All Department Heads to Budget Salary Increases for all City Employees.		EMPLOYEES
JM	1	City Employee Raises		EMPLOYEES
JM	2	House or fund gym membership/space (weight rm) in Senior Center area (cardio machine) for City employees		EMPLOYEES
AGS	8	Employee: Possible additional Employee Holiday Time Off-Alternating System. Even though this has been discussed and the reasons for why it cannot be done, I would like to see a time off alternating system, especailly during the holidays.		EMPLOYEES
BW	1	ENFORCE ordinances that pertain to unsightly properties all over town		ENFORCEMENT
Jeff M	1	Enforce city ordinance regarding residential property		ENFORCEMENT
Jeff M	3	Continue to work on City Park improvements		PARKS
JM	3	Do inventory of City properties to idenify areas for pocket parks	LEDC funds	PARKS
LW	3	Park improvements	General fund	PARKS
BH	5	Parks Improvements	General Fund	PARKS
JC	5	Parks		PARKS
AGS	7	Parks Improvemens: Purchase and update the park equipment to provide safe and fun filled parks for all to use.		PARKS
LW	7	Town branch cleanup and beautification	???	PARKS
JM	4	Start process of Funding Sidewalks east of 183 connecting to the US 183 sidewalks		SIDEWALKS
LW	6	sidewalk repair and expansion	general fund bond	SIDEWALKS
BH	1	IMPLEMENT SIGNAGE IN LOCKHART	General Fund (LEDC) and/or Hotel Tax	SIGNAGE
LW	4	wayfinding, branding	general fund	SIGNAGE
LW	5	Entry signs	general fund	SIGNAGE
Jeff M	6	Signage on Highway 183 and SH130 = directing people to Lockhart		SIGNAGE
BW	4	Pursue oppportunity to move Senior Citizens' Center to St Paul United Church of Christ Property		SR CITIZENS CTR
JC	1	Roads	Grants or impact fees	STREETS/INFRAS
AGS	2	Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods		STREETS/INFRAS
BH	2	Continue improving City Streets	Increase Transportation Fund	STREETS/INFRAS
Jeff M	5	Continue to make improvements and redoing our city streets		STREETS/INFRAS

**Lockhart City Council**  
**FY 16-17 Goals**  
**Revised 3-10-2016, 8:30 pm**

Priority	Council Person	Goals Submitted	City Manager Comments
1	Castillo	Infrastructure	Complete 2015 CO projects and need budget of \$250,000 per year for streets, continue water and sewer main replacements; continue electric distribution maintenance plan-get new substation on line. Replace bad water raw water mains and find additional water for the future.
1	Gonzales-Sanchez	Department Heads to Budget Salary Increases for city employees so that we can keep our current city employees.	Est Cost Per % Increase Annually: Gen Fund (Not Civil Serv) \$ 29,000; Gen Fund Civil Serv \$ 24,000; Other/Utilities: \$ 15,000- Add'l
1	Hilburn	Improve City Cemetery with GF Expiring debt saving and/or Cemetery Tax	Cemetery Tax up to 5 cents allowed by State Law. Expiring GF debt committed to Police and Fire increased pay rates. (\$132,000)
1	Mendoza	Find ways to use activity center for multi-purpose use. (basketball, volleyball). Funding source: Different companies in town	If approved by Council staff would approach local businesses
1	Michelson	Continue to improve infrastructure (drainage, street repairs) throughout the city	Complete 2015 CO and budget \$250,000 per year for street materials
1	Westmoreland	Enforce ordinances that pertain to unsightly properties all over town. Make homeowners/residents (because some may be renters) take pride in their environment. It is an eyesore to drive around town and see overgrown properties, junked cars, and stacks of trash on porches, in yards and driveways. All levels of socio-economic residents in this town have shown evidence of being disrespectful to their environment.	City has no esthetics ordinance currently. The term "unsightly" is subjective and is difficult to prove in court.
1	White	Economic Development-expanding budget to get staff qualified to help Sandra with recruitment, working with LEDC to either build Spec building or invest in more property, Main St program to relieve Sandra of a lot of those duties	Main Street Program would require another person and funding to work with local businesses while Economic Development would concentrate on new businesses and new jobs
2	Castillo	Economic Development	Need 12-15,000 sf of retail spaces with reasonable lease per sf and buildings that are 20 to 50,000 sf for industrial and manufacturing
2	Gonzales-Sanchez	Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods	Complete 2015 CO projects and need budget of \$250,000 per year for streets, continue water and sewer main replacements; continue electric distribution maintenance plan-get new substation on line. Replace bad water raw water mains and find additional water for the future. Most streets that lack curbing will need to be totally reconstructed. Brighter LED lights being experimented with since costs have come down.
2	Hilburn	Implement City Signage	Initial required funds up to \$40,000 if City Crew does the work; total cost could be more than \$70,000
2	Mendoza	New Park equipment. Funding Source: Each Councilmember responsible for a park and finding funding sources	Estimate: \$ 400,000 annually over next 4 years based on input from Parks Board Advisory Board
2	Michelson	Continue to improve ways to attract businesses to Lockhart	Need more 12-15,000 sf of retail spaces with reasonable lease per sf and buildings that are 20 to 50,000 sf for industrial and manufacturing
2	Westmoreland	Create a policy for the residency of future administrative positions to live within the Lockhart city limits. If an administrator wants to be employed by the City of Lockhart, they need to reside here. Sharing in the daily lives of our citizens seems crucial to making decisions about Lockhart. They are paid by city taxes.	It is not legal to require all department heads to live in the City limits; only the City Manager is required to do so. All non-24 emergency response employees must live within 25 minutes of City Limits
2	White	Continue street rehab	Need \$ 250,000 annually minimum for street work materials
3	Castillo	City Facilities	Not sure what this includes; can assess all departments for physical needs
3	Gonzales-Sanchez	Economic Development: Recruit more businesses especially retail and continue efforts ; contact existing and vacant bldg owners to see if they are willing to work with City to bring these small retail businesses, as well as industrial; possibly purchasing two downtown county buildings when on the market for possible new businesses in the downtown area. Stronger platform with LEDC with methods to sell Lockhart and attract businesses.	LEDC could fund another report but the company says our numbers still should be good. Costs estimated \$22,500 for updating data and recruitment. Prime softgood companies constantly want to be on Highway 183 in 12-15,000 sf and at a reasonable cost per sf plus higher traffic counts.

**Lockhart City Council**  
**FY 16-17 Goals**  
**Revised 3-10-2016, 8:30 pm**

Priority	Council Person	Goals Submitted	City Manager Comments
3	Hilburn	Continue improving city streets: Increase Transportation Fund	Current transportation monthly rate is \$ 4 for residential and others; \$260,000 annual which helps fund labor and equipment, but is not sufficient for materials. Another \$250,000 for materials is needed annually.
3	Mendoza	Wi-Fi Free Zones Downtown Square. Funding source City Budget, School District, Downtown sponsors	Rough estimate is about \$12,000
3	Michelson	Refurbish City Hall	If atrium removed, add more offices estimated at \$45,000 and more outside landscaping estimated at \$ 5,000; elevator going in with improvements to restrooms and offices
3	Westmoreland	Approach interested and future businesses cordially. Stringent ordinances (and the way they are approached), scare off some businesses. Let's be friendly in a positive way.	City Mgr respectfully requests names of such businesses. He has met with 18 business representatives over past 15 months that were looking at Lockhart but did not come. Except for the non-residential exterior building esthetics ordinance, none of them indicated a problem with the current ordinances or with staff. The main problems were high land prices and the lack of "ready built retail and industrial buildings", and traffic counts were not high enough. Most thought the impact fee schedules were very reasonable compared to other cities. Will continue to work toward friendlier customer service with simplified ordinances.
3	White	Park master plan to consider park bond issue, recreation dept and staff issues	Master Plan estimate: \$ 45,000, recreation dept est at least \$ 60,000 for a recreational professional with another \$30,000 for equipment and materials
4	Castillo	Employees Wages	Est Cost Per % Increase Annually: Gen Fund (Not Civil Serv) \$ 29,000; Gen Fund Civil Serv \$ 24,000; Other/Utilities: \$ 15,000- Add'l Cost FY 16-17 due to Civil Serv Pay Plan Expansions already approved: \$ 132,000
4	Gonzales-Sanchez	Police Task Force: Budget extra funds to bring back a much needed Police Task Force to address any drug and gang related problems this city is being faced with especially on the East side of our city. Possibly ask the County to assist with funding.	Initial required funds up to \$40,000 if City Crew does the work; total cost could be more than \$70,000
4	Hilburn	Continue working on bringing industry to Lockhart: Continue supporting Ms. Mauldin	LEDC is will have sufficient funding to be more aggressive starting FY 16-17
4	Mendoza	Training Start up: Neighborhood Watch Training and Program: Police Budget	Have tried Neighborhood Watch Program in past but was not sustained because of lack of participation. Willing to try again.
4	Michelson	Improve signage on HWY 183 as well as SH130 = directing people to Lockhart	Possibly use of some of the KTB grant money
4	Westmoreland	Evaluate and/or change the degree of the angled parking along the 4 blocks off of the square. This would be: Main Street from Market to Prairie Lea Street; Main Street from San Antonio Street to Walnut Street; Commerce Street from Market Street to Prairie Lea Street, and Commerce Street from San Antonio Street to Walnut Street. These parking spaces were made before long vehicles were made! If there are cars parked on both sides of the streets, only one car can pass through at a time. Then it becomes a one lane street. I have witnessed a different angled parking arrangement, and it provides more room and is much safer for the drivers and pedestrians.	Estimate to black out existing thermoplastic markings, redefine layout, and apply new thermoplastic markings with angle parking = \$ 12,000; will probably lose 4 spaces per block. 2 on each side
4	White	Branding and wayfinding—may be included in #1	Initial required funds up to \$40,000 if City Crew does the work; total cost could be more than \$70,000
5	Castillo	Parks	Estimate: \$ 400,000 annually over next 4 years based on input from Parks Board Advisory Board
5	Gonzales-Sanchez	Subdivision development to attract more businesses to Lockhart	Working with 6 more subdivisions, either new or expanding, and possibly one more very large one northwest.
5	Hilburn	Improve tourism in Lockhart - City Council continue to work with and encourage Chambers of Commerce to be more involved	Council can make this directive to Chambers when dividing out HOT funds
5	Mendoza	Finding more funding for Retail Market Study. Zip code demographics with reports. Funding LEDC	LEDC could fund another report but the company says our numbers still should be good. Costs estimated \$22,500 for updating data and recruitment.



**Lockhart City Council**  
**FY 16-17 Goals**  
**Revised 3-10-2016, 8:30 pm**

Priority	Council Person	Goals Submitted	City Manager Comments
5	Michelson	Work with LEDC or someone equivalent to build a building to help attract business	Need more 12-15,000 sf of retail spaces with reasonable lease per sf. Most softgood retailers want 12-15,000 on Hwy 183 at a reasonable price and increased traffic volumes
5	White	Sidewalks to include lighting	Funding required; for example San Jacinto to Jr High estimate is \$130,000 just for materials along Maple walkway
6	Gonzales-Sanchez	More Events to Attract Tourism in Lockhart and Include Way Finding Signage (Hotels and Restaurants)	Initial required funds up to \$40,000 if City Crew does the work; total cost could be more than \$70,000. Chambers could use HOT for more tourism.
6	Michelson	Continue to work on City Park improvements	Estimate: \$ 400,000 annually over next 4 years based on input from Parks Board Advisory Board
6	White	Pursue possible ESD-EMS district	Legal issue with participation by County and City of Luling preferable
7	Gonzales-Sanchez	Parks Improvemens: Purchase more park equipment to provide safe and fun filled parks for all to use.	Estimate: \$ 400,000 annually over next 4 years based on input from Parks Board Advisory Board
7	Mendoza	Start Talks With YMCA Austin again. Seek sponsors funding if necessary	Our population hurt in previous discussions, Will pursue again. They usually want commitment for a minimum number of individuals and families depending on population of not only City but its metro area
7	Michelson	Work on building a civic center/ recreation center	\$ 9 million plus land \$ 2.5 million for about 20,000 sf plus about \$240,000 annual maintenance costs and minimum of \$60,000 for utilities; estimated revenues offset is about \$60,000; take out recreation center and cost go down about 20%. It has been reported that Bastrop is spending over \$500,000 per year to operate its civic center. Revenues not covering costs.
7	White	Cemetery maintenance	Cemetery Tax up to 5 cents allowed by State Law
8	Gonzales-Sanchez	City Hall: Refurbish with Improvements and/or Upgrades	Elevator and improvements to restrooms planned; better offices for Connie and Sandra planned also.
9	Gonzales-Sanchez	Convention Center	\$ 9 million plus land \$ 2.5 million for about 20,000 sf plus about \$240,000 annual maintenance costs and minimum of \$60,000 for utilities; estimated revenues offset is about \$60,000; take out recreation center and cost go down about 20%. It has been reported that Bastrop is spending over \$500,000 per year to operate its civic center. Revenues not covering costs.
10	Gonzales-Sanchez	Employee: Possible additional Employee Holiday Time off-Alternating system	City employees now have 12 holidays and 1 personal holiday; time off is granted by seniority with department head responsible for keeping sufficient personnel to serve the public needs. Employees also receive at least 2 weeks of vacation time. Those employees required to work on holidays receive their normal pay plus holiday pay.

City of Lockhart  
Future Debt Payments as of 9/30/18

Description		Paid Debt	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTAL DEBT
<b>General Government</b>																					
<b>Hotel Tax Fund</b>																					
2016 GO Refunding			40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000								400,000
<b>Total Hotel Tax Fund P &amp; I</b>			-	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	-	-	-	-	-	-	-	400,000
<b>LEDC</b>																					
2015 Tax & Revenue	100.00%		48,093	48,044	48,103	48,152	63,645	63,670	63,513	63,543	63,555	63,643	63,687	65,647	65,544	65,575	65,482	65,579	65,538	65,676	1,048,596
<b>Total LEDC Fund P &amp; I</b>			48,093	48,044	48,103	48,152	63,645	63,670	63,513	63,543	63,555	63,643	63,687	65,647	65,544	65,575	65,482	65,579	65,538	65,676	1,048,596
<b>2015 Capital Projects Fund</b>																					
2015 Tax & Revenue																					-
<b>Total 2015 Capital Projects Fund Fund P &amp; I</b>			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Drainage</b>																					
2015 Tax & Revenue			100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,700,000
<b>Total Drainage Fund P &amp; I</b>			100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,700,000
<b>General Fund</b>																					
2015 Tax & Revenue																					-
<b>Total General Fund P &amp; I</b>			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Debt Service Fund</b>																					
2006 Tax & Rev CO's	100.00%		47,175	50,535	48,690	46,845															146,070
2006-A Tax & Rev CO's	93.00%		267,890	267,803	267,332	271,128															806,264
2015 Tax & Revenue	TRNSF		186,594	186,302	186,653	186,945	279,275	279,421	278,487	278,662	278,735	279,261	279,523	291,203	290,590	290,773	290,222	290,798	290,554	291,374	4,548,778
2015 Tax & Revenue	12.00%		117,779	117,659	117,803	117,923	155,867	155,927	155,543	155,615	155,645	155,861	155,969	160,769	160,517	160,592	160,365	160,602	160,502	160,831	2,567,990
2016 GO Refunding	74.84%		171,056	346,930	361,150	353,161	656,899	666,927	661,698	666,974	673,111	670,566	678,350	-	-	-	-	-	-	-	5,735,766
<b>Total Debt Service Fund P &amp; I</b>			790,494	969,229	981,628	976,002	1,092,041	1,102,275	1,095,728	1,101,251	1,107,491	1,105,688	1,113,842	451,972	451,107	451,365	450,587	451,400	451,056	452,205	13,804,868
<b>Total General Government</b>			<b>938,587</b>	<b>1,157,273</b>	<b>1,169,731</b>	<b>1,164,154</b>	<b>1,295,686</b>	<b>1,305,945</b>	<b>1,299,241</b>	<b>1,304,794</b>	<b>1,311,046</b>	<b>1,309,331</b>	<b>1,317,529</b>	<b>617,619</b>	<b>616,651</b>	<b>616,940</b>	<b>616,069</b>	<b>616,979</b>	<b>616,594</b>	<b>617,881</b>	<b>16,953,464</b>

Future Debt Payments as of 9/30/18

Description	Paid Debt	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTAL DEBT
<b>Proprietary</b>																				
<b>Electric Fund</b>																				
2013 SIB Loan	30.81%	71,151	71,152	71,151	71,151	71,151	71,151	71,151	71,152	71,151	71,151	71,151	71,151	71,151	71,151	71,151	71,152	-	-	1,067,268
<b>Total Electric Fund P &amp; I</b>	-	71,151	71,152	71,151	71,151	71,151	71,151	71,151	71,152	71,151	71,151	71,151	71,151	71,151	71,151	71,151	71,152	-	-	1,067,268
<b>Water Fund</b>																				
2006A Tax & Rev CO's	7.00%	20,164	20,157	20,122	20,408															60,687
2015 Tax & Revenue	49.60%	486,818	486,322	486,917	487,413	644,248	644,496	642,909	643,207	643,331	644,223	644,670	664,510	663,468	663,778	662,842	663,822	663,406	664,800	10,614,362
2016 GO Refunding	21.81%	49,849	101,103	105,247	102,919	191,435	194,357	192,833	194,371	196,159	195,418	197,686	-	-	-	-	-	-	-	1,671,528
2013 SIB Loan	35.80%	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	1,240,140
<b>Total Water Fund P &amp; I</b>	-	639,507	690,258	694,962	693,416	918,359	921,529	918,418	920,254	922,166	922,317	925,032	747,186	746,144	746,454	745,518	746,498	663,406	664,800	13,586,717
<b>Sewer Fund</b>																				
2015 Tax & Revenue	4.30%	42,204	42,161	42,213	42,256	55,852	55,874	55,736	55,752	55,773	55,850	55,889	57,609	57,518	57,545	57,464	57,549	57,513	57,643	920,197
2016 GO Refunding	3.35%	7,657	15,529	16,166	15,808	29,404	29,853	29,619	29,855	30,130	30,016	30,364	-	-	-	-	-	-	-	256,744
2013 SIB Loan	33.39%	77,102	77,103	77,102	77,102	77,103	77,102	77,102	77,103	77,102	77,102	77,103	77,102	77,102	77,103	77,102	77,102	77,102	77,102	1,156,537
<b>Total Sewer Fund P &amp; I</b>		126,963	134,793	135,481	135,166	162,359	162,829	162,457	162,710	163,005	162,968	163,356	134,711	134,620	134,648	134,566	134,651	57,513	57,643	2,333,478
<b>Total Proprietary Fund P &amp; I</b>	-	837,621	896,203	901,594	899,733	1,151,869	1,155,510	1,152,026	1,154,116	1,156,323	1,156,436	1,159,539	953,049	951,915	952,253	951,236	952,301	720,919	722,443	16,987,463
<b>Grand Total</b>		<b>1,776,208</b>	<b>2,053,476</b>	<b>2,071,326</b>	<b>2,063,887</b>	<b>2,447,555</b>	<b>2,461,455</b>	<b>2,451,267</b>	<b>2,458,910</b>	<b>2,467,369</b>	<b>2,465,767</b>	<b>2,477,068</b>	<b>1,570,668</b>	<b>1,568,566</b>	<b>1,569,193</b>	<b>1,567,305</b>	<b>1,569,280</b>	<b>1,337,513</b>	<b>1,340,324</b>	<b>33,940,927</b>

City of Lockhart  
2015 BOND PROGRAM

Cost	Notes	Task Name	Duration	Start	Finish	2015												2016												2017											
						Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
\$14,124,890.00		<b>TOTAL PROJECT COST</b>				[Gantt chart showing total project duration from Feb 2015 to Jan 2017]																																			
\$2,068,024.00	1	<b>DRAINING IMPROVEMENTS CONTRACT 1 - Mesquite/Wichita Street &amp; Richland Drive</b>				[Gantt chart for Contract 1: Feb 2015 to Mar 2016]																																			
		Surveying Proposal	17 days	Fri 3/6/15	Sun 3/22/15	[Task bar]																																			
		Survey	30 days	Mon 3/23/15	Tue 4/21/15	[Task bar]																																			
		Acquisition	120 days	Wed 4/22/15	Wed 8/19/15	[Task bar]																																			
		Engineering Design	90 days	Wed 4/22/15	Mon 7/20/15	[Task bar]																																			
		Bid Ad/NTP	60 days	Tue 7/21/15	Fri 9/18/15	[Task bar]																																			
		Construction	180 days	Sat 9/19/15	Wed 3/16/16	[Task bar]																																			
\$1,999,200.00	2	<b>DRAINAGE IMPROVEMENTS CONTRACT 2 - Century Oaks/Market Street, &amp; Ash/Comal Streets</b>				[Gantt chart for Contract 2: Mar 2015 to May 2016]																																			
		Surveying Proposal	17 days	Fri 3/6/15	Sun 3/22/15	[Task bar]																																			
		Survey	30 days	Sat 4/25/15	Sun 5/24/15	[Task bar]																																			
		Acquisition	150 days	Mon 5/25/15	Wed 10/21/15	[Task bar]																																			
		Engineering Design	120 days	Mon 5/25/15	Mon 9/21/15	[Task bar]																																			
		Bid Ad/NTP	60 days	Tue 9/22/15	Fri 11/20/15	[Task bar]																																			
		Construction	180 days	Sat 11/21/15	Wed 5/18/16	[Task bar]																																			
\$3,394,038.00	3	<b>DRAINAGE IMPROVEMENTS CONTRACT 3 - Downtown Improvements Project</b>				[Gantt chart for Contract 3: Aug 2015 to May 2017]																																			
		Surveying Proposal	15 days	Sun 8/2/15	Sun 8/16/15	[Task bar]																																			
		Survey	45 days	Mon 8/17/15	Wed 9/30/15	[Task bar]																																			
		Engineering Design	180 days	Thu 10/1/15	Mon 3/28/16	[Task bar]																																			
		Bid Ad/NTP	60 days	Tue 3/29/16	Fri 5/27/16	[Task bar]																																			
		Construction	365 days	Sat 5/28/16	Sat 5/27/17	[Task bar]																																			
\$323,400.00	4	<b>DRAINAGE IMPROVEMENTS CONTRACT 4 - Medina &amp; US183 Project</b>				[Gantt chart for Contract 4: Nov 2015 to Jun 2016]																																			
		Surveying Proposal	15 days	Sun 11/1/15	Sun 11/15/15	[Task bar]																																			
		Survey	7 days	Mon 11/16/15	Sun 11/22/15	[Task bar]																																			
		Acquisition	90 days	Mon 11/23/15	Sat 2/20/16	[Task bar]																																			
		Engineering Design	60 days	Mon 11/23/15	Thu 1/21/16	[Task bar]																																			
		Bid Ad/NTP	60 days	Fri 1/22/16	Mon 3/21/16	[Task bar]																																			
		Construction	90 days	Tue 3/22/16	Sun 6/19/16	[Task bar]																																			
\$1,764,000.00	5	<b>FM 2001 ELEVATED TANK PROJECT</b>				[Gantt chart for Contract 5: Jan 2016 to Jun 2016]																																			
		Surveying Proposal	15 days	Sat 1/2/16	Sat 1/16/16	[Task bar]																																			
		Survey	15 days	Sun 1/17/16	Sun 1/31/16	[Task bar]																																			
		Acquisition	120 days	Mon 2/1/16	Mon 5/30/16	[Task bar]																																			
		Engineering Design	90 days	Mon 2/1/16	Sat 4/30/16	[Task bar]																																			
		Bid Ad/NTP	60 days	Sun 5/1/16	Wed 6/29/16	[Task bar]																																			

City of Lockhart  
2015 BOND PROGRAM

Cost	Notes	Task Name	Duration	Start	Finish	2015												2016												2017											
						Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
\$1,355,516.00	6	<b>SH130 WATER MAIN PROJECT - City Line Rd. to Existing Tank, SH 130 @ Hwy. 142, Borchert/Mockingbird, Control Valves, FM 2001</b>	365 days	Thu 6/30/16	Thu 6/29/17																																				
		Surveying Proposal	15 days	Mon 1/18/16	Mon 2/1/16																																				
		Survey	30 days	Tue 2/2/16	Wed 3/2/16																																				
		Acquisition	150 days	Thu 3/3/16	Sat 7/30/16																																				
		Engineering Design	120 days	Thu 3/3/16	Thu 6/30/16																																				
		Bid Ad/NTP	60 days	Fri 7/1/16	Mon 8/29/16																																				
		Construction	300 days	Fri 9/2/16	Wed 6/28/17																																				
\$470,400.00	7	<b>SH130 PUMP STATION PROJECT</b>																																							
		Survey	7 days	Mon 4/25/16	Sun 5/1/16																																				
		Engineering Design	90 days	Mon 5/2/16	Sat 7/30/16																																				
		Bid Ad/NTP	60 days	Sun 7/31/16	Wed 9/28/16																																				
		Construction	270 days	Sun 10/2/16	Wed 6/28/17																																				
\$859,186.00	8	<b>SH130/TOWN BRANCH SEWER PROJECT</b>																																							
		Surveying Proposal	15 days	Fri 5/20/16	Fri 6/3/16																																				
		Survey	30 days	Sat 6/4/16	Sun 7/3/16																																				
		Acquisition	120 days	Mon 7/4/16	Mon 10/31/16																																				
		Engineering Design	90 days	Mon 7/4/16	Sat 10/1/16																																				
		Bid Ad/NTP	60 days	Sun 10/2/16	Wed 11/30/16																																				
		Construction	240 days	Mon 12/5/16	Tue 8/1/17																																				
\$1,891,126.00	9	<b>WATER TRANSMISSION MAIN PROJECT - Water Plant Transmission Main, MLK to FM 20 West Transmission Main</b>																																							
		Surveying Proposal	17 days	Wed 11/16/16	Fri 12/2/16																																				
		Survey	30 days	Sat 12/3/16	Sun 1/1/17																																				
		Acquisition	120 days	Mon 1/2/17	Mon 5/1/17																																				
		Engineering Design	90 days	Mon 1/2/17	Sat 4/1/17																																				
		Bid Ad/NTP	60 days	Sun 4/2/17	Wed 5/31/17																																				
		Construction	180 days	Mon 6/5/17	Fri 12/1/17																																				