

PUBLIC NOTICE

AGENDA

LOCKHART CITY COUNCIL

TUESDAY, MARCH 20, 2018

CLARK LIBRARY ANNEX-COUNCIL CHAMBERS
217 SOUTH MAIN STREET, 3rd FLOOR
LOCKHART, TEXAS

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 and discussion regarding the City of Lockhart's and Component Unit's Fiscal Year 2016-2017 Financial Audit by Harrison, Waldrop & Uherek, LLP. 79-170
- B. Discuss minutes of the City Council meeting of March 6, 2018. 38-46
- C. Discuss Resolution 2018-06 amending TexPool authorized Representatives. 47-49
- D. Discuss authorizing the Finance Director to sign the City of Lockhart Fiscal Year 2017 Ambulance Services Supplemental Payment Program (ASSPP) Grant submission. 50-51
- E. Discuss Ordinance 2018-02 establishing the classifications within the Police Department and authorizing the number of employees in each classification. 52-56
- F. Discuss Ordinance 2018-03 amending un-codified Ordinance 2015-18, Section II, adding Section II (e) regarding the assignment of Bailiff Warrant Officer within the Lockhart Police Department with all other sections of Ordinance 2015-18 remaining unchanged. 57-68
- G. Discuss Agreement with Austin Wood Recycling to provide supervision, labor, equipment, trucks, and the tub grinder to grind up large tree trunks and log stockpiles, and to haul off the grindings for an amount not to exceed \$19,470, and appointing the City Manager to sign the agreement, if approved. [FORM 1295=2018-03-20-40] 69-71
- H. Discuss request to extend the time from April 30 to June 15, 2018, to substantially complete Maple Street with drainage improvements as part of the Meadows at Clearfork, Phase III, subdivision development submitted by Lockhart Partners II, and appointing the City Manager to issue approval letter if the extension is approved by Council. 72-78
- I. Discuss the appointment of an elected City Council Official to serve on the three-member evaluation Committee that will determine which of the pre-approved Texas Capital Fund Grant Administrators are solicited and evaluated for any Texas Capital Fund Grant applications filed and funded for Fiscal Year 2017-2018. 171-176
- J. Discuss naming an individual as the City of Lockhart's nominee to fill a vacant position to the Board of Directors of the Caldwell County Appraisal District (CCAD). 177-183
- K. Discuss Council Fiscal Year 2018-2019 Goals sorted by time frame and scores. 184-186

7:30 P.M. REGULAR MEETING

1. CALL TO ORDER

Mayor Lew White

2. INVOCATION, PLEDGE OF ALLEGIANCE

Invocation - Ministerial Alliance.

Pledge of Allegiance to the United States and Texas flags.

3. CITIZENS/VISITORS COMMENTS

(The purpose of this item is to allow citizens an opportunity to address the City Council on issues that are not on the agenda. No discussion can be carried out on the citizen/visitor comment.)

4. PUBLIC HEARING/COUNCIL ACTION

A. Hold a public hearing and discussion and/or action on an Appeal by Deward Cummings of the decision by the Planning and Zoning Commission on February 28, 2018, approving SUP-18-02, a request by Maverick Horseback Riding for a Specific Use Permit to allow a Riding Facility, Barn and Stables, Campground, and Special Events Center on 105.569 acres in the Byrd Lockhart Survey, zoned RLD Residential Low Density District and AO Agricultural-Open Space District, and partially outside the city limits with no zoning, and located at 1011 Flores Street (FM 672).

6-37

5. CONSENT AGENDA

- A. Approve minutes of the City Council meeting of March 6, 2018. 38-46
- B. Approve Resolution 2018-06 amending TexPool authorized Representatives. 47-49
- C. Authorize the Finance Director to sign the City of Lockhart Fiscal Year 2017 Ambulance Services Supplemental Payment Program (ASSPP) Grant submission. 50-51
- D. Approve Ordinance 2018-02 establishing the classifications within the Police Department and authorizing the number of employees in each classification. 52-56
- E. Approve Ordinance 2018-03 amending un-codified Ordinance 2015-18, Section II, adding Section II (e) regarding the assignment of Bailiff Warrant Officer within the Lockhart Police Department with all other sections of Ordinance 2015-18 remaining unchanged. 57-68
- F. Approve Agreement with Austin Wood Recycling to provide supervision, labor, equipment, trucks, and the tub grinder to grind up large tree trunks and log stockpiles, and to haul off the grindings for an amount not to exceed \$19,470, and appointing the City Manager to sign the agreement, if approved. [FORM 1295=2018-03-20-40] 69-71
- G. Approve request to extend the time from April 30 to June 15, 2018, to substantially complete Maple Street with drainage improvements as part of the Meadows at Clearfork, Phase III, subdivision development submitted by Lockhart Partners II, and appointing the City Manager to issue approval letter if the extension is approved by Council. 72-78

6. **DISCUSSION/ACTION ITEMS**

- A. Discussion and/or action after presentation to consider acceptance of the City of Lockhart's and Component Unit's Fiscal Year 2016-2017 Financial Audit by Harrison, Waldrop & Uherek, LLP. 79-170
- B. Discussion and/or action regarding the appointment of an elected City Council Official to serve on the three-member evaluation Committee that will determine which of the pre-approved Texas Capital Fund Grant Administrators are solicited and evaluated for any Texas Capital Fund Grant applications filed and funded for Fiscal Year 2017-2018. 171-176
- C. Discussion and/or action to consider naming an individual as the City of Lockhart's nominee to fill a vacant position to the Board of Directors of the Caldwell County Appraisal District (CCAD). 177-183
- D. Discussion and/or action regarding Council Fiscal Year 2018-2019 Goals sorted by time frame and scores. 184-186
- E. Discussion and/or action regarding appointments to various boards, commissions or committees. 187-194

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

- Update: St. Paul United Church of Christ property.
- Update: Contractor continues to make good progress in the Meadows at Clearfork Phase III development.
- Update: City Manager and Director of Economic Development have met with owners of the Centerpoint Meadows about development of the site.
- Update: Contractor continues to construct the section of Windsor Avenue north of SH 142.
- Update: Street crew working with contractor to repair header wall between Subway and Lions Park to make it safe.
- Update: Staff continues to work with Federal Emergency Management Agency (FEMA) to close out monetary claims for recovery of expenses.
- Update: Pure Castings, recruited by staff from Austin 2 ½ years ago, has begun production and will be moving all production personnel to the new Lockhart shop.
- Update: Hill Country Foods, recruited from Kyle by staff about 2 years ago, is in production.
- Update: The new facility for Benny Boyd Dealership, with whom staff has been working with for about 2 years, is nearing completion.
- Update: A new pharmacy has opened in the Dollar Tree development site on S. Colorado.
- Update: The concrete foundation has been completed for Dailey Electric and the contractor should start up with the building soon.

CITY MANAGER'S REPORT continued....

- Update: Acting Public Works Director Sean Kelley and his staff are beginning to meet with Greater Caldwell County Hispanic Chamber to prepare for the Cinco de Mayo celebration event to be held the first weekend in May.
- Update: The City Line Road realignment construction plans are about 25% complete.
- Update: Mandated by a new state law, a Municipal Court Security Panel consisting of the Municipal Court Judge, Municipal Court Administrator, the Chief of Police or designee, and the City Manager is formed to address security issues and develop plans of action.
- Reminder: Burditt Consultants held meeting with Parks Master Plan Committee and is incorporating the meeting comments in the document in preparation of presentation to the Council at a later date.
- Reminder: Semi-annual cleanup in the Lockhart Cemetery beginning March 26.
- Reminder: Residential City Wide Cleanup Event starting first Wednesday in April and each Wednesday following in April.
- Reminder: Residential Household Hazardous Waste Collection Event to be held Saturday, April 28, 2018.
- Report: Welcome Spring Day on Saturday, March 17th - Kid Fish and Texas Tolbert Chili Championship & BBQ Cook-off.

8. COUNCIL AND STAFF COMMENTS – ITEMS OF COMMUNITY INTEREST

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

9. ADJOURNMENT

*** Items of Community Interest includes: 1)expressions of thanks, congratulations or condolence; 2) information regarding holiday schedules; 3) an honorary or salutary 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 salutary 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)*

*** Once approved to be on the agenda, staff requests you register to speak prior to the meeting. Deadline for specific items on the agenda is Noon Tuesday prior to the Regular Meeting.**

If, during the course of the meeting, any discussion of any item on the agenda should be held in executive or closed session, the City Council will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D to consider one or more matters pursuant to the following:

Section 551.071. Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with this chapter.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.073. To deliberate a negotiated contract for a prospective gift or donation to the state or the governmental body if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.076. To deliberate the deployment, or specific occasions for implementation, of security personnel or devices.

Section 551.086. To deliberate vote or take final action on any competitive matters relating to public power utilities.

Section 551.087. To deliberate or discussion regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

Section 551.088. To deliberate a test item or information related to a test item if the governmental body believes that the test item may be included in a test the governmental body administers to individuals who seek to obtain or renew a license or certificate that is necessary to engage in an activity.

After discussion of any matters in executive session, any final action or vote taken will be in public by the City Council.

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.

I certify that the above notice of meeting was posted on the bulletin board in the Municipal Building, 308 West San Antonio Street, Lockhart, Texas, on the 16th day of March 2018 at 2:57 pm. I further certify that the following News Media was properly notified of this meeting as stated above: Lockhart Post-Register



Connie Constancio, TRMC
City Secretary



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Statutory	Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
	Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: March 20, 2018			
Department: Planning		Initials	Date
Department Head: Dan Gibson	Asst. City Manager		
Dept. Signature: <i>Dan Gibson</i>	City Manager	<i>[Signature]</i>	<i>3-16-18</i>
Agenda Coordinator/Contact (include phone #): Dan Gibson 398-3461, x236			
ACTION REQUESTED: <input checked="" type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER			
CAPTION			
Hold a PUBLIC HEARING and discussion and/or action on an Appeal by Deward Cummings of the decision by the Planning and Zoning Commission on February 28, 2018, approving SUP-18-02, a request by Maverick Horseback Riding for a Specific Use Permit to allow a Riding Facility , Barn and Stables, Campground, and Special Events Center on 105.569 acres in the Byrd Lockhart Survey, zoned RLD Residential Low Density district and AO Agricultural–Open space District, and partially outside the city limits with no zoning, and located at 1011 Flores Street (FM 672).			
FINANCIAL SUMMARY			
<input checked="" type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED			
SUMMARY OF ITEM			
Appellant, Mr. Deward Cummings, owns property adjacent to the west of the Maverick Horseback Riding property, and was the only person out of 15 speakers at the Planning and Zoning Commission meeting who was opposed to the specific use permit, which the Commission approved. He is appealing the Commission's decision as provided in Section 64-127(c)(6)(e,f). Mr. Cummings submitted two letters, which are attached, along with the approved minutes of the February 28 th Commission meeting. The minutes are nine pages long, but the consideration of SUP-18-02 is only on pages 3 through 6, with the caption at the beginning and vote at the end highlighted in yellow. Following the case location map is the staff report, which is the same as provided to the Planning and Zoning Commission, but with an important update of the Response to Notification printed in bold italics at the end. Also attached are the completed SUP application, site plans, supplemental information provided by the applicant explaining the proposed uses, and eight letters of support. All of these documents should be considered carefully in making a decision on this appeal.			
STAFF RECOMMENDATION			
Staff recommends that the Council UPHOLD the Planning and Zoning Commission Approval of SUP-18-02.			
List of Supporting Documents: Two letters from Deward Cummings, Minutes of February 28 Planning and Zoning Commission meeting, Map, Staff report, Application and supporting information, Eight letters supporting SUP-18-02.	Other Board or Commission Recommendation: At their February 28 th meeting, the Planning and Zoning Commission voted 4-2 to APPROVE SUP-18-02, a request by Maverick Horseback Riding for a specific use permit to allow a Riding Facility, Barn and Stables, Campground, and Special Events Center at 1011 Flores Street (FM 672).		

b

Deward L. Cummings
709 Flores St & 108 S. Brazos
Lockhart TX 78644
512 940 5491

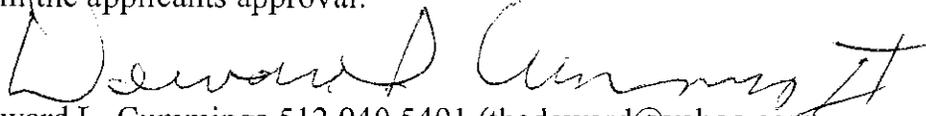
March 2, 2018

City of Lockhart
Appeal of Zoning Commission Decision
308 W. San Antonio St.
Lockhart TX 78644-2656

RECEIVED
MAY 09 2018

Comes now Deward L. Cummings of 709 Flores St. and files this letter as NOTICE of APPEAL in accordance with 64-127 6 e. or any other Ordinance that allows any type of Appeal of the Zoning & Planning Commission decision of Feb. 28, 2018 line item # 5. Austin Lessons & Tutoring, LLC, d/b/a Maverick Horseback Riding, for Special Use Permit, for the following reasons.

1. The Appellant's property & personal interest is aggrieved & the Commissions decision will impact the Appellants property rights, value & his & future use of his & future owners.
2. Decisions have been made by the Commission concerning property within the 200' "notice" requirement that denied those property owners their right to develop their property as they sought fit based on the same arguments & those of the Cities logic of Residential business's.
3. The Appellant believes his "Due Process" rights have been violated in that the "TIME" allowed the "Applicant" & "it's" (it is a corporation) "owner", "representative" & "it's" supporters have, "theoretically", unlimited time ¹ to present their "case" WHY do those opposed to the request (the one(s) impacted the most by the request, the neighbor) limited to three (3) minutes, when it takes 30 seconds of that 3 minutes to introduce themselves.
4. In addition the Applicant THEN gets an unlimited amount of time as rebuttal.
5. The Appellant questions the applicants "TIMING",
 - WHY didn't the Applicant "apply" for this "variance" before, "IT", she, bought, the property in question. WHY did it take 18 months to file for the requested variance.
 - WHY did it take a year for the Applicant to file for the variance after receiving a letter from the City to STOP the operations of "IT'S" business.
6. The "panel", Commission "the PUBLIC" was not given, presented all the information, PAST & present concerning the history of the applicants "past practices".
7. The Appellant believes the Commission was intentionally misinformed concerning "Past Practices" of the owners, operators of the corporate Applicant.
8. These include City Charges & finds paid, "Past Practices".
9. The Appellant raises the "question" as to the motivations behind the supports reasons for such "profound support" when it was/is apparent ALL the supporters would, did, well benefit from the applicants approval.



Deward L. Cummings 512 940 5491 (thedeward@yahoo.com)
CC Jo Marie McCoy

¹ In this case there were at the least 10 supporters, ALL allowed three (3) minutes who will either benefit or have benefited if the applicant's request is approved.

Deward L. Cummings
709 Flores St.
Lockhart TX 78644-1820

March 13, 2018

RECEIVED
CITY OF LOCKHART

MAR 13 2018

City of Lockhart
City Counsel, Zoning & Planning Dept.
308 W. San Antonio St
Lockhart TX 78644

RCVD. BY: _____
TIME RCVD: _____

SUBJECT: The Special Use Permit for, 1011 Flores St. Lockhart TX

I want to start this out by asking a question;

"How would like your life & the way you have lived for the past 13 years totality disrupted by one persons interest because she did not tell the truth to city officials." IF the City was told their real intent, they would have been told the same thing I was & I would have the problems I do today.

Their rides go right in front of my house disturbing my privacy & along my South East property lines. Don't I have some rights.

Two people on the Zoning & Planning Commission voted against the request, WHY?

Where to start, 2008, when City officials told me that I could not "hang" my Real Estate Brokers, Auctioneer's & Federal Firearms License at 709 Florse St, because it was zoned "Residential". There would have not been any traffic, the reasons for Residential Code restriction.

Because of the Cities action I have lost about \$5,000 to \$10,000 in Auctioneer's sub-contractors fee's per year. That said!

The present applicant after almost two (2) years & a letter from the City to **Cease & Desist** "basically" to stop their operation, they apply for the right DENIED me in '08 to have a business in a Residential zoned area.

Was the Zoning & Planning Commission informed of this **Cease & Desist letter**, if so why was it not made a public issue at the Feb. 28, 2018 hearing?

Was the Zoning & Planning Commission informed of the many complaints (13)¹ that created this **Cease & Desist** letter? It's called "past practice" what was done in the past well repeat itself.

Was the Zoning & Planning Commission informed that on 1st contact the City Officials were told only Horse back riding **lessons** were going to be provided at this address.

Was the Zoning & Planning Commission informed that the business plan for these individuals was the operation of Horse Back Rides that they moved from Hutto TX to Lockhart with the intent to continue these "paid rides" here.² In other words **intentionally deceived** City Officials.

Was the Zoning & Planning Commission informed that the applicant has built at least three (3) fences inside the City Limits without obtaining permits which is required by City Code.³

Was the Zoning & Planning Commission informed that the applicants horses left "Horse Hooky" on the streets of Lockhart including during the one of its celebration and never made ANY attempt to clean up after their ride.

¹ I was told this by City officials.

² These "riding lessons", "these rides" place inexperienced individuals on 1000 lb.+ animals they have NEVER been around, on open range land, with snakes, bees & wild hogs, which is an accident looking for a place to happen.

³ My X Mother-in-law had a year long battle with the City over this issue & the previous owner of said property had to comply in building a fence that obstructs MY driveway.

Was the Zoning & Planning Commission informed that after the individual was sent this letter to **Cease & Desist** that someone from this operation went to all the bars in Lockhart "bad mouthing" the City Officials about this **Cease & Desist letter**, including my name.

Was the Zoning & Planning Commission informed that these individuals used Lockhart School District property as a staging areas for their rides Down Town, THEN used City Parks as a "riding trail", THEN used privet property without the owners permission as a "riding trail".

Was the Zoning & Planning Commission informed about the false Police Report where-in individuals from the address in question accused the Appellant that he, Mr. Cummings shot at their property & intentionally shot at them to scare them into paying him (me) the \$5,000 owed for work he did for them. The case was dismissed by the City Attorney.

The shooting was just a flat out lie wherein were made intentionally false libelous statement about my alcohol consumption.

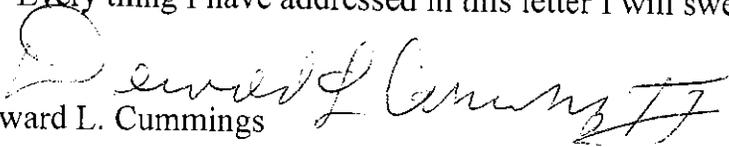
I spent a considerable amount of time there, working, birthday parties, baby set her son, then one day was not needed anymore. Did go over a couple of times after I stopped working there, then when they would not pay my bill stopped going

My concern is the invasion of my privacy, but also they put inexperienced people on horses, go for ride on rang land, with snakes, wild hogs, bumblebees, someone is going to get hurt or killed.

It is the business practices & the deceit, the intentional misinformation that has happened that I question. There is so much more.

Every thing I have addressed in this letter I will swear to.

Deward L. Cummings



**City of Lockhart
Planning and Zoning Commission
February 28, 2018**

MINUTES

Members Present: Phil McBride, Philip Ruiz, Paul Rodriguez, Manuel Oliva, Mary Beth Nickel, Marcos Villalobos

Members Absent: Christina Black

Staff Present: Dan Gibson, Christine Banda, Kevin Waller

Visitors/Citizens Addressing the Commission: Russel Waters, Mark Rocke, Peter Moore, Jeff Byrd, Dr. Tony Jacobs, Joan Marie MacCoy, Ryan Lozano, Bobby Herzog, Simon Waltz, Emily Bolt, Rhonda Reagan, Jerry West, Emily Hildebrand, Chuck Foreman, Pamela Stockholm, Makayla Peoples, Monica Parra, Clint Wilson, Deward Cummings, Kent Black, Todd Blomerth, Patti Payne, Lydia Serna, Chuck Keplar, Philip Torrez, Jaclyn Garcia, Donald Schneider, Roger Dale Northcut, Joshua Valenta

1. Call meeting to order. Chair McBride called the meeting to order at 7:00 p.m.
2. Citizen comments not related to an agenda item. None
3. Consider the Minutes of January 24, 2018 meeting.

Commissioner Oliva moved to approve the January 24, 2018 minutes. Commissioner Villalobos seconded, and the motion passed by a vote of 6-0.

Chair McBride announced that all applicants would have five minutes to state their case, and that those citizens speaking in favor or/in opposition would have three minutes to address the Commission.

4. SUP-18-01. Hold a PUBLIC HEARING and consider a request by Liberty Signs, Inc. on behalf of Russell Waters representing Benny Boyd Lockhart RE, LLC, for a Specific Use Permit to allow a 30-foot tall High Profile Sign on Lot 1A, of the Replat of Lot 1, Block B, Amending Plat of Chisholm Business Park, Section 1, zoned CHB Commercial Heavy Business District and located at 2000 South Colorado Street (US 183).

Mr. Gibson explained to the Commission that the applicant would like to place a 30-foot tall freestanding sign on their property that requires a specific use permit in the CHB Commercial Heavy Business District. He presented photos of surrounding properties and signage along South Colorado Street. He said that staff recommended approval if there were no objections from the owners of nearby property.

Chair McBride asked why the sign could not be centered along the property frontage.

Mr. Gibson said he believed that they wanted it more in front of the display room and sales office, which is at the north end of the building, but that the applicant could explain further.

Chair McBride opened the public hearing and asked the applicant to come forward.

Mark Rocke, of 6433 County Road 200 in Liberty Hill, said that Mr. Gibson was correct about the placement of the sign to be in front of the sales area and not the service area. The 30-foot sign is a standard type of freestanding pylon for Chrysler dealerships. The height of the sign may help with visibility from northbound traffic because of trees in the line-of-sight.

Vice-Chair Ruiz asked the applicant if he was aware that the City had gone through an extensive process of studying sign ordinances from other cities and obtaining citizen input before adopting the current standards. There must be a threshold for our signs. He requested information from the applicant regarding why the Commission should approve such a tall sign for this location.

Mr. Rocke replied that they understood the City's sign ordinance, but also emphasized that they do not believe the proposed sign would have a negative impact along the corridor. He mentioned that a specific use permit was approved for the Ford dealership high profile sign, which is the same height as the one proposed for the Chrysler dealership.

Vice-Chair Ruiz said that he did think there was sufficient justification for the extreme height. He mentioned that the Commission would be in its authority to require the applicant to use a lower height for the sign.

Mr. Rocke said he understood, but reiterated that once spring comes trees could interfere with visibility from the highway south of the property. He also said that they were required by Chrysler to adhere to certain standard sign heights.

Russell Waters, of 100 Pitchstone Cove in Georgetown, said he is one of the owners of the Benny Boyd dealership and that Chrysler does have standards in regards to placement of the sign in front of the showroom. They normally use a 35 foot tall sign, so this one is already shorter than their standard. Benny Boyd would like the same courtesy provided to the Ford Dealership. He mentioned that the speed limit is 55 mph in front of the Benny Boyd site.

Chair McBride asked if it would be a problem to move the sign.

Mr. Waters said that Chrysler would have a problem, and that he moved it as far south as he could while still keeping it in front of the showroom and sales office.

Vice-Chair Ruiz asked if the Commission approved the sign with a condition that it be moved to the middle of the property frontage, would Chrysler be willing to do it.

Mr. Waters said that he would have to discuss that with them, but would rather not fight with them over this.

Chair McBride asked for any other speakers and, seeing none, he closed the public hearing.

Mr. Gibson said that, in his opinion, moving the sign further south would not make that much difference. He reminded the Commission of the criteria for denying a specific use permit.

Commissioner Oliva moved to approve SUP-18-01. Commissioner Rodriguez seconded, and the motion passed by a vote of 6-0.

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5. SUP-18-02. Hold a PUBLIC HEARING and consider a request by Austin Lessons and Tutoring, LLC, d/b/a Maverick Horseback Riding, for a Specific Use Permit to allow a Riding Facility, Barn and Stables, Campground, and Special Events Center on 105.569 acres in the Byrd Lockhart Survey, Abstract No. 17, zoned RLD Residential Low Density District and AO Agriculture-Open Space District and partially outside the city limits, and located at 1011 Flores Street (FM 672).

Mr. Gibson explained that the business the applicant was running at her home was originally permitted as a home occupation, but grew to the point that it exceeded the definition of a home occupation. She applied for a multi-part specific use permit to address all current and proposed future uses of the property. He said that all the activities would take place on the portions of the property zoned AO or outside the city limits. He referred to an attachment in the commissioner's packet submitted by the applicant. He mentioned that a variance was approved by the Board of Adjustment allowing crushed granite to be used as the surface of the currently unpaved portions of the driveway and parking area. He confirmed that the property is very large and well suited for the proposed uses, but that adequate access and parking for the proposed uses are the primary concerns. The main entrance has a long one-lane driveway that leads to the house, and it cannot be widened because the cross-slope is very steep. The applicant had mentioned to staff the possibility of bussing attendees into the property when there are large group events. The applicant also indicated that off-site parking could be located at Plum Creek Elementary School and the Little League Ball Park parking lot when needed. He said six letters of support were in the commissioner's agenda packet, plus three additional letters were submitted by the applicant after the packet was mailed. Mr. Gibson said that no opposition had been expressed before the meeting.

Chair McBride said that he would like to see a letter from Lockhart ISD giving the applicant permission to use their parking lot before approval of the SUP.

Chair McBride opened the public hearing and asked the applicant to come forward.

Joan Marie MacCoy, of 1011 Flores Street, explained how she got started in her business. She mentioned that it is only her and her son who run the business, and that it is not all about profit but also about helping others. She said she provides Spanish lessons at the library and is very involved with downtown businesses in promoting Lockhart. Her riding lessons help adults with PTSD as well as autistic children, and are affordable.

Chair McBride asked the applicant about the parking for special events.

Ms. MacCoy said that her intent is to use only the parking on her property, but if she needs more parking she will seek other options.

Chair McBride asked if she had approached Lockhart ISD about using their parking lot.

Ms. MacCoy replied that she was told by them in the past to simply ask in advance of an event should she need to use the school parking lot. She said her goal is not to hold huge events because it is her home, and that she wants the proposed uses approved only so she can have the ability to provide her services.

Commissioner Rodriguez asked if she was in verbal contact with Lockhart ISD.

Ms. MacCoy said yes, and that she volunteers at Plum Creek Elementary School. She had only used their parking lot one other time. She said she has volunteered her property to help with the overflow for the trailers used at Chisholm Trail in June. The part of the SUP application concerning camping and special events was intended to accommodate activities such as a three day event for the autistic children.

Chair McBride opened the public hearing and asked for those in favor of the specific use permit to come forward.

Ryan Lozano, of 208 West Prairie Lea, said that his children started attending riding lessons last summer. He mentioned that Ms. MacCoy promotes shopping at local businesses in Lockhart. He supported her application and business.

Bobby Herzog, of 1201 Rio Vista Cove, said that he supports Joan Marie MacCoy's application. He said he met her nine months ago while supporting local businesses downtown for First Friday events. He mentioned that she wants to do good for the community, and that she has a great vision.

Simon Watz, of Edinburgh, Scotland, said he found Maverick on the internet and visited in January. He is back today because he enjoyed his experience. He visits downtown Lockhart.

Emily Bolt, of 15704 FM 969 in Austin, said that she supports Ms. MacCoy. She is an artist and teacher and would like to do camps with the applicant. She would like to collaborate with her on reaching at risk youth, and believed that Ms. MacCoy is a positive leader in the community.

Rhonda Reagan, of 412 West San Antonio Street, said that she supports Ms. MacCoy. She mentioned that she brought a small group to her place of business, The Pearl, and her place of business has been showcased in magazines and on TV. She is helping put Lockhart on the map with her riding lessons. She said that Ms. MacCoy was asked to use her property for a western swing festival, and the Mayor was asked if they could use the school parking so they can bus folks to the property. She again reiterated that her business brings others to our community who use our restaurants and hotels.

Jerry West, of 723 Barth Road in Dale, said he supports her business because of the diversity it would bring to Lockhart. He encouraged the Commission to support Ms. MacCoy.

Emily Hildebrand, of 722 South Brazos, said that she takes her daughter to riding lessons and that on a teacher's salary Ms. MacCoy is very reasonable. She noticed her daughter has grown in confidence and that Ms. MacCoy has a special way with children.

Chuck Foreman, of 19 Cypress Road, said that Ms. MacCoy's business is good for veterans with mental challenges, and believes the Commission should approve her request.

Pamela Stockholm, of 231 Sunset Ridge Road in Maxwell, said that Ms. MacCoy supports local business. She mentioned that she is a Juvenile Officer in Austin and would like to get together to work on some programs for youth. Ms. Stockholm supports approval of the SUP and confirmed that Ms. MacCoy wants to help in any way possible with the community.

Makayla Peoples said that it would be smart for the City to support Ms. MacCoy. She said that she lives at a wedding event venue, and does not see that there would be any problems with parking on Ms. MacCoy's property.

Clint Wilson, of 1930 Barth Road in Dale, said that Ms. MacCoy held her first events at his place and they were very successful. She is passionate, responsible, and a great coach.

Donald Schneider, of 1714 Twin Island Drive, said that he is the Chairman of the Board for the Lockhart Chamber of Commerce. He mentioned that Ms. MacCoy supports the annual Chisholm Trail event, and volunteered her property to help with the rodeo participants.

Monica Parra, of 1310 South Medina, said she has known Ms. MacCoy since she moved to Lockhart. She had volunteered at the animal shelter and helped with neutering the animals. Her property is beautiful and very therapeutic.

Deward Cummings, of 709 Flores Street, Lockhart said he didn't have anything personal against Joan Marie MacCoy. He directed a comment to Mr. Gibson that in 2008 Mr. Gibson told him he could not have his real-estate licenses, broker's licenses, or federal arms licenses posted.

Chair McBride interrupted Mr. Cummings to remind him to address the Commission, and not staff or the applicant, and reminded him that he is allowed three minutes to make his comments.

Mr. Cummings continued and said that he was told by the City that he could not have any business signage because it was a residential area. He mentioned that the highway in front of his property has only two houses along it, and he didn't see why there could be no businesses located in the area. He mentioned that this is affecting his lifestyle. He is now negotiating taking over the property adjacent to the west of his property. It was recently the subject of a zoning change that was denied by the City Council. He said he thought the idea Ms. MacCoy has is great, but that three minutes is not long enough to say what he has to say.

Mr. Cummings said he worked for Ms. MacCoy, and that she still owes him \$5,000. However, he said that was not the reason for his appearance at the meeting. He claimed that she was not giving riding lessons. He had seen people from out of the country with no experience with horses from China, Indonesia, foreigners at her property, and that she walked them across FM 672 so that they could mount up at the school parking lot. She took them down Carver Street to Market Street. He told the Commission to not believe anything Joan Maria MacCoy had explained about her business.

Chair McBride reminded Mr. Cummings of his time.

Mr. Cummings asked why, and argued that it wasn't fair if the other speakers get a half hour to speak in favor of Ms. MacCoy, and he doesn't get an equivalent amount of time to present opposition.

He asked the Commission to put this agenda item on hold so that he can submit a detailed draft of the reasons why her specific uses should not be approved. He also pointed out the main reason is the traffic along Flores Street (FM 672). He pointed out if that if the special events center use is approved, Ms. MacCoy would be allowed to place an Astrodome on her property. He asked the Commission to please delay the item. He again argued with the Chairman about the allotted time given to him, and stated that it was his time to use. Chairman McBride asked him to please have a seat, but Mr. Cummings objected before leaving.

Ms. MacCoy was given an opportunity for rebuttal. She thanked everyone who came in support of her business. She said she was willing to work within any conditions that the Commission wished to impose on her requested specific uses.

Commissioner Villalobos commended Ms. MacCoy for her passion and vision. He wished her well in her endeavors.

Chair McBride closed the public hearing.

Mr. Gibson said that staff recommended approval. He explained that the purpose of the specific use permits are to authorize the applicant's existing and proposed activities. He recommended that if off-site parking is needed, the applicant should provide staff with written authorization from the school district on a case-by-case basis if they are unwilling to grant a more permanent authorization. He also reminded the Commission that the applicant received a variance to the surface material that could be used for the currently unpaved portions of the driveway and parking area.

Commissioner Nickel moved to approve SUP-18-02 subject to conditions that the applicant submit a letter from the City or school LISD approving the use of their parking lots when needed, and within 180 days from this date pave with an alternative surface the parking area and portion of the driveway as approved by the Board of Adjustment. Commissioner Oliva seconded, and the motion passed by a vote of 4-2, with Commissioner Ruiz and Commissioner Rodriguez against.

6. ZC-18-01. Hold a PUBLIC HEARING and consider a request by Lydia Serna on behalf of James Quesada for a Zoning Change from CMB Commercial Medium Business District to CCB Commercial Central Business District on Part of Lots 1 and 6, Block 28, Original Town of Lockhart, consisting of 0.185 acre located at 109 West Walnut Street.

Mr. Gibson explained that there have been several previous attempts by the applicant to rezone the property. The current zoning across the street is CCB Commercial Central Business District which is the same as the requested zoning change. The CCB district does not require off-street parking, or front and side building setbacks, which is the form of development in most of the downtown area. Also, the requested zoning classification is consistent with the future land use plan map. He presented maps and photos of the area, and emphasized that the application was for a zoning change, and not for a specific use permit. In the past, much of the opposition was from property owners who feared that the ulterior motive was for Lilly's Restaurant to become a bar, which is allowed only upon approval of a specific use permit in the CCB district. Mr. Gibson reported that a total of 135 letters of support were received, with 75 being from citizens living within the city limits, and the remainder from citizens living outside the city limits.

Chair McBride opened the public hearing and asked the applicant to come forward.

Lydia Serna, of 251 Wildbuffalo Street in Kyle, stated she would like the same opportunity to sell alcohol with food as all the other restaurants in the city. She said that TABC informed her of the requirements, and that the back door of the building could be designated as the main entrance in order to be over 300 feet from the front door of the nearby Episcopal church. She mentioned that many of her customers are from out of town and find her business while visiting downtown. Ms. Serna concluded by saying her mother operated Lily's as a bar, and to continue her legacy she has kept the name, but opted to be a restaurant instead of a bar. She noted that Lily's celebrated its 53rd Christmas Party where they give back to the community.

Chuck Keplar, of 2375 Seawillow Road, said he met Lydia through other bikers. He has helped with the children's events held at Lily's. He is also the Pastor of the Lockhart Biker Church on Sunday's where they hold Bible Study, Wakes, and Weddings at the location. He said Lily's is a family oriented type of business. He explained that Lydia would like to sell alcohol with food under the supervision of the TABC.

Philip Torrez, of 1817 South Colorado, Apt. 1601, said he worked for Lydia's mother Lily, and was speaking in favor of the zoning change because he knows that Lydia supports the community.

Roger Dale Northcut, of 317 Llano Street, said he had known Lydia for a long time and that she is keeping her mother's legacy alive, but as a restaurant and not a bar. Lydia's place of business does a lot for the children. They have a great Christmas program, and help with the Biker activities.

Jaclyn Garcia, of 1518 Gunnison Cove, said she supports Lydia. She works hard for the community and would like to sell alcohol with her food. Her facility is a good place.

Todd Blomerth, of 1105 Spruce Street, said he is against the zoning change. He believed the case relates to alcohol, and that TABC would not regulate accordingly. The rear entrance could be a health hazard. He said there could be parking issues with so many uses downtown, and wondered why the owner of the building was not in attendance.

Kent Black, of 2403 Arpdale Street in Austin, suggested that the Commission come up with something to help Ms. Serna so that she could sell alcohol without changing the zoning classification. He stated he owns a majority of the neighboring property. He pointed out that there is a women's center next door to Lily's, and a dance studio across the street where children attend dance classes, which could all be incompatible with the environment at Lily's.

Patti Payne, of 1105 Spruce Street, said that every building in the area is nonconforming, and asked why it should matter to change the zoning. She stated that the main reason for the zoning change request is so the applicant can sell alcohol, and that the applicant should have rented a building in an area with the appropriate zoning. She claimed that the ultimate goal is for the building to become a bar after the zoning is changed.

Ms. Serna said that the owner, Mr. Quezada could not attend this evening because he was out of town, but that he is in full support of her application. She stated that she just wants the same opportunity as all the other business owners in Lockhart and would appreciate the Commission's support.

Chair McBride closed the public hearing and asked for the staff recommendation.

Mr. Gibson said that staff recommended approval.

Commissioner Ruiz moved to recommend approval of ZC-18-01.

The motion failed for a lack of a second.

Commission Nickel restated the same motion to recommend approval of ZC-18-01 to City Council. Commissioner Ruiz seconded, and the motion passed by a vote of 4-1-1, with Commissioner's Oliva against and Commissioner Rodriguez abstaining.

7. ZC-18-02. Hold a PUBLIC HEARING and consider a request by Brothers Holdings for a Zoning Change from RMD Residential Medium Density District to CHB commercial Heavy Business District on Lots 16 and 17, Block 5, South Heights, located at 1105 South Commerce Street.

Kevin Waller explained that the applicant is proposing to change the zoning from RMD Residential Medium Density District to CHB Commercial Heavy Business District for the purpose of developing an eye care clinic on property that also includes abutting parcels that he owns that face South Colorado Street. He stated that the requested zoning classification is consistent with the General-Heavy Commercial future land use designation shown for the entire block on the future land use plan map. He noted that a previous application in 2011 was withdrawn prior to a Commission meeting, and said that staff recommended approval.

Chair McBride opened the public hearing and asked the applicant to come forward.

Dr. Tony Jacobs, of 466 Clear Springs Hollow in Buda, said he used to live in Lockhart. When he first bought the property he didn't have a lot of money so he stopped the original zoning change request that had been initiated by the previous owner. He took the information from our Future Land Use Plan map, which showed the future use of the property being commercial. He said his business currently shares parking with Dr. Romanek's Office and Dr. White's office in an office complex on West San Antonio Street. He said that his business has outgrown that facility and would like to build and own a new eye care clinic with frontage along South Colorado Street.

Jeff Byrd, of 1427 Overlook Ridge Drive in Belton, was asked by Dr. Jacobs to do a feasibility study on the property. He said that Dr. Jacobs is doing his due-diligence, the business would enhance the community, and that he is a professional with great integrity.

Chair McBride asked for any other speakers in favor of the zoning change, seeing none he asked for those in opposition to come forward.

Peter Moore, of 1018 South Commerce, said that the property is zoned residential because there are homes on both sides of Commerce Street. He said that the zoning change could open up to anything being built there that would be allowed under the commercial zoning. He would like for the area to be a residential neighborhood, and not a commercial district.

Dr. Jacobs asked to make a closing statement. He mentioned again that the future land use plan map designated the entire block as commercial, and that the City Council had approved the comprehensive plan. He said his business would be light commercial, and it will be oriented toward South Colorado Street.

Chair McBride closed the public hearing and asked for a motion.

Commissioner Nickel moved to recommend approval of ZC-18-02 to City Council. Commissioner Villalobos seconded, and the motion passed by a vote of 6-0.

8. FP-16-04. Consider a request by Joshua Valenta, P.E., on behalf of Dane Braun, for approval of a Final Plat of Meadows at Clear Fork Subdivision, Section 2, consisting of 82 single-family residential lots, two drainage lots, one storm-eater detention basin and associated public street right-of-way on a total of 23.526 acres in the Francis Berry Survey, Abstract No. 2, zoned PDD Planned Development District and located generally along the 600-700 blocks of City Line Road, and 1700 block of Maple Street and Clear Fork Street.

Mr. Waller explained to the Commission that the subject property is the last of three sections of the Meadows at Clear Fork Subdivision to be platted. He noted that the parkland dedication was taken care of at the time that the first section was platted, and stated that the plat complies with all applicable standards. Therefore, staff recommended approval.

Joshua Valenta, the project engineer, said that he was present to answer any questions that the Commission might have.

Vice-Chair Ruiz asked when the perimeter fencing would be completed.

Mr. Valenta replied that it was part of the infrastructure and would be completed before the subdivision is accepted by the City.

Commissioner Oliva moved to approve FP-16-04. Commissioner Rodriguez seconded, and the motion passed by a vote of 6-0.

9. Discuss the date and agenda of next meeting, including Commission requests for agenda items.

Mr. Gibson announced that the next regular meeting date is March 14th.

10. Adjourn.

Commissioner Oliva moved to adjourn, and Commissioner Rodriguez seconded. The motion passed by a unanimous vote, and the meeting adjourned at 10:24 p.m.

Approved: 3-14-18
(date)

Christine Banda for
Christine Banda, Recording Secretary

Phil McBride
Phil McBride - Chairman



SUP-18-02

1011 FLORES ST

RIDING FACILITY AND BARN AND STABLES
 CAMPGROUNDS
 SPECIAL EVENTS SITE



Zoning Boundary



Subject Property

scale 1" = 700'

CASE SUMMARY

STAFF CONTACT: Dan Gibson, City Planner

CASE NUMBER: SUP-18-02

REPORT DATE: February 14, 2018

PUBLIC HEARING DATE: February 28, 2018

APPLICANT'S REQUEST: Riding facility, Barn and stables, Campground, Special events center

STAFF RECOMMENDATION: **Approval if there is no significant public opposition.**

SUGGESTED CONDITIONS: *If the Plum Creek Elementary School parking lot is required for off-site parking, a written agreement with LISD must be provided.*

BACKGROUND DATA

APPLICANT(S): Maverick Horseback Riding

OWNER(S): Joan Marie MacCoy

SITE LOCATION: 1011 Flores Street (FM 672)

LEGAL DESCRIPTION: Metes and bounds

SIZE OF PROPERTY: 105.569 acres

EXISTING USE OF PROPERTY: Ranch house, barn/storage building, pasture

ZONING CLASSIFICATION: RLD Residential Low Density District and AO Agricultural–Open Space District.

ANALYSIS OF ISSUES

CHARACTERISTICS OF PROPOSED USE: The applicant currently gives horseback riding lessons on her property, where she lives, a large portion of which extends beyond the city limit line. When she purchased the subject property, she inquired about giving lessons and was told the parameters for a home occupation, and that to be considered similar to giving private music lessons, etc., there could be only one or two clients at a time. The business grew to proportions that exceeded the definition of a home occupation, including large groups and summer camps, as evidenced by Maverick Horseback Riding website at the time. The applicant was notified of the violations, and is applying for a multi-part specific use permit to address all current and proposed future uses of the property. All of the activities will take place on the portions of the property zoned AO or outside the city limits. The uses listed on the agenda are all specific uses in the AO district. The site plan shows only the existing buildings. As indicated in the attached information submitted by the applicant, other structures may be needed in the future to accommodate all of the uses, but it is still unknown when or where on the property they will be constructed.

NEIGHBORHOOD COMPATIBILITY: The subject property is very large and well suited for the proposed uses. It's in a relatively rural area at the edge of the city where there are very few close neighbors, with the closest being one single-family dwelling on the parcel adjacent to the west. Plum Creek Elementary School and City property are located to the south across the street.

COMPLIANCE WITH STANDARDS: Normally all driveways and parking areas must be paved with an all-weather surface such as concrete or asphalt. However, on November 6, 2017, the Zoning Board of Adjustment approved a variance to allow an alternative surface with crushed granite in lieu of an all-weather surface. There were three conditions of approval, two of which required additional information of the site plan, which has been met. The third condition was that a crushed granite surface must be added to the main entrance driveway, as well as the internal driveway and parking area serving the barn/storage building. That will be done only if one or more of the requested uses are approved.

ADEQUACY OF INFRASTRUCTURE: Adequate access and parking are the primary concerns in this case. The main entrance is a long one-lane driveway that leads to the house. Crossing it in front of the house is another driveway that, to the west, has a good gravel base and leads to a barn/storage building and an unpaved parking area. The portion of the internal driveway the east is mostly dirt and leads to a secondary entrance adjacent to an LCRA substation. The applicant proposes to use only the main (west) gravel entrance for the various activities. It is not wide enough for vehicles to pass, but it cannot be widened because the cross-slope is very steep. The applicant has told staff that when there are group events, the attendees would be bussed into the property, thereby reducing the chances of vehicles meeting each other going opposite directions on the driveway. In addition, the attached explanation submitted by the applicant indicates that off-site parking for large events will be located at Plum Creek Elementary School, which is nearby on the south side of Flores Street. However, that should be documented by a written agreement with LISD, which has not yet been provided to staff.

ALTERNATIVES: The Commission has the option of approving all, some, or none of the four activities proposed in this SUP application. Any that are not approved will simply not be allowed. Giving horseback riding lessons would still be allowed as long as it is done within the scope of a home occupation.

RESPONSE TO NOTIFICATION: Six letters of support are attached. No opposition has been expressed as of the date of this report.

UPDATE FOR APPEAL TO MARCH 20, 2018, CITY COUNCIL: *Additional letters of support were submitted after this report was mailed to the Planning and Zoning Commission in their agenda packet, but before the Commission meeting. There are now eight letters of support attached. In addition, 13 people spoke in favor of the rezoning at the Planning and Zoning Commission meeting, and only Deward Cummings, who owns the property adjacent to the west, spoke in opposition.*



SPECIFIC USE PERMIT APPLICATION

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

APPLICANT/OWNER

Austin Lessons and Tutoring, LLC, d/b/a

APPLICANT NAME Maverick Horseback Riding ADDRESS 1011 Flores St.
DAY-TIME TELEPHONE 512-230-8413 Lockhart, Texas 78644
E-MAIL maverickhorsebackriding@gmail.com

OWNER NAME Joan Marie MacCoy ADDRESS 1011 Flores St.
DAY-TIME TELEPHONE 512-230-8413 Lockhart, Texas 78644
E-MAIL maverickhorsebackriding@gmail.com

PROPERTY

ADDRESS OR GENERAL LOCATION 1011 Flores St., Lockhart, Texas 78644
LEGAL DESCRIPTION (IF PLATTED) SEE EXHIBIT A
SIZE 105.569 ACRE(S) ZONING CLASSIFICATION Agriculture-Open Space *IRL 4*
EXISTING USE OF LAND AND/OR BUILDING(S) Single Family Home *outside city limit*

REQUESTED SPECIFIC USE

PROPOSED USE REQUIRING PERMIT SEE EXHIBIT B

CHARACTERISTICS OF PROPOSED USE, INCLUDING INDOOR AND OUTDOOR FACILITIES, ANTICIPATED OCCUPANCY (NUMBER OF DWELLING UNITS, RESIDENTS, EMPLOYEES, SEATS, OR OTHER MEASURE OF CAPACITY, AS APPLICABLE), GROSS FLOOR AREA, HOURS OF OPERATION, AND ANY OTHER RELEVANT INFORMATION. ATTACH ADDITIONAL SHEETS, IF NECESSARY.

SEE EXHIBIT B

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.

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

SITE PLAN, SUBMITTED ON PAPER NO LARGER THAN 11" X 17", SHOWING: 1) Scale and north arrow; 2) Location of site with respect to streets and adjacent properties; 3) Property lines and dimensions; 4) Location and dimensions of buildings; 5) Building setback distances from property lines; 6) Location, dimensions, and surface type of off-street parking spaces and loading areas; 7) Location, dimensions, and surface type of walks and patios; 8) Location, type, and height of free-standing signs; fences, landscaping, and outdoor lighting; 9) utility line types and locations; and, 10) any other proposed features of the site which are applicable to the requested specific use.

APPLICATION FEE OF \$ 1,390.00 PAYABLE TO THE CITY OF LOCKHART AS FOLLOWS:

1/4 acre or less	\$125
Between 1/4 acre 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

J. McCoy

DATE

1/31/18

OFFICE USE ONLY

ACCEPTED BY

Dan Gibson

RECEIPT NUMBER

780930

DATE SUBMITTED

1-31-18

CASE NUMBER SUP -

18-02

DATE NOTICES MAILED

2-12-18

DATE NOTICE PUBLISHED

2-15-18

PLANNING AND ZONING COMMISSION MEETING DATE

2-26-18

DECISION

Approved

CONDITIONS

Install crushed granite driveway and parking lot surface where not already paved. Provide letter of authorization from L.I.S.D. or City before use of their parking lots

EXHIBIT B
City of Lockhart Special Use Permit Application
Requested Specific Uses

SPECIAL USE #1:

Sec. 64-196(b)(2)(d) and Sec. 64-196(b)(2)(e) – Riding Facility and Barn and Stables

Summary of Use: Outdoor riding facility (equestrian facility) created and maintained for the purpose of accommodating, training or competing horses (horses owned by owner, Maverick Horseback Riding, and members of the Lockhart community). Facility will operate fully on the trails and within riding pens for the purposes of educating clients on basic to advanced equestrian skills. We work with advanced riders on more complicated subjects such as collection and engagement, how to handle a horse that is acting up, and everything from bareback riding and posting bareback to assuming good hunter form over low cross country jumps.

Facilities may include (1) the construction of a boarding stable capable of housing 15 to 25 horses; (2) riding pens for the teaching and practicing of horsemanship lessons; and (3) grazing and open space areas for horses. Gross square-footage for riding facilities will be determined prior to construction based on customer need and input from community.

Capacity: Client capacity: 2 to 12; Employees: 0 to 2

Hours of Operation: Year round; 8am to 6pm (Monday – Sunday)

SPECIAL USE #2:

Sec. 64-196(b)(2)(c) – Campgrounds

Summary of Use: In addition to providing equestrian riding facilities, the property will also provide outdoor recreation areas and campground facilities to customers of the riding facility. Campgrounds will be located away from the riding facility and neighboring property lines and stationed near the boundary of the Lockhart city limits and in the Lockhart extraterritorial jurisdiction. Customers of the campgrounds will not be allowed to chop and burn wood on the property except in designated campfire stations using pre-chopped wood provided by the property owner or customer. Furthermore, all trash shall be collected by site visitors prior to departure and disposed of in properly marked trash receptacles provided by the campground facility. The campground facility will provide no food or water to visitors. No weapons or fireworks will be allowed on site and noise levels will be limited to prevent interference with neighboring property owners and horses housed in the boarding stables.

Capacity: 2 to 12; Employees: 0

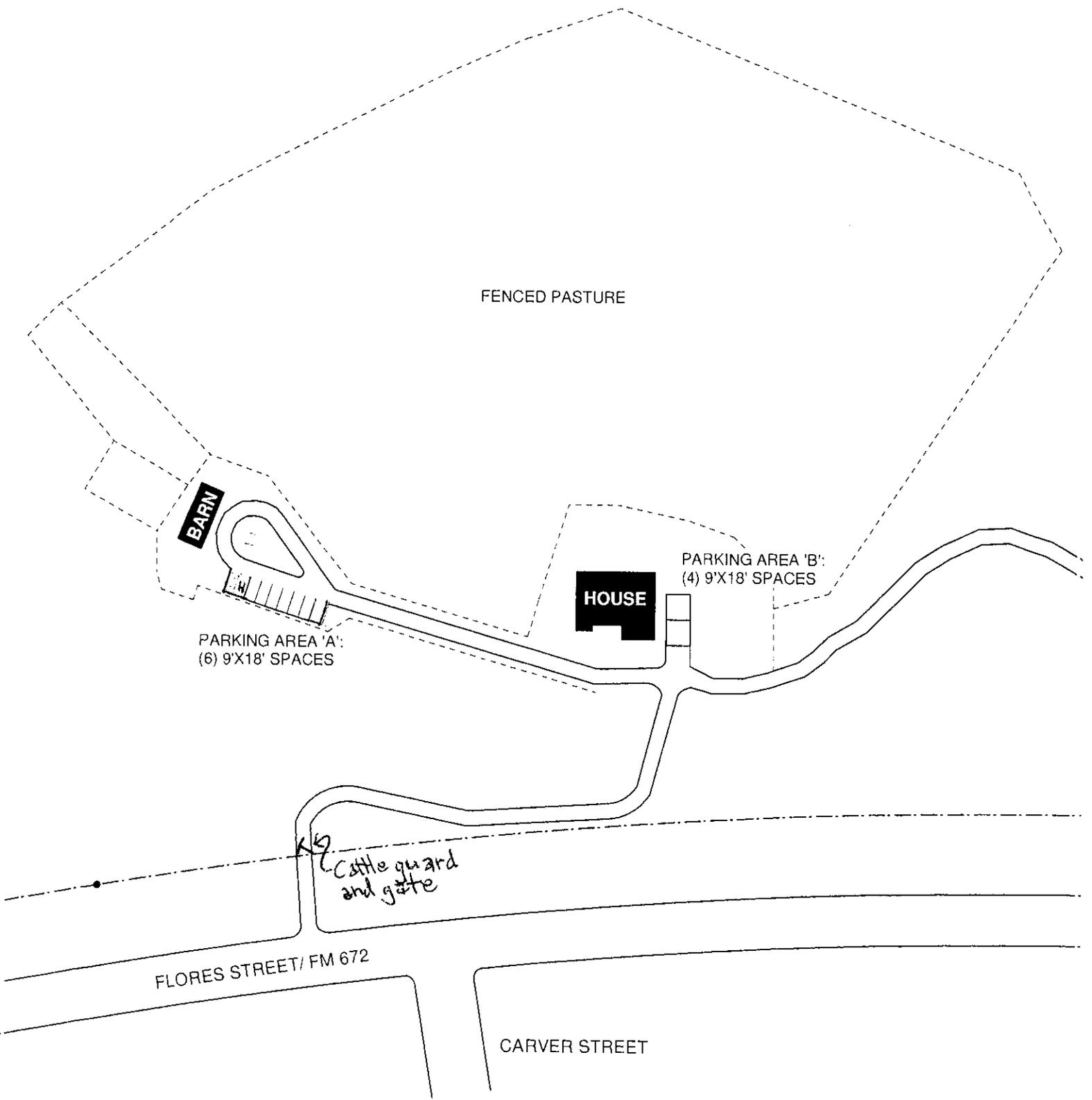
Hours of Operation: Year round

SPECIAL USE #3:
Special Events Site:

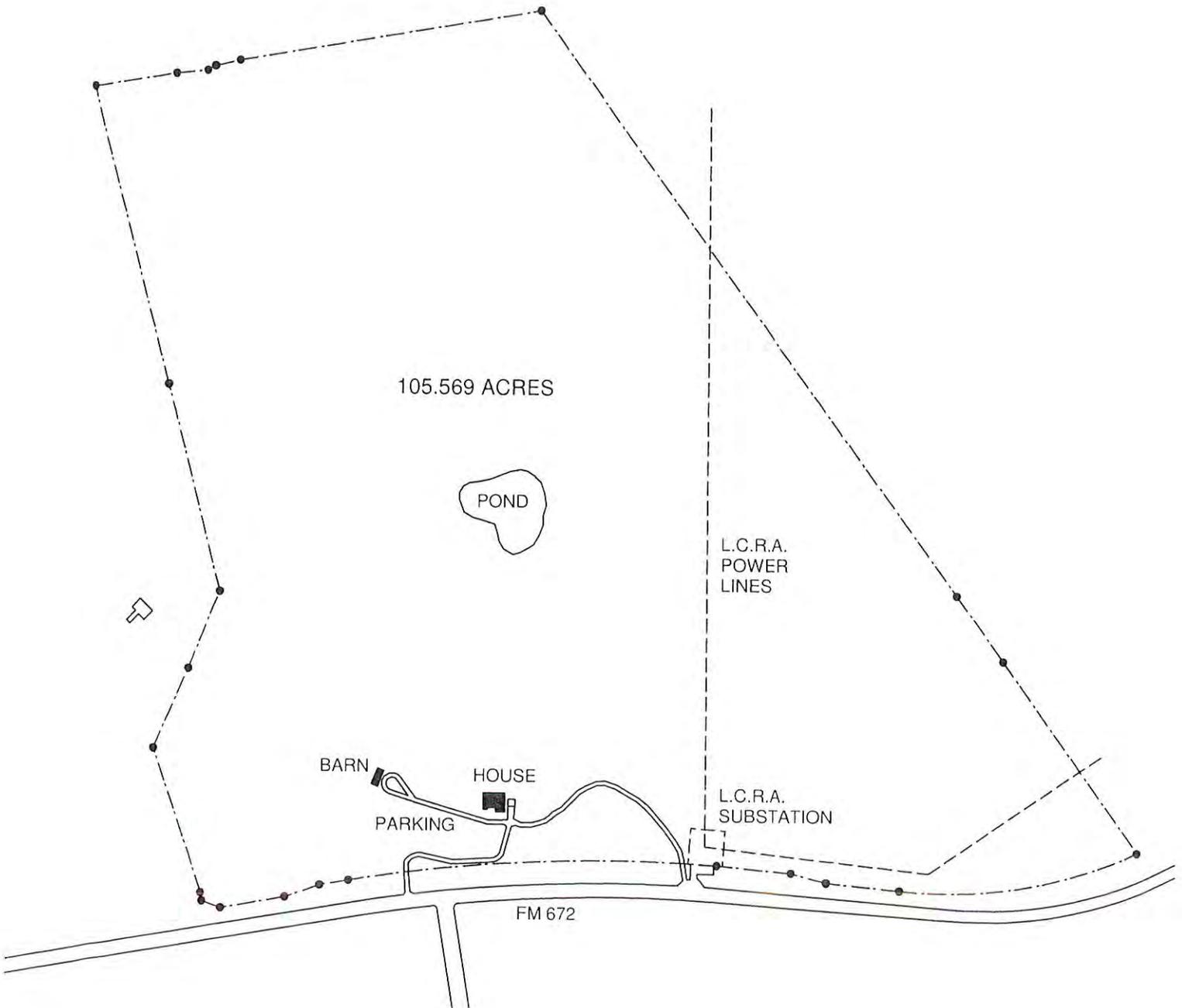
Summary of Use: The property will provide open space for the hosting of outdoor special events held by citizens and businesses of the City of Lockhart and surrounding community (birthday parties, fundraisers, community gatherings, etc.). The provision of special event services will be based on the requests made by the event organizers and the restrictions placed on the same by the City of Lockhart. The property shall only provide the open space for the accommodation of any such event and will in no way be responsible for the provision of any services ancillary for the hosting of any event. Event organizers intending to use the property shall be responsible for the provision of restrooms, food and water, event facilities (tents, stages, and seating), security, EMS (if required) and trash collection. Parking for large events shall be provided by Plum Creek Elementary School, 710 Flores Street, Lockhart, Texas 78644, located approximately 100 yards from the event facility. The agreement for said parking accommodations at the school shall be provided at a date prior to the hosting of any special event activity.

Capacity: up to 200

Hours of Operation: Weekends and holidays (dependent on parking availability at Plum Creek Elementary School)



2 ENLARGED SITE PLAN
SCALE: 1"=100'-0"



1 SITE PLAN- EXISTING
SCALE: 1"=400'-0"

Dan Gibson

From: Maverick Horseback Riding [maverickhorsebackriding@gmail.com]
Sent: Monday, February 19, 2018 8:01 AM
To: Dan Gibson
Subject: Fwd: Specific Use Permit Letter

From: Jordan Hinckley <ccfr@att.net>
Date: February 18, 2018 at 8:21:13 PM CST
To: "maverickhorsebackriding@gmail.com"
<maverickhorsebackriding@gmail.com>
Subject: Specific Use Permit Letter
Reply-To: Jordan Hinckley <ccfr@att.net>

To Whom It May Concern:

This letter is in reference to the Specific Use Permit that Joan Marie MacCoy of Maverick Horseback riding, has filed for. My name is Jordan Hinckley and I am the manager of a local business, Caldwell County Farm & Ranch. Joan Marie is a customer and acquaintance of mine. We met when she came into my business before purchasing her property at 1011 Flores St. in Lockhart to inquire about feed and general information of Lockhart. Joan Marie is very outgoing and gave me a history of her business and her intentions to move to Lockhart and to conduct business. I have personally seen Joan Marie and her well taken care of horses, in action. She is a very experienced trainer and teacher. I have seen and spoken to several of her clients who have all been satisfied with their experience. I personally feel that Joan Marie is an asset to locals and visitors of our community. I think it's very unique that she can offer such services, expertise and adventurous experiences. Joan Marie is known amongst many other local business managers and owners for bringing her customers into our local businesses as well. I feel that it is in everyone's best interest to allow her to continue her business here in Lockhart. I know that she would love to continue working, living and being a member of our community. Thank you for your consideration in this matter.

Jordan Hinckley
Caldwell County Farm & Ranch Manager
(512)-398-2727

WATSON ARABIANS

P.O. BOX 894

LIBERTY HILL, TEXAS 78642

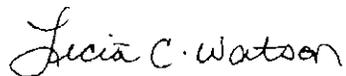
February 20, 2018

Reference: Joan Marie MacCoy

To Whom It May Concern:

My name is Lecia Watson. I manage Watson Arabians for my family in Liberty Hill, Texas. I have dealt with Joan Marie on several business transactions over the last 8 years. She has leased and purchased horses from Watson Arabians. She currently has four mares in foal by our stallion WA Crème Brulee. All transactions have gone smoothly, and she has stood by her word on them all. I have found her to be trustworthy and straight forward in our dealings. She also is very good with her horses. She trains with patience and kindness. I have also found her to be a responsible person dealing with overall safety for the horses and people working with her. I would recommend her to anyone looking for someone to work with horses and kids.

Yours Truly,



Lecia Watson

LYN, LECIA, AND FRANK WATSON TEL: (512) 589-9424 987 INDIAN RIDGE

SPF

Still Point Farm, LLC.

13220 FM 972
Granger, TX 76530

February 21, 2018

Dear Members of the Lockart Planning and Zoning Board:

Joan Marie MacCoy of Maverick Horseback Riding is a consummate equine professional. I have, as an equine professional, had excellent dealings with her. I am the co-founder and trainer at Still Point Farm, in Granger, Texas and have lived in the Austin area for about four years. I met Joan Marie several years ago, experienced her skill as a horsewoman and businesswoman, and have continued to stay in contact with her.

Joan Marie is an extremely effective horsewoman, and skilled teacher of riding, and a smart businesswoman. She is firm but gentle with horses and runs a top-notch program. Any local community would see a benefit to having her run youth or adult programs in riding, training, boarding, or even clinics for local horse owners or horse lovers. She is a great place to visit for guests from out of state. She is extremely detail and safety oriented, maintains great health on all her animals, and engages in best practices for general horsemanship.

Further, as a member of the local horse community, she is always willing to step up and lend a hand. She supports local efforts and associations on a consistent basis, making donations to benefit this community. She is responsible and respectable, and always can be relied on to go exceed expectations.

Joan Marie is an asset to any community, and we of Still Point would support her in any endeavour in which she was involved.

Sincerely,

Jennifer Crow
Co-Founder
Still Point Farm, LLC.
Granger, TX

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February 27, 2018

To Whom It May Concern,

My name is Sara Clark, and I am an attorney at Quinn Emanuel Urquhart & Sullivan, a large law firm based out of California, with offices around the world. I presently work in their Houston office and my practice focuses on cross-border international white collar criminal defense and crisis litigation.

I previously attended the University of Texas at Austin for law school. During my time in Austin, I met Joan Marie MacCoy in early 2014. Our initial interactions were through her horseback riding trail lessons when she was based out of Hutto, Texas. Since then, I have continued to go to Ms. MacCoy to ride on many occasions. Though there are other options in the Austin area that might have been more convenient, I chose to continue to ride with Ms. MacCoy because of the quality of her horses, and, more importantly, the quality of instruction and high degree of professionalism she employs.

I have watched Ms. MacCoy handle many of the unique challenging running a trail riding and lessons facility requires, including managing groups of differing age, ability, and confidence. She has consistently, and seemingly effortlessly done so in a way that ensures both the safety and happiness of the groups she works with, as well as the health and safety of her horses. Her attention to detail during rides allows participants to maximize their time and to appreciate not only the horses, but the surrounding countryside and the town of Lockhart.

Further, I have watched Ms. MacCoy's training practices. Because I have had the privilege to know Ms. MacCoy and her horses for four years now, I have been able to see the transformative effects she can have on animals who may come to her abused or merely untrained. Her patience, tenacity, and, of course, skill in training these animals gives many of them a second lease on life—allowing them to join a happy and healthy herd and perform work the horses truly seem to enjoy. Indeed, we have often set out on trail rides only to have those horses not on the line that day follow us as far as they can.

I have also seen how Ms. MacCoy interacts with her community. She has often participated in local events in Austin and the surrounding communities where she shares her knowledge and love of horses with locals in the community. When we are out for a social ride, she is the first to stop and talk to children who show interest in her horses. Her Spanish skills allow her to communicate her knowledge and enthusiasm to a broader community than would otherwise be possible. Even beyond her horse-related activities, I have watched her give back through offering yoga lessons, volunteering to coach youth soccer, and offering free tutoring and Spanish lessons. She is a giving individual, even at the busiest of times and in most challenging situations.

Finally, I have watched Ms. MacCoy develop a profitable business while simultaneously pursuing her passion for horses and raising a wonderful son. She is always looking to improve herself, and her abilities are evidenced by her success. Her herd of horses has been built up purely through her own effort from only one horse when she began in 2012. In five short years,

she has transformed from a young woman with a dream into a successful business person living the reality she once envisioned. And yet, she has not for a moment put her family second. Her son, Sam, is polite, intelligent, and engaged in a way that I rarely see among children his age, and I have no doubt he has learned much from his mother.

I have no doubt that Ms. MacCoy will be an asset to the Lockhart community, helping it to grow and prosper while keeping in touch with its roots. Should you have any questions or concerns, please do not hesitate to contact me at either (713) 221- 7010 (office) or (210) 857-8499 (cell), or by email at saraclark@quinnemanuel.com.

Regards,

Sara C. Clark



Small animal medicine, large expectations. Large animal medicine, small hassles.

February 21, 2018

To Whom It May Concern:

I have known Joan Marie for approximately two years as her veterinarian. I have been to her place numerous time to take care of her horses. I have seen her skills as a horse trainer and I recommend her to my clients with problem horses.

Typically, her phone is constantly ringing with people asking to book horse back rides. These people come from Austin and the surrounding areas for horse back riding and to enjoy her view of Caldwell county.

Her ability to be able to expand her business into horse boarding and training on her property will only benefit Caldwell County. This will attract even more people and business from the surrounding areas into our county.

There are very few, if any, horse boarding and training facilities in Caldwell County.

Sincerely,

Garrett Montgomery, DVM
830-875-2456

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Austin Stables
15000 Fitzhugh Rd.
Austin, TX 78736

To The Lockhart Planning and Zoning Committee,

My name is Christi Bacot. I'm writing to you on behalf of Joan Marie MacCoy, and her business, Austin Lessons and Tutoring, LLC (DBA Maverick Horseback Riding). While I have only had the pleasure of knowing Joan Marie for about four years in what initiated as a professional relationship, I have been operating in the Austin area for over 22 years. I have seen big changes coming through, both for the good and for the bad. As a business professional in the community with a well esteemed company in the dripping springs area, "Austin Stables," I can personally and professionally assure you without a doubt that Joan Marie and her business bring the most positive kind of change.

Getting to know this young woman, and watching her develop over the years has been a pleasure. She is of most genuine nature, and this transfers to her relationship with the animals, children, and families she works with. I can attest to her gentle but firm nature with both animals and children, and getting to know this young woman, and watching her developed over the years has been a pleasure. She is of most genuine nature, and this transfers to her relationship with the animals, children, and families she works with. I can attest to her gentle but firm nature with both animals and children. She would make an excellent horse trainer, clinic organizer and boarding professional for Caldwell County.

In addition, I have seen how much she puts at stake with her relationship with the community she is in. She is a Positive Sum Game team player, and is always ready to lend a hand with other businesses. You won't find a more supportive individual to uphold Texan values than in this young woman. She prides herself on service above self.

If I can offer any additional assistance in the determination of this Specific Use Permit, you are welcome to reach out to me.

Sincerely,
Christi Bacot
Owner, Austin Stables
www.AustinStables.com
512-923-8965



TEMPLE BETH HILLEL-BETH EL

YOUTH - SCHOOL COMMUNITY

Erlbaum Educational Campus
1001 Remington Road ~ Wynnewood, PA 19096
Phone: (610) 896-8507 FAX: (610) 649-0948

To Whom It May Concern:

I am writing this letter of recommendation to you on behalf of Joan Marie MacCoy. I have known Joan Marie for 20 years, and in both personal and professional interactions I have found her to be genuine, driven and incredibly hard working. She has an incredible magnetism that draws positive people, improved commerce, and healthier conditions to those around her. Joan Marie is the hardest worker I have ever met with an unmatched determination to succeed. I have no doubt in my mind that if she is awarded this specific use permit, it will benefit your community.

As the Communication and School Coordinator and previously the Office Manager for Camp Ramah, I have provided continuous consultation to Joan Marie over the course of the development of her business. I have watched it grow from the beginning steps into this highly rated, productive, positive experience that so many people in the greater Austin metropolitan area have already enjoyed. The pictures of happy riders and reviews speak for themselves.

I believe that awarding Joan Marie the specific use permit will improve commerce in the area for the community as a whole; restaurants, shop owners, improved education programs and services for local children. Joan Marie's strong straightforward nature and integrity is what has built her business and continues to make her successful in all her endeavors. She is warm, welcoming and always has an open mind for improving, as well as a sense of comradery for the community and businesses around her. I can assure you that Joan Marie is the right person to deal with visitors, families, their children, their stock animals and horses. Her dreams to develop and share with the community (especially the youth) a sustainable working agricultural ranch strongly connects and speaks to the heart and history of your beautiful town.

Thank you for your time and consideration. If you have any further questions you can reach me with my contact information listed below.

Sincerely,

Michele J Stulman
Communications and School Coordinator

mstulman@tbhbe.org

215-704-6374



Department of Foreign Languages and Literatures
Thomas Harriot College of Arts and Sciences
East Carolina University
Bate Building • Greenville, NC, USA 27858-4353
252-328-6017 office • 252-328-6233 fax • www.ecu.edu

11/21/14

To Whom it May Concern:

I write this letter of recommendation on behalf of Ms. Joan MacCoy, who was a student in two of my graduate-level courses in 2011. I can say that Ms. MacCoy is one of the two most intellectually gifted students I have taught in twenty-two years in the profession (the other successfully completed a PhD at Vanderbilt). She is extraordinarily motivated and self-disciplined; furthermore, she is very self-directed: once she is given an assignment, she needs very little direction, and one can be certain that whatever task she is given will be done extremely well. Her entrepreneurial endeavors are evidence of these characteristics.

It is also worth noting that, while a graduate student, she was also a paid Research Assistant to Prof. Patricia Slagter Van Tryon of ECU's College of Education. In those duties, she helped Hispanic-Latino youth learn computing skills.

Ms. MacCoy is honest, forthright, personable, and hard-working. I can give her my highest recommendation for any job position or continued program of studies, and do do entirely without reservation.

Should you wish to contact me for further information, please do not hesitate to do so.

Sincerely,

Dale Knickerbocker

Linda E. McMahon Distinguished Professor
Department of Foreign Languages & Literatures
East Carolina University
Greenville, NC 27858
Tel (252) 758-8627; Fax (252) 3286233
knickerbockerd@ecu.edu

**LOCKHART CITY COUNCIL
REGULAR MEETING**

MARCH 6, 2018

6:30 P.M.

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

Council present:

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

Mayor Lew White
Councilmember John Castillo
Councilmember Kara McGregor
Councilmember Brad Westmoreland

Staff present:

Vance Rodgers, City Manager
Dan Gibson, City Planner
Rob Tobias, Economic Development Director

Connie Constancio, City Secretary
Ernest Pedraza, Police Chief

Citizens/Visitors Addressing the Council: Citizens: Lydia Serna, Lisa Mendoza, Kimberly Mendoza, James Quezada, Chuck Keplar, Kennedy Roland, Patti Payne, Todd Blomerth, Kent Black, and Peter Moore.

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:

PRESENTATION ONLY

A. PRESENTATION OF A PLAQUE TO CHRISTOPHER SAGER THANKING HIM FOR HEROICALLY HELPING A FAMILY DURING AN ACCIDENT.

Mayor White presented a plaque to Christopher Sager and a bouquet of flowers to Mrs. Sager. Mayor and the Council commended Mr. Sager for his heroic effort.

B. INTRODUCTION OF TWO NEW POLICE OFFICERS IN THE LOCKHART POLICE DEPARTMENT.

Chief Pedraza introduced John Fullilove and Samson Vielma as two new police officers of the Lockhart Police Department.

DISCUSSION ONLY

A. DISCUSS MINUTES OF THE CITY COUNCIL MEETINGS OF FEBRUARY 13, 2018 AND FEBRUARY 20, 2018.

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

B. DISCUSS RESOLUTION 2018-05 APPOINTING MAYOR LEW WHITE AS THE CITY OF LOCKHART'S CLEAN AIR COALITION REPRESENTATIVE, AS REQUIRED IN ARTICLE II OF THE CLEAN AIR COALITION OF THE CAPITAL AREA COUNCIL OF GOVERNMENTS (CAPCOG) BY-LAWS; AND ESTABLISHING AN EFFECTIVE DATE.

Mayor White stated that the Resolution is a result of the Council's unanimous vote to appoint him as the City's Representative to the Clean Air Coalition of CAPCOG.

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C. DISCUSS A “NOT TO EXCEED PROJECT FUNDING AGREEMENT” WITH TECHLINE CONSTRUCTION, INC. THAT BRINGS THE SECOND THREE PHASE ELECTRIC SUBSTATION FEEDER LINE ON THE WEST SIDE OF SH 130 TO EAST SIDE NEAR MAPLE STREET; THE COMPANY WILL PROVIDE ALL SUPERVISION, LABOR, AND EQUIPMENT FOR AN AMOUNT NOT TO EXCEED \$156,500, AND APPOINTING THE MAYOR TO SIGN THE AGREEMENT IF APPROVED. [FORM 1295=2018-03-06-39]

Mr. Rodgers stated that Lockhart has a new electric substation on the west side of SH 130 at Maple Street. Generated electric power is distributed inside the City from the substation. There are two main breakers in the substation that belong to the City of Lockhart. About 15 months ago, the first feeder line for one breaker was constructed overhead from the west side of SH 130 to the east side of SH 130. Now it is time to bring the second feeder line from the second breaker across SH 130; this feeder line will be underground. Techline Construction, Inc. provides these construction services through a contract which the City of Lockhart has with the Lower Colorado River Authority (LCRA). The company has provided a quote of “not to exceed” \$156,500 for the LCRA designed work to be completed. Staff believes the final cost could be 15% more or less than the quote. The electric department will help where it can to reduce costs. This second feeder line will eventually be completed on Maple Street from City Line Road to Mockingbird and then north to near the Bluebonnet Elementary School. The goal is to have a dual electric feeder system for the City within the next three years. Funding, if approved, would come from the Electric Distribution Capital Fund which is funded from 2.25 mills for each kilowatt hour sold. Mr. Rodgers recommended approval.

D. DISCUSS THE PURCHASE OF A 2018 TELESCOPIC AERIAL VERSALIFT BUCKET TRUCK FROM GRANDE TRUCK CENTER IN SAN ANTONIO, TEXAS, THROUGH BUY BOARD FOR \$87,668 TO REPLACE A 12-YEAR OLD UNIT AND USING THE CURRENT 2006 MODEL AS A TRADE-IN.

Mr. Rodgers stated that one of the most used vehicles in the Electric Department is the telescoping aerial bucket truck. The current unit is 12 years old and needs to be replaced in the interest of safety and efficiency. The old truck will be traded in reducing the cost of the new truck to \$87,668. If approved, funding will come from the Electric Distribution Capital Fund which is funded with 2.25 mills for each kilowatt hour sold. Buy Board has already publicly bid equipment with the City’s specifications. Mr. Rodgers recommended approval.

E. DISCUSS APPLICATION BY HECTOR JUAREZ TO HAVE A PEDICAB SERVICE IN LOCKHART.

Mr. Rodgers stated that the City Council adopted an ordinance in November 2017 that provides operational requirements and rules to permit Pedicab services. Hector Juarez submitted an application to offer Pedicab services in the city limits on February 20, 2018. The Lockhart Police Department has inspected the pedicab and, if approved by Council, will assure compliance of the ordinance prior to issuing a permit.

Hector Juarez, 1001 Guadalupe Street, #521, stated that he would like to provide Pedicab service in the community. He stated that he believes there is a demand for a Pedicab service during community events and/or on weekends. He requested approval.

F. DISCUSS THE 2017 RACIAL PROFILING REPORT.

Chief Pedraza stated that a racial profiling report and racial profiling policy is required to be filed annually with the Texas Commission on Law Enforcement. He provided information regarding the complaint process of the Lockhart Police Department. There was brief discussion.

G. DISCUSS THE FINAL FISCAL YEAR 2018-2019 CITY COUNCIL GOALS.

There was discussion regarding the goals in priority order.

RECESS: Mayor White announced that the Council would recess for a break at 7:16 p.m.

REGULAR MEETING**ITEM 1. CALL TO ORDER.**

Mayor Lew White called the regular meeting of the Lockhart City Council to order on this date at 7:30 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

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

ITEM 3. CITIZENS/VISITORS COMMENTS.

Mayor White requested citizens to address the Council on issues that are not on the agenda. There were none.

ITEM 4-A. HOLD A PUBLIC HEARING ON APPLICATION ZC-18-01 BY LYDIA SERNA ON BEHALF OF JAMES QUEZADA FOR A ZONING CHANGE FROM CMB COMMERCIAL MEDIUM BUSINESS DISTRICT TO CCB COMMERCIAL CENTRAL BUSINESS DISTRICT ON PART OF LOTS 1 AND 6, BLOCK 28, ORIGINAL TOWN OF LOCKHART, CONSISTING OF 0.185 ACRE LOCATED AT 109 WEST WALNUT STREET.

Mayor White opened the public hearing at 7:36 p.m. and requested the staff report.

Mr. Gibson stated that there is an extensive history of previous applications concerning the subject property. The existing use is a restaurant, but the applicant has been prevented from serving alcohol due to a condition attached to a special exception granted by the Zoning Board of Adjustment to allow a resumption of the expired grandfathering of the nonconforming off-street parking. Approval of this zoning change, which has been denied before, would make the special exception a moot point because the CCB district does not require any off-street parking. Then, an application can be submitted for a Texas Alcohol Beverage Commission (TABC) license to serve alcohol with meals at a restaurant. The applicant has stated that she does not intend for the business to become a bar. In addition, the rezoning would also eliminate the existing nonconforming status of the front and side building setbacks, since none are required in the CCB district. There was discussion regarding a comparison of some of the land uses allowed in the CMB and CCB zoning districts. The proposed CCB classification is consistent with the future land use plan of the city. A letter of opposition was received from two owners representing eight parcels falling wholly or partially within 200 feet and which, collectively, account for 49 percent of the area within 200 feet. When owners of more than 20 percent of the 200-foot notification area protest a rezoning, it can be approved only with at least six affirmative votes. Three letters of protest and 153 letters of support were received. At the Planning and Zoning Commission public hearing, five people spoke in favor of the rezoning, and three spoke against. Mr. Gibson stated that the Planning and Zoning Commission and staff recommend approval.

Mayor White requested the applicant to address the Council.

Lydia Serna, 215 Wild Buffalo, Kyle, stated that she would like to be able to serve alcohol to customers at her restaurant; the same as other restaurants in the central business district and in Lockhart. She stated that her heart is to continue her mother's legacy, the late Ms. Lilly, to be a part of the community and to continue to host several fundraising events for the children, first responders, and the needy. She requested approval of the zoning change.

Mayor White requested citizens in favor of the zoning change to address the Council.

Lisa Mendoza, 928 W. Live Oak, stated that her family visits Lilly's frequently because it is a family restaurant, not a bar. Adult members of her family enjoy purchasing an alcoholic beverage with their meal and stated that it would be nice to be able to do the same at Lilly's. She spoke in favor of the zoning change.

Kimberly Mendoza, 404 Monument Street, outlined many community activities that Lydia Serna and her peers have been involved with for many years. She stated that Lilly's represents a place for the community to gather and that the restaurant is not about being a "bar". She spoke in favor of the zoning change.

James Quezada, owner of the building, spoke in favor of the zoning change and stated that Ms. Serna is a responsible person and tenant. He requested approval of the zoning change to enable Lilly's to serve alcohol with a meal; the same as other restaurants.

Chuck Keplar, 2375 Seawillow Road, spoke in favor of the zoning change. He reminded the Council that Lilly's would be required to follow all TABC regulations and that TABC does a thorough job in enforcing licenses.

Mayor White requested additional citizens in favor of the zoning change to address the Council. There were none.

Mayor White requested citizens against the zoning change to address the Council.

Kennedy Roland, 1407 Fourth Street, spoke against the zoning change. She stated that her mother runs a dance studio across the street where many children come and go throughout the day. She stated that she did not understand why a place that serves alcohol would be allowed to be across the street from a business that caters to children.

Patti Payne, 1105 Spruce Street, spoke against the zoning change. She requested that the Council enforce the current zoning ordinance.

Todd Blomerth, 1105 Spruce Street, spoke about the zoning assigned to the area and spoke against the zoning change.

Kent Black, owner of Blacks Barbecue, suggested that the applicant consider returning to the Zoning Board of Adjustment to request that the condition about prohibiting the sell of alcohol be overturned to allow it. He stated that a church and several family-oriented businesses surround 109 Walnut. He spoke against the zoning change.

Mayor White requested additional citizens against the zoning change to address the Council. There were none. He closed the public hearing at 8:32 p.m.

ITEM 4-B. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2018-01 AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF LOCKHART, TEXAS, TO RECLASSIFY THE PROPERTY KNOWN AS PART OF LOTS 1 AND 6, BLOCK 28, ORIGINAL TOWN OF LOCKHART, CONSISTING OF 0.185 ACRE LOCATED AT 109 WEST WALNUT STREET, FROM CMB COMMERCIAL MEDIUM BUSINESS DISTRICT TO CCB COMMERCIAL CENTRAL BUSINESS DISTRICT.

Mayor Pro-Tem Sanchez stated that the decision about the zoning change is difficult. She stated that she would vote against the zoning change because she believes it is what is best for the community.

Councilmember McGregor also agreed that the decision is difficult and spoke favorably about the downtown district as being an area that provides a variety of entertainment options for the public. She stated that her decision to vote in favor of the zoning change is what she believed is best for the community.

Councilmember Westmoreland stated that he believed that it was time to give Lilly's a chance to serve alcohol at the restaurant. He reminded the Council that a brewery recently opened in downtown that is across the street from the Library that also has many children come and go.

Councilmember Michelson stated that after reviewing the police report that reflects no calls have been reported for violence at Lilly's since it opened at 109 West Walnut, it was a deciding factor to vote in favor of the zoning change. He reminded the Council that the issue to consider tonight is the zoning change for a restaurant to allow them to serve alcohol; not whether it would be a bar.

Councilmember Castillo stated that he would like to see Lilly's have the same opportunity as other restaurants to serve alcohol with a meal.

Mayor White stated that he has observed the calm activities at Lilly's the past couple of years and after reviewing the positive police report that reflected no violence calls, he has decided to vote in favor of the zoning change. Ms. Lydia and her staff have proven their dedication and commitment to the community as a restaurant in the downtown area.

Councilmember Castillo made a motion to approve Ordinance 2018-01, amending the Official Zoning Map of the City of Lockhart, Texas, to reclassify the property known as Part of Lots 1 and 6, Block 28, Original Town of Lockhart, consisting of 0.185 acre located at 109 West Walnut Street, from CMB Commercial Medium Business District to CCB Commercial Central Business District. Councilmember Michelson seconded. The motion passed by a vote of 6-1, with Mayor Pro-Tem Sanchez opposing.

ITEM 4-C. HOLD A PUBLIC HEARING ON APPLICATION ZC-18-02 BY BROTHERS HOLDINGS FOR A ZONING CHANGE FROM RMD RESIDENTIAL MEDIUM DENSITY DISTRICT TO CHB COMMERCIAL HEAVY BUSINESS DISTRICT ON LOTS 16 AND 17, BLOCK 5, SOUTH HEIGHTS ADDITION, LOCATED AT 1105 SOUTH COMMERCE STREET.

Mayor White opened the public hearing at 8:48 p.m. and requested the staff report.

Mr. Gibson stated that the applicant proposes to develop the subject property in conjunction with adjacent parcels that they own along South Colorado Street, abutting the rear of the subject lots. The proposed use is an eye care clinic that would face and obtain access from Colorado Street. There are existing residential dwellings on abutting lots to the north and south, as well as across the street to the east. In general, the CHB district is not considered compatible with residential districts. However, the two houses adjacent to the north are already zoned CHB, and if this application is approved, it would simply relocate an existing boundary between RMD and CHB zoning classifications. According to the Lockhart 2020 Land Use Plan map, the entire block is anticipated to be General-Heavy Commercial in the future. The proposed CHB zoning is consistent with the future land use designation. In addition, the Lockhart 2020 Thoroughfare Plan identifies the abutting segment of South Commerce Street as an arterial street, which supports the potential for future commercial development/redevelopment on the west side of the street. If rezoned to CHB, a six-foot high screening opaque fence or wall will be required along the south property line where the subject property abuts residential zoning. Mr. Gibson stated that the Planning and Zoning Commission and staff recommend approval.

Mayor White requested the applicant to address the Council. Mr. Gibson reported that the applicant was not at the meeting, but that he did appear at the Planning and Zoning Commission.

Mayor White requested citizens in favor of the zoning change to address the Council. There were none.

Mayor White requested citizens against the zoning change to address the Council.

Peter Moore, 1018 S. Commerce, stated that South Commerce Street is a residential neighborhood. He would not have purchased the home a few years ago if he knew that a business could be built facing South Commerce. He spoke against the zoning change and requested that South Commerce Street remain a residential neighborhood.

Mayor White requested additional citizens against the zoning change to address the Council. There were none. He closed the public hearing at 9:02 p.m.

ITEM 4-D. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2018-02 AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF LOCKHART, TEXAS, TO RECLASSIFY THE PROPERTY KNOWN AS LOTS 16 AND 17, BLOCK 5, SOUTH HEIGHTS ADDITION, LOCATED AT 1105 SOUTH COMMERCE STREET, FROM RMD RESIDENTIAL MEDIUM DENSITY DISTRICT TO CHB COMMERCIAL HEAVY BUSINESS DISTRICT.

Councilmember Mendoza stated that he discussed the development intentions with the property owner who clarified that he would build an Eye Vision Center on the lot. Councilmember Mendoza stated that he would vote against the zoning change in support of the citizen/neighborhood requesting denial.

There was discussion regarding the vision center having access on both Colorado and South Commerce Streets and regarding the history of why two residential homes on the west side of South Commerce Street are currently zoned CHB. Mr. Gibson replied that he believes that the lot zoned CHB with two residential homes were rezoned CHB many years ago, possibly for a development that did not follow through.

Councilmember Castillo made a motion to deny Ordinance 2018-02. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 5. CONSENT AGENDA

Mayor Pro-Tem Sanchez made a motion to approve consent agenda items 5A, 5B, 5C, and 5D. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

The following are the consent agenda items that were approved:

- 5A: Approve minutes of the City Council meetings of February 13, 2018 and February 20, 2018.
- 5B: Approve Resolution 2018-05 appointing Mayor Lew White as the City of Lockhart's Clean Air Coalition Representative, as required in Article II of the Clean Air Coalition of the Capital Area Council of Governments by-laws; and establishing an effective date.
- 5C: Approve a "not to exceed project funding agreement" with Techline Construction, Inc. that brings the second three phase electric substation feeder line on the west side of SH 130 to east side near Maple Street; the company will provide all supervision, labor, and equipment for an amount not to exceed \$156,500, and appointing the Mayor to sign the agreement if approved. [FORM 1295=2018-03-06-39]
- 5D: Approve the purchase of a 2018 Telescopic Aerial Versalift Bucket Truck from Grande Truck Center in San Antonio, Texas, through Buy Board for \$87,668 to replace a 12-year old unit and using the current 2006 model as a trade-in.

ITEM 6-A. DISCUSSION AND/OR ACTION TO CONSIDER APPLICATION BY HECTOR JUAREZ TO HAVE A PEDICAB SERVICE IN LOCKHART.

Mayor Pro-Tem Sanchez made a motion to approve the application by Hector Juarez to have a Pedicab service in Lockhart. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING THE 2017 RACIAL PROFILING REPORT.

Mayor Pro-Tem Sanchez made a motion to accept the 2017 Racial Profiling Report. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 6-C. DISCUSSION AND/OR ACTION REGARDING THE FINAL FISCAL YEAR 2018-2019 CITY COUNCIL GOALS.

Councilmember Michelson made a motion to accept the Fiscal Year 2018-2019 City Council goals. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

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

Mayor White requested appointments to boards or commissions.

Councilmember Michelson made a motion to appoint Ian Stowe to the Electric Board. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

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

- Update: St. Paul United Church of Christ property.
- Reminder: Burditt Consultants held meeting with Parks Master Plan Committee and is incorporating meeting comments in the document in preparation of presentation to the Council at a later date.
- Reminder: Semi-annual cleanup in the Lockhart Cemetery beginning March 26.
- Reminder: Welcome Spring Day on Saturday, March 17th including Kid Fish and Texas Tolbert Chili Championship & BBQ Cook-off.
- Reminder: Residential City Wide Cleanup Event starting first Wednesday in April and each Wednesday following in April.
- Reminder: Residential Household Hazardous Waste Collection Event to be held Saturday, April 28, 2018.
- Reminder: Wayfinding and Branding Ad-hoc Committee meeting to be held on March 8, 2018 at 5:00 pm in City Hall, Glosserman Room.
- Report: Greater Caldwell County Hispanic Chamber of Commerce Annual Banquet.

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

Councilmember Westmoreland congratulated the Greater Caldwell County Hispanic Chamber of Commerce (GCCHCC) for a successful banquet. He welcomed Michael Capello to the position of President of the GCCHCC.

Councilmember Mendoza expressed condolences to the Joseph family for their loss. He congratulated those that received a scholarship at the 4H Club and to the GCCHCC for a successful banquet.

Mayor Pro-Tem Sanchez expressed condolences to the families of Evelyn Schmidt, Ferris Joseph, and Cecelia Tello. She congratulated participants in the 4H Club and to the GCCHCC for the 30th Annual Banquet and those that received awards at the banquet. She thanked the candidates in the March Primary Election for stepping up to run for office.

Councilmember McGregor thanked the GCCHCC for the successful banquet. She welcomed the newest police officers. She invited everyone to attend a ribbon cutting that will be held at the new location of the Museum of Clocks and Watches on March 24, 2018 at 11 a.m.

Councilmember Castillo expressed condolences to the families that have lost a loved one. He congratulated both the Hispanic and Lockhart Chambers for recent banquets. He congratulated Chris Sager for saving the family during a tragic accident. He welcomed the two new police officers.

Councilmember Michelson wished the candidates on the March primary ballot luck. He congratulated everyone that received awards at the GCCHCC. He expressed condolences to the Joseph and Schmidt families for their loss. He thanked all employees for their work.

Mayor White expressed condolences to the families that have lost a loved one. He congratulated the GCCHCC for a successful annual banquet. He invited everyone to attend the KidFish and Welcome Spring Day event on March 17 at City Park. He announced that the Remembrance Fountain at the City Cemetery is close to completion. He wished the Wayfinding and Branding committee luck in their tasks.

ITEM 9. 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 9:28 p.m.

PASSED and APPROVED this the 20th day of March 2018.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Connie Constancio, TRMC
City Secretary



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: March 20, 2018				
Department: Finance			Initials	Date
Department Head: Jeff Hinson		Asst. City Manager		
Dept. Signature: <i>Jeff Hinson</i>		City Manager		<i>[Signature]</i> <i>3-16-2018</i>
Agenda Item Coordinator/Contact (include phone #): Robert Eggimann, Staff Acct., 398-3461, Ext. 228.				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action to accept Resolution 2018-06 Amending TexPool Authorized Representatives.				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input checked="" type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S):				
SUMMARY OF ITEM				
TexPool requires a Council resolution to change personnel authorized to transact business with TexPool Participant Services. This resolution will delete retired Controller Stephanie House and add current Controller Pam Larison. All other representatives remain unchanged from the prior authorization.				
STAFF RECOMMENDATION				
Staff respectfully requests a motion and approval "to accept Resolution 2018-06 Amending Authorized Representatives".				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies:		
Resolution Amending Authorized Representatatives.				



Resolution 2018-06

RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES

WHEREAS, City of Lockhart, Location #77223

(Participant Name & Location Number)

("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool/ Texpool Prime"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool Prime and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool Prime account or (2) is no longer employed by the Participant; and
C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representatives of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1. Name: Robert Eggimann Title: Staff Accountant
Phone/Fax/Email: 512-398-3461 ext 228 / 512-398-5981 / reggimann@lockhart-tx.org
Signature:

2. Name: Vance Rodgers Title: City Manager
Phone/Fax/Email: 512-398-3461 ext 224 / 512-398-5103 / vrodgers@lockhart-tx.org
Signature:

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TEX - REP

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3. Name: Jeffery K. Hinson Title: Director of Finance
Phone/Fax/Email: 512-398-3461 ext 232 / 512-398-5981 / jhinson@lockhart-tx.org
Signature: _____

4. Name: Pam Larison Title: Controller
Phone/Fax/Email: 512-398-3461 ext 229 / 512-398-5981 / plarison@lockhart-tx.org
Signature: _____

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name Robert Eggimann

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. This limited representative cannot perform transactions. If the Participant desires to designate a representative with inquiry rights only, complete the following information.

5. Name: Connie Constancio Title: City Secretary
Phone/Fax/Email: 512-398-3461 ext 235 / 512-398-5103 / cconstancio@lockhart-tx.org

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the 20th day March, 20 13.

Document is to be signed by your Board President, Mayor or County Judge and attested by your Board Secretary, City Secretary or County Clerk.

NAME OF PARTICIPANT: City of Lockhart

SIGNED: _____
Signature
Lew White
Printed Name

Mayor
Title

ATTEST: _____
Signature
Connie Constancio
Printed Name

City Secretary / Administrative Services Manager
Title

This document supersedes all prior Authorized Representative designations.

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TexPool Participant Services • Federated Investors Inc
1001 Texas Ave., Suite 1400 • Houston, TX 77002 • www.texpool.com • 1-866-839-7665

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06/13

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Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory	Reviewed by Finance	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
	Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable	
Council Meeting Date: March 20, 2018				
Department: Finance		Initials	Date	
Department Head: Jeff Hinson	Asst. City Manager			
Dept. Signature: <i>Jeff Hinson</i>	City Manager	<i>JH</i>	<i>3-16-2018</i>	
Agenda Item Coordinator/Contact (include phone #): Jeff Hinson 398-3461 x232				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER				
CAPTION				
Discussion and/or Action for City Council to authorize the Finance Director to sign the City of Lockhart FY2017 ASSPP Grant submission.				
FINANCIAL SUMMARY				
X N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S):				
SUMMARY OF ITEM				
The Ambulance Services Supplemental Payment Program (ASSPP) is a grant that supplements the City of Lockhart EMS for unreimbursed costs. The representative of the City must take a training seminar every two years to be allowed to sign the grant.				
STAFF RECOMMENDATION				
Staff recommends the authorization.				
List of Supporting Documents:	Other Departments, Boards, Commissions or Agencies:			
Copy of Letter.				

Distributed via HHSC email and/ or Website

To: Ambulance Services Supplemental Payment Program Participants

January 1, 2018

Ambulance Services Supplemental Payment Program (ASSPP)

FFY 2017 ASSPP Cost Report Training Requirement

Annual Training Opportunity

The ASSPP Cost Report Training sessions for **federal fiscal year (FFY) 2017** (October 2016 to September 2017) will take place between January and March 2018. Attending one the training sessions will meet the mandatory training requirement for federal fiscal year 2017. HHSC recommends that each participating governmental provider have no less than two trained ASSPP contacts, to avoid problems that could occur due to employee illness or turnover.

IMPORTANT: ASSPP providers need to be aware that until such time that an ASSPP Financial Contact attends the required training, they will be unable to complete and submit an ASSPP cost report for supplemental payment consideration for federal fiscal year 2017. Cost report training is provided at no charge by the Texas HHSC Rate Analysis Department. Refer to the following link for information regarding the training schedule, registration and materials:

<https://rad.hhs.texas.gov/acute-care/ambulance-services/ambulance-services-cost-report-training-information>

If you have any questions, please contact the ASSPP Rate Analyst at TAFI@hhsc.state.tx.us or at (512) 462-6300.



**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

Work Session Item # _____

Reg. Mtg. Item # _____

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: March 20, 2018				
Department: Police			Initials	Date
Department Head: Ernest Pedraza		Asst. City Manager		
Dept. Signature: <i>[Signature]</i>		City Manager		<i>[Signature]</i> 3-15-2018
Agenda Item Coordinator/Contact (include phone #):				

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

CAPTION

DISCUSSION AND/OR ACTION TO CONSIDER APPROVAL OF ORDINANCE 2018-02 OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS ESTABLISHING THE CLASSIFICATIONS WITHIN THE POLICE DEPARTMENT AND AUTHORIZING THE NUMBER OF EMPLOYEES IN EACH CLASSIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

FINANCIAL SUMMARY

N/A GRANT FUNDS OPERATING EXPENSE REVENUE CIP BUDGETED NON-BUDGETED

FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00

FUND(S):

SUMMARY OF ITEM

In compliance with civil service, the number of classified police and fire positions are set by an ordinance, which is referred to as the "Strength of Force." The proposed ordinance reflects the increase of police officers.

STAFF RECOMMENDATION

City Manager, Police Chief, and Civil Service Director recommend that Council approve Ordinance 2018-02.

List of Supporting Documents: Ord 2017-38; Proposed Ord 2018-02	Other Departments, Boards, Commissions or Agencies:
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ORDINANCE NO. 2018-02

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS ESTABLISHING THE CLASSIFICATIONS WITHIN THE POLICE DEPARTMENT AND AUTHORIZING THE NUMBER OF EMPLOYEES IN EACH CLASSIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart has adopted Civil Service, Chapter 143 of the Texas Local Government Code for its Fire and Police Department employees; and

WHEREAS, pursuant to Chapter 143, the City Council shall establish the classifications of employees and prescribe the number of positions in each classification pursuant to Section 143.021(a) of the Texas Local Government Code; and

WHEREAS, due to a need to provide additional municipal court security and warranty processing, the City Council recognizes the need to increase the number of police officers in the Lockhart Police Department; and

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

I. The classifications and number of positions in each classification in the Police Department shall now be as follows:

Effective October 1, 2015 (per Ordinance 2015-25)

1. Police Chief – 1
2. Captain – 1
3. Lieutenant – 2
4. Sergeant – 4
5. Police Officer – 19

Effective October 1, 2017 (per Ordinance 2017-38)

1. Police Chief – 1
2. Captain – 1
3. Lieutenant – 2
4. Sergeant – 4
5. Police Officer – 20

Effective March 20, 2018

1. Police Chief – 1
2. Captain – 1
3. Lieutenant – 2
4. Sergeant – 4
5. Police Officer – 21

II. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, 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.

III. Repealer: That all other ordinances, section, 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.

IV. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

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

VI. Effective Date: This ordinance shall become effective and be in full force on March 20, 2018.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 20th DAY OF MARCH, 2018.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Connie Constancio, TRMC, City Secretary

Peter Gruning, City Attorney

History

ORDINANCE NO. 2017-38

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS ESTABLISHING THE CLASSIFICATIONS WITHIN THE POLICE DEPARTMENT AND AUTHORIZING THE NUMBER OF EMPLOYEES IN EACH CLASSIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart has adopted Civil Service, Chapter 143 of the Texas Local Government Code for its Fire and Police Department employees; and

WHEREAS, pursuant to Chapter 143, the City Council shall establish the classifications of employees and prescribe the number of positions in each classification pursuant to Chapter 143.021(a) of the Texas Local Government Code; and

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

I. The classifications and number of positions in each classification in the Police Department shall now be as follows:

Effective January 1, 2011 (per Ordinance 2010-32)

1. Police Chief – 1
2. Captain – 1
3. Lieutenant – 2
4. Sergeant – 4
5. Police Officer – 17

Effective October 1, 2015 (per Ordinance 2015-25)

1. Police Chief – 1
2. Captain – 1
3. Lieutenant – 2
4. Sergeant – 4
5. Police Officer – 19

Effective October 1, 2017

1. Police Chief – 1
2. Captain – 1
3. Lieutenant – 2
4. Sergeant – 4
5. Police Officer – 20

III. **Severability:** If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, 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, section, 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.

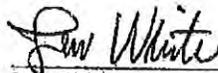
V. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

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

VII. This ordinance shall become effective and be in full force on October 1, 2017.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 26th DAY OF SEPTEMBER, 2017.

CITY OF LOCKHART



Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:



Connie Constancio, TRMC, City Secretary



Peter Gruning, City Attorney



**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

Work Session Item # _____

Reg. Mtg. Item # _____

CITY SECRETARY'S USE ONLY		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: March 20, 2018				
Department: Police			Initials	Date
Department Head: Ernest Pedraza		Asst. City Manager		
Dept. Signature: <i>by Ernest Pedraza</i>		City Manager <i>(Signature)</i>		
Agenda Item Coordinator/Contact (include phone #):				

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

CAPTION

DISCUSSION AND/OR ACTION TO CONSIDER APPROVAL OF ORDINANCE 2018-03 OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS AMENDING UN-CODIFIED ORDINANCE 2015-18 SECTION II ADDING SECTION II (E) REGARDING THE ASSIGNMENT OF BAILIFF WARRANT OFFICER WITHIN THE LOCKHART POLICE DEPARTMENT WITH ALL OTHER SECTIONS OF ORDINANCE 2015-18 REMAINING UNCHANGED; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

FINANCIAL SUMMARY

N/A GRANT FUNDS OPERATING EXPENSE REVENUE CIP BUDGETED NON-BUDGETED

FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00

FUND(S):

SUMMARY OF ITEM

After my discussions with the City Manager, who had consulted with Erin Westmoreland, Municipal Court Administrator and Municipal Court Judge Frank Coggins, we have determined that for security reasons and the need to pursue active warrants totaling more than \$300,000 that a new police officer position is needed which will be assigned to these duties. Currently a police officer must be pulled from patrol to provide security during Municipal Court trials. The amount of warrant money that can be potentially collected will be more than the annual cost (\$60,000 including benefits) of a new officer position. This item is to follow proposed Ordinance 2018-02 which increases the number of police officers by 1.

Civil Service, Chapter 143, permits an ordinance to establish assignment pay and shift differential pay for fire fighters and police officers; this was done by passing Ordinance 2015-18 and Ordinance 2015-21. Proposed Ordinance 2018-03 then creates an assignment pay for Bailiff Warrant Officer. Bailiff Warrant Officer is a specialized function within the Police Department that involves security needs of the Lockhart Municipal Court; locating, arresting wanted fugitives of the Court; and collecting fines owed to the Court.

STAFF RECOMMENDATION

City Manager, Police Chief, and Civil Service Director recommend that Council approve Ordinance 2018-03.

List of Supporting Documents: Ordinances 2015-18 & 2015-21 and proposed Ordinance 2018-02. Outstanding Warrant Information	Other Departments, Boards, Commissions or Agencies:
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ORDINANCE 2018-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS AMENDING UN-CODIFIED ORDINANCE 2015-18 SECTION II, ADDING SECTION II (E) REGARDING THE ASSIGNMENT OF BAILIFF WARRANT OFFICER WITHIN THE LOCKHART POLICE DEPARTMENT WITH ALL OTHER SECTIONS OF ORDINANCE 2015-18 REMAINING UNCHANGED; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart adopted Chapter 143 of the Texas Local Government Code for its police and fire departments; and,

WHEREAS, there are specialized assignments within the Fire and Police Departments that certain fire fighters and certain police officers perform that are not performed by every fire fighter or every police officer; and,

WHEREAS, § 143.042 of the Texas Local Government Code states that the governing body of a municipality may authorize assignment pay for fire fighters or police officers who perform specialized functions in the Fire or Police Departments; and,

WHEREAS, § 143.042 (c) of the Texas Local Government Code requires that the governing body must set forth in an ordinance the amount of assignment pay and the conditions under which it is to be payable to members of the Fire and Police Departments; and,

WHEREAS, the Lockhart City Council has determined based on the recommendation of the Chief of Police and City Manager that assignment pay for the assignment of Bailiff Warrant Officer within the Lockhart Police Department should be established in the interest of a public safety purpose; and

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

I. The matters and facts set forth in the preamble are hereby found to be true.

II. That Section II (E) of un-codified Ordinance 2015-18 is hereby amended as follows:

E) The assignment of "Bailiff Warrant Officer" is a specialized assignment within the Lockhart Police Department and that assignment involves security needs of the Lockhart Municipal Court; locating, arresting wanted fugitives of the Court; and collecting fines owed to the Court. When a member of the Lockhart Police Department is designated by the Police Chief or his designee in writing to serve as "Bailiff Warrant Officer" for the Department, and works in that assignment for at least one-half of a month, that member is entitled to receive Two Hundred Dollars (\$200) per month as assignment pay.

III. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, 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: All other ordinances, section, 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: The City Secretary is directed to cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

VI. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

VII. Effective Date: This ordinance shall become effective and be in full force upon passage.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 20th DAY OF MARCH, 2018.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Connie Constancio, TRMC, City Secretary

Peter Gruning, City Attorney

See ORD 2015-21

ORDINANCE 2015-18

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS REPEALING UN-CODIFIED ORDINANCES 07-32 AND 2011-09 IN THEIR ENTIRETY AND ADOPTING UN-CODIFIED ORDINANCE 2015-18 CREATING "ASSIGNMENT PAY" FOR CERTAIN ASSIGNMENTS WITHIN THE FIRE AND POLICE DEPARTMENTS AND ESTABLISHING "SHIFT DIFFERENTIAL PAY" FOR MEMBERS OF THE POLICE DEPARTMENT; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart adopted Chapter 143 of the Texas Local Government Code for its police and fire departments; and,

WHEREAS, there are specialized assignments within the Fire and Police Departments that certain fire fighters and certain police officers perform that are not performed by every fire fighter or every police officer; and,

WHEREAS, § 143.042 of the Texas Local Government Code states that the governing body of a municipality may authorize assignment pay for fire fighters or police officers who perform specialized functions in the Fire or Police Department; and,

WHEREAS, § 143.042 (c) of the Texas Local Government Code requires that the governing body must set forth in an ordinance the amount of assignment pay and the conditions under which it is to be payable to members of the Fire and Police Departments; and,

WHEREAS, § 143.043 of the Texas Local Government Code permits municipalities to authorize assignment pay for members of the Police Department who perform the duties and responsibilities of the field training officer program; and

WHEREAS, § 143.047 of the Texas Local Government Code permits municipalities to authorize shift differential pay for members of the Police Department who work a shift in which more than 50% of the shift worked is after 6 p.m. and before 6 a.m.; and,

WHEREAS, Ordinance 07-32 was adopted by the Lockhart City Council on August 21, 2007 initially creating assignment pay, and is hereby repealed; and,

WHEREAS, Ordinance 2011-09 was adopted by the Lockhart City Council on June 21, 2011 amending differential pay for members of the police department, and is hereby repealed.

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

I. The matters and facts set forth in the preamble are hereby found to be true.

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II. The assignment pay for certain assignments within Fire and Police Departments are defined as follows:

A) The assignment of "Fire Prevention Officer" is a specialized function within the Lockhart Fire Department and that assignment involves developing, planning and conducting fire and life safety education programs suitable to needs of the community, performing fire inspections as may be necessary in the absence of the City Fire Marshal, compiling monthly reports of all fire and life safety education activities conducted by the fire department, working in conjunction with the Fire Chief to promote fire and life safety as the primary objective of the fire department, and conducting in-service training related to fire and life safety education for all fire suppression personnel. When a member is designated by the Fire Chief or his designee to serve as "Fire Prevention Officer" for the Fire Department, that member is entitled to receive Six Hundred Dollars (\$600.00) per year as Assignment Pay.

B) The assignment of "Chief Training Officer" is a specialized function within the Lockhart Fire Department and that assignment involves developing, planning and coordinating training for all Career and Reserve firefighters in such a manner so as to meet the minimum requirements established by the Texas Commission on Fire Protection (TCFP) and/or the Texas Department of State Health Services (TDSHS), as may be applicable to the certification level held by each individual within the fire department, maintaining all training and incident records of the fire department, coordinating specialized training classes as may be deemed appropriate to meet the minimum criteria established by the Insurance Services Office (ISO) grading schedule, maintenance and replacement of equipment assigned to the Training Division of the fire department, and coordinating all training conducted at remote sites (i.e. accredited training facilities) which may be used from time to time by the fire department. When a member is designated by the Fire Chief or his designee to serve as "Training Officer" for the Fire Department, that member is entitled to receive Eighteen Hundred Dollars (\$1,800.00) per year as Assignment Pay.

C) The assignment of "Criminal Investigator-Detective" is a specialized function within the Lockhart Police Department and that assignment involves investigating higher grade misdemeanors and felonies for prosecution in County and District Court. When a member is designated by the Police Chief or his designee to serve as "Criminal Investigator—Detective" for the Department, that member is entitled to receive Two Hundred Dollars (\$ 200.00) per month as assignment pay.

SEE ORD 2015-21

D) The assignment of "Field Training Officer" is a specialized assignment within the Lockhart Police Department. The assignment of "Field Training Officer" involves training and evaluating police recruits on the policies, practices, and procedures of the Lockhart Police Department. The Police Chief or his designee assigns capable Police personnel to this position of responsibility in accordance with his or her demonstrated knowledge and familiarity with the Field Training Officers Program. Because the assignment of "Field Training Officer" requires additional and specialized duties, members who are assigned to perform these duties are entitled to receive an additional \$.30 (thirty cents) per hour as "FTO Assignment Pay" during the time period that the members are performing the duties of "Field Training Officer," i.e., when that member has a probationary police officer assigned to him or her.

III. "Shift Differential Pay" should be paid to members of the Lockhart Police Department in the following manner:

Night Shift (shift starts after 6 p.m.) \$.60/hour (60 cents per hour)

IV. The terms of this ordinance and/or any payment of "assignment pay" do not apply to a member who is performing any of these duties on a "step-up" "acting" or any other temporary basis.

V. Repealer: All other ordinances, section, 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.

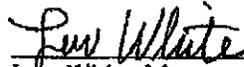
VI. Publication: The City Secretary is directed to cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

VII. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

VIII. Effective Date: This ordinance shall become effective and be in full force upon passage.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 18th DAY OF AUGUST, 2015.

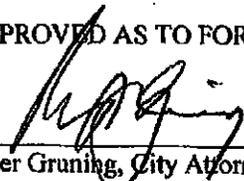
CITY OF LOCKHART


Lew White, Mayor

ATTEST:


Connie Constancio, TRMC, City Secretary

APPROVED AS TO FORM:


Peter Gruning, City Attorney



ORDINANCE 2015-21

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS AMENDING UN-CODIFIED ORDINANCE 2015-18 SECTION II(D) REGARDING THE ASSIGNMENT OF FIELD TRAINING OFFICER WITHIN THE LOCKHART POLICE DEPARTMENT WITH ALL OTHER SECTIONS OF ORDINANCE 2015-18 REMAINING UNCHANGED; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart adopted Chapter 143 of the Texas Local Government Code for its police and fire departments; and,

WHEREAS, there are specialized assignments within the Fire and Police Departments that certain fire fighters and certain police officers perform that are not performed by every fire fighter or every police officer; and,

WHEREAS, § 143.042 of the Texas Local Government Code states that the governing body of a municipality may authorize assignment pay for fire fighters or police officers who perform specialized functions in the Fire or Police Department; and,

WHEREAS, § 143.042 (c) of the Texas Local Government Code requires that the governing body must set forth in an ordinance the amount of assignment pay and the conditions under which it is to be payable to members of the Fire and Police Departments; and,

WHEREAS, § 143.043 of the Texas Local Government Code permits municipalities to authorize assignment pay for members of the Police Department who perform the duties and responsibilities of the field training officer program; and,

WHEREAS, the Lockhart City Council has determined based on the recommendation of the Chief of Police and City Manager that assignment pay for the assignment of Field Training Officer within the Lockhart Police Department should be changed in the interest of a public safety purpose.

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

I. The matters and facts set forth in the preamble are hereby found to be true.

II. That Section II (D) of un-codified Ordinance 2015-18 is hereby amended as follows:

D) The assignment of "Field Training Officer" is a specialized assignment within the Lockhart Police Department. The assignment of "Field Training Officer" involves training and evaluating police recruits on the policies, practices, and procedures of the Lockhart Police Department. The Police Chief or his designee assigns capable Police personnel to this position of responsibility in accordance with his or her demonstrated knowledge and familiarity with the Field Training Officers Program. Because the assignment of "Field Training Officer" requires additional and specialized duties, when a member holds the appropriate certifications AND is designated in writing by the Police Chief or his designee to serve as a "Field Training Officer," that member is entitled to receive an additional \$.30 (thirty cents) per hour as "FTO Assignment Pay."

V. **Repealer:** All other ordinances, section, 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.

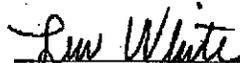
VI. **Publication:** The City Secretary is directed to cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

VII. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

VIII. **Effective Date:** This ordinance shall become effective and be in full force upon passage.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 15th DAY OF SEPTEMBER, 2015.

CITY OF LOCKHART



Lew White, Mayor

ATTEST:



Connie Constanicio, TRMC, City Secretary

APPROVED AS TO FORM:



Peter Gruning, City Attorney



Vance Rodgers

Warrant

Info

From: Erin Westmoreland
Sent: Wednesday, February 28, 2018 10:02 AM
To: Vance Rodgers
Subject: RE: Outstanding local warrants ISSUES 2-18-2018

There is no way for us to keep that kind of information. The only information we keep is how many warrants are cleared through the court, theres no way to track if they were arrested, came in to see the judge, or they just paid in full. I can tell you this year and the last 2 years, at least, we haven't participated fully in warrant round up. We send out the notices but we aren't working with PD to have the arrest day like we have done in the past.

In 2017 we had a total of 74 warrants cleared for a total \$16,228. This years round up ends this Friday.

I would think the PD could run a report for their warrant service arrests during the time period of the round up but I cannot get that information.

Thanks,

Erin Westmoreland, CMCC

-----Original Message-----

From: Vance Rodgers
Sent: Wednesday, February 28, 2018 9:37 AM
To: Erin Westmoreland <ewestmoreland@lockhart-tx.org>
Subject: Re: Outstanding local warrants

PD

Sent from my iPhone

> On Feb 28, 2018, at 9:36 AM, Vance Rodgers <vrodgers@lockhart-tx.org> wrote:

>

> Yes please

>

> Sent from my iPhone

>

>> On Feb 28, 2018, at 9:31 AM, Erin Westmoreland <ewestmoreland@lockhart-tx.org> wrote:

>>

>> Less than 5 years old 683 warrants, total \$252,268

>>

>> More than 5 years old 240 warrants, total \$89,931

>>

>> Do you want to know the number that were served by PD or do you want the number of warrants cleared?

>>

>> Thanks,

>>

>> Erin Westmoreland, CMCC

>>

>> -----Original Message-----

>> From: Vance Rodgers
>> Sent: Wednesday, February 28, 2018 8:48 AM
>> To: Erin Westmoreland <ewestmoreland@lockhart-tx.org>
>> Subject: RE: Outstanding local warrants
>>
>> DO YOU HAVE AN EASY WAY OF AGING THE WARRANTS?
>>
>> LESS THAT 5 YEARS OLD
>> OVER 5 YEARS OLD
>>
>> DURING WARRANT ROUND UP EACH OF LAST 2 YEARS, WHAT IS THE AVERAGE SERVED?
>>
>> THANKS
>>
>>
>> -----Original Message-----
>> From: Erin Westmoreland
>> Sent: Wednesday, February 28, 2018 8:15 AM
>> To: Vance Rodgers
>> Subject: RE: Outstanding local warrants
>>
>> 923 local warrants
>> \$339,199
>>
>> Thanks,
>>
>> Erin Westmoreland, CMCC
>>
>> -----Original Message-----
>> From: Vance Rodgers
>> Sent: Tuesday, February 27, 2018 8:42 PM
>> To: Erin Westmoreland <ewestmoreland@lockhart-tx.org>
>> Subject: Outstanding local warrants
>>
>> How many? \$?
>>
>> Vance

Vance Rodgers

From: Erin Westmoreland
Sent: Wednesday, February 28, 2018 9:32 AM
To: Vance Rodgers
Subject: RE: Outstanding local warrants

Less than 5 years old 683 warrants, total \$252,268

More than 5 years old 240 warrants, total \$89,931

Do you want to know the number that were served by PD or do you want the number of warrants cleared?

Thanks,

Erin Westmoreland, CMCC

-----Original Message-----

From: Vance Rodgers
Sent: Wednesday, February 28, 2018 8:48 AM
To: Erin Westmoreland <ewestmoreland@lockhart-tx.org>
Subject: RE: Outstanding local warrants

DO YOU HAVE AN EASY WAY OF AGING THE WARRANTS?

LESS THAT 5 YEARS OLD
OVER 5 YEARS OLD

DURING WARRANT ROUND UP EACH OF LAST 2 YEARS, WHAT IS THE AVERAGE SERVED?

THANKS

-----Original Message-----

From: Erin Westmoreland
Sent: Wednesday, February 28, 2018 8:15 AM
To: Vance Rodgers
Subject: RE: Outstanding local warrants

923 local warrants
\$339,199

Thanks,

Erin Westmoreland, CMCC

-----Original Message-----

From: Vance Rodgers
Sent: Tuesday, February 27, 2018 8:42 PM
To: Erin Westmoreland <ewestmoreland@lockhart-tx.org>

Subject: Outstanding local warrants

How many? \$?

Vance



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Dates: March 20, 2018				
Department: City Manager			Initials	Date
Department Head: Vance Rodgers		Asst. City Manager		
Dept. Signature: <i>Vance Rodgers</i>		City Manager		<i>VR</i>
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input checked="" type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding recommended approval of agreement with Austin Wood Recycling to provide supervision, labor, equipment, trucks, and the tub grinder to grind up large tree trunk and log stockpiles, and to haul off the grindings for an amount not to exceed \$19,470, and appointing the City Manager to sign the agreement if approved				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S): Adjustments in Solid Waste Depts and FEMA funds which have been applied for				
SUMMARY OF ITEM				
Stockpiles of large tree trunks and logs must be removed about every 2 to 3 years from the old landfill; much of the current pile is a result of the Hurricane Harvey event and is too large for the City's brush chippers to handle. Two companies, after looking at the stockpiles, provided submittals to provide all the services required to grind up the tree trunks and logs, and to haul away the grindings. Austin Wood Recycling submitted the best price of \$19,470. Lockhart has used this company before and they did a great job. FEMA is expected to reimburse the City for some expenses associated with Hurricane Harvey. The City is under a mandate by the Texas Commission on Environment Quality (TCEQ) to remove the stockpile by mid-May, 2018.				
STAFF RECOMMENDATION				
City Manager and Interim Public Works Director both recommend approval.				
List of Supporting Documents: Submittals		Other Departments, Boards, Commissions or Agencies:		

69

AUSTIN WOOD RECYCLING
3875 E. Whitestone Blvd.
Cedar Park, TX 78613



Ph: (512) 259-7430 Fx: (512) 259-6482
info@austinwoodrecycling.com
www.austinwoodrecycling.com

March 6, 2018

John Eddleton, Sanitation Supervisor
City of Lockhart
P O Box 239
Lockhart, TX 78644
Ph: 512-398-6452
Ph: 512-376-1887 cell
Email: jeddleton@lockhart-tx.org

RE: CITY OF LOCKHART

(NOTE: Final price will be based on total acreage size. If prior arrangements have been made negating the above statement, the details will be enclosed in this proposal.)

Austin Wood Recycling proposes to grind and haul wood waste material. Please note these prices are figured for **loose, non-compacted wood waste disposal only**. Dirt, rock and/or any other foreign or man-made materials are not included in this bid. **NOTE: Grinding operations may cause a dusty environment. If customer pushes brush too close to housing (i.e. +/- 300 feet), causing the need for a water truck to suppress the dust, there will be an extra charge for Austin Wood Recycling to supply one. However, Contractor may provide their own, at no cost to Austin Wood Recycling, and in no case may it slow down our grinding operation.**
Please sign and return this proposal for our files.

Grind & Haul Only:

Clean mulch only, no rock, dirt and or any other foreign or man-made materials. AWR will load boxes while our equipment is on site grinding.

\$19,470.00 Tax Exempt

Note: This price is only for hauling off mulch that AWR creates while grinding.

Prices include any and all supervision, insurance, equipment and labor.
Prices do not include the removal of rock and dirt.

PLEASE NOTE: QUOTED PRICES ARE GOOD FOR ONLY 60 DAYS.

ALL INVOICES ARE DUE 10 DAYS UPON RECEIPT.

Invoices Past 30 Days Will Be Assessed Finance Charges Equal To 18% Annual Interest (1.5% Monthly)

VENUE FOR ANY AND ALL DISPUTES ARISING OUT OF THIS AGREEMENT WILL BE TRAVIS COUNTY, TEXAS.

Approved & Accepted (PLEASE COMPLETE INFO BELOW & RETURN FOR OUR FILES):

Signed: _____ Name (printed): _____

Title: _____ Date: _____

Physical jobsite address: _____

Name of Project Owner: _____

Owner Address: _____

Ph/Fax/Email: _____

Sincerely,
Clint Welch
Division 1 Manager
AUSTIN WOOD RECYCLING
AUSTIN LAND SERVICE

70



PROPOSAL DATE : *Monday, March 12, 2018*

SUBCONTRACTOR : *Eggemeyer Land Clearing, LLC*

Dustin Hencerling

PO Box 312289

New Braunfels

TX 78131

(877) 994-9500

CONTRACTOR : *City of Lockhart*

James Eddleton

PO Box 239

Lockhart

TX 78644

(512) 398-6452

PROJECT NAME : *City of Lockhart Grinding*

PROJECT LOCATION : *705 Wichita Street
Lockhart, TX*

PROJECT BID PROPOSAL

SCOPE : Grind and haul.

YARDS : 5,287

LUMP SUM : \$30,348.00

PROJECT BID PROPOSAL

\$30,348.00

Steven Eggemeyer

Subcontractor Authorized Representative (Print Name)

Owner

Title

[Signature]
Signature

3/12/2018

Date

Contractor Authorized Representative (Print Name)

Title

Signature

Date

Authorization of this proposal implies that all necessary permits, locales and engineering will be in place by the date that work is to begin. This proposal includes a one-time mobilization fee; any additional mobilizations may incur additional fees. Any bee removal fees will be passed on to the contractor at cost. Trash and debris removal, including, but not limited to fencing, is not included; unless otherwise notated. Staking issues from Contractor perspective must be addressed prior to start of construction. Any work outside the scope of this proposal will be considered new work, subject to detail pricing revisions

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Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Dates: March 20, 2018				
Department: City Manager			Initials	Date
Department Head: Vance Rodgers		Asst. City Manager		
Dept. Signature: <i>[Signature]</i>		City Manager		<i>[Signature]</i> 3-05-2018
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input checked="" type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action to approve request to extend the time from April 30 to June 15, 2018, to substantially complete Maple Street with drainage improvements as part of the Meadows at Clearfork, Phase III, subdivision development submitted by Lockhart Partners II, and appointing the City Manager to issue approval letter if the extension is approved by Council				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S):				
SUMMARY OF ITEM				
Very wet conditions over the past 3 months including up to 4 inches of snow in December have caused the subdivision construction to lag behind schedule. Council had approved up to April 30, 2018, for the subdivision to be substantially complete in order to be eligible for supplemental funding. Lockhart Partners II has requested a reasonable extension until June 15, 2018. Phase III of Meadows at Clearfork Subdivision includes extending storm water facilities east outside the scope of the development on Maple Street. They will be retrofitting the existing detention pond on the south side of Maple used for soccer practice to accommodate additional storm water demand for Phase III. Certificates of Obligation Funds for drainage up to \$75,000 were approved by Council to assist with this project. Doing this now will help reduce costs when Maple Street is widened and extended further to the east in the future. The developer is spending an estimated \$527,800 on Maple Street of which \$100,000 in Road Impact Fees were approved for use by Council since Maple St is a high priority on the Impact Fee Road Project list. The funds would be paid upon completion and acceptance of the public improvements and after receiving an invoice from Lockhart Partners II. The local developer has construction plans for Phase II of Meadows at Clearfork also, and is considering more development in the Summerside Subdivision.				
STAFF RECOMMENDATION				
City Manager respectfully requests approval of the extension as requested by Lockhart Partners II				
List of Supporting Documents: Request for extension, Historical Information		Other Departments, Boards, Commissions or Agencies:		

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Vance Rodgers

From: Dane Braun <dbraun21363@yahoo.com>
Sent: Monday, March 05, 2018 6:23 PM
To: Vance Rodgers
Subject: Maple Street Funding
Attachments: CCF03052018.pdf

Follow Up Flag: Flag for follow up
Flag Status: Flagged

Mr. Rodgers,

Please see attached agreement on the Maple Street extension. As you are aware we have had many rain days affect this project. Can we ask for a 45 day extension on the attached to move it out to June 15th due to weather and rain days affecting the project.

Thank you,
Dane Braun
Vice President
Lockhart II Partners





(512) 398-3461 • FAX (512) 398-5103
P.O. Box 239 • Lockhart, Texas 78644

September 8, 2017

Lockhart Partners II LTD
3593 Schuelke Rd.
Niederwald, Texas 78649-4122

Re: Cleanfork Meadows, Phase II, Maple Street Funding Agreement
Extension

Dear Mr. Schmidt and Mr. Braun:

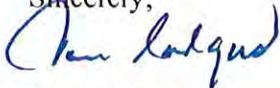
Please find attached the approval of the Lockhart City Council to extend the supplemental funding agreement for Maple Street as described in the construction plans.

The commitment is \$100,000 from Road Impact Fees and \$75,000 from Drainage CO Funds. The funds are only committed until April 30, 2018. If the subdivision construction is not substantially completed by April 30, 2018, I will have to go back to Council for additional approval.

Please be reminded that the funds will not be paid to Lockhart Partners until completion and acceptance of all public improvements on Maple Street and after receiving an invoice from Lockhart Partners II with attached proof of payment for the work performed on Maple Street by the home builder or the contractor.

We look forward to a successful project development. Should there be questions, please let me know.

Sincerely,



Vance Rodgers
City Manager



Attachment

Cc: Clearfork Meadows, Phase II
Jeff Hinson, Finance/Utilities Director





Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Dates: September 5, 2017				
Department: City Manager			Initials	Date
Department Head: Vance Rodgers		Asst. City Manager		
Dept. Signature:		City Manager		8-18-2017
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding a request by Lockhart Partners II for an extension of the City's funding commitment in an amount not to exceed \$75,000 for drainage improvements on Maple Street east of The Meadows at Clearfork Phase III subdivision development, and appointing the City Manager to sign the letter of extension if approved				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input checked="" type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S): 2009 CO Drainage Funds				
SUMMARY OF ITEM				
Council approved this funding in May of this year. The developer requests an extension until April of 2018 for the funding commitment. They hope to start construction by October, 2017. The construction plans for Phase II of Meadows at Clearfork Subdivision include extending storm water facilities east outside the scope of the development on Maple Street. They will be retrofitting the existing detention pond on the south side of Maple used for soccer practice to accommodate additional storm water demand for Phase III. Funds from Certificates of Obligation up to \$75,000 are available to assist with this project. Doing this now will help reduce costs when Maple Street is widened and extended further to the east in the future. The developer is spending an estimated \$527,800 on Maple Street of which \$100,000 will be funded from Road Impact Fees since Maple St is a high priority on the Impact Fee Road Project list. The funds would be paid upon completion and acceptance of the public improvements and after receiving an invoice from Lockhart Partners II.				
STAFF RECOMMENDATION				
City Manager respectfully recommends approval.				
List of Supporting Documents: History; Extension Request Letter		Other Departments, Boards, Commissions or Agencies:		

August 11, 2017

City of Lockhart
Mayor and Lockhart City Council
% Mr. Vance Rodgers, City Manager
P.O. Box 239
Lockhart, Texas 78644

Dear Mayor/Council and Mr. Rodgers,

Lockhart II Partners is requesting that the approved funding of \$175,000 from City of Lockhart letter dated May 25, 2017 be reconsidered by the Council to extend the expiration date from September 30, 2017 to April 30, 2018.

The reason for Lockhart II asking for an extension is for the reason so Lockhart II Partners can resolve contract negotiations with the selected home builder who will be building in The Meadows Section 3 and give ample time frame for the infrastructure construction of section 3 and the Maple street extension. We hope to start construction in October, 2017.

Thank you for the consideration of this request for it is a very important decision maker with this development and Maple Street being constructed. Without it the development could very well not move forward.

Regards,



Dane Braun
Vice President
Lockhart II Partners

Attachments included

Cc: Mr. Bobby Schmidt



(512) 398-3461 • FAX (512) 398-5103
P.O. Box 239 • Lockhart, Texas 78644

May 25, 2017

Lockhart II Partners LTD
3593 Schuelke Rd.
Niederwald, Texas 78649-4122

Re: Clearfork Meadows, Phase III, Maple Street

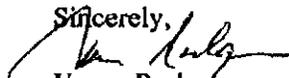
Dear Mr. Schmidt and Mr. Braun:

Please find attached the approval of the Lockhart City Council to assist in funding of Maple Street as described in the recent approved construction plans.

The commitment is \$100,000 from Road Impact Fees and \$75,000 from Drainage Funds. The funds are only committed during the current fiscal year which ends September 30, 2017. If the subdivision construction does not start by that time, I will have to go back to Council for re-consideration of approval.

Should there be questions, please let me know.

Sincerely,


Vance Rodgers
City Manager

Attachment

Cc: Clearfork Meadows, Phase III





Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Dates: May 2, 2017				
Department: City Manager			Initials	Date
Department Head: Vance Rodgers		Asst. City Manager		
Dept. Signature:		City Manager		
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding funding participation in an amount not to exceed \$75,000 with Lockhart Partners II for drainage improvements on Maple Street east of the Meadows at Clearfork Phase III subdivision development				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S): 2009 CO Drainage Funds				
SUMMARY OF ITEM				
The construction plans for Phase III of Meadows at Clearfork Subdivision include extending storm water facilities east outside the scope of the development on Maple Street. They will be retrofitting the existing detention pond on the south side of Maple used for soccer practice to accommodate additional storm water demand for Phase III. Funds from Certificates of Obligation up to \$75,000 are available to assist with this project. Doing this now will help reduce costs when Maple Street is widened and extended further to the east in the future. The developer is spending an estimated \$527,800 on Maple Street of which \$100,000 will be funded from Road Impact Fees since Maple St is a high priority on the Impact Fee Road Project list. The funds would be paid upon completion and acceptance of the public improvements and after receiving an invoice from Lockhart Partners II.				
STAFF RECOMMENDATION				
City Manager respectfully recommends approval.				
List of Supporting Documents: Maple Street: Drawing details, Associated Costs		Other Departments, Boards, Commissions or Agencies:		



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY	Reviewed by Finance	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory	Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Council Meeting Date: March 20, 2018			
Department: Finance	Initials	Date	
Department Head: Jeff Hinson	Asst. City Manager		
Dept. Signature: <i>Jeff Hinson</i>	City Manager	<i>[Signature]</i>	<i>3-16-2018</i>
Agenda Item Coordinator/Contact (include phone #): Jeff Hinson 398-3461 x232			
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER			
CAPTION			
Presentation and/or Action for City Council to consider acceptance of the City of Lockhart's and Component Unit's Fiscal Year 2016-2017 Financial Audit by Harrison, Waldrop & Uherek, L.L.P.			
FINANCIAL SUMMARY			
X N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED			
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS
Budget			\$0.00
Budget Amendment Amount			\$0.00
Encumbered/Expended Amount			\$0.00
This Item			\$0.00
BALANCE	\$0.00	\$0.00	\$0.00
FUND(S):			
SUMMARY OF ITEM			
Presentation of the Fiscal Year 2016-2017 Audited Financial Statements.			
STAFF RECOMMENDATION			
Staff recommends council accept the FY 2016-2017 Audited Financial Statements.			
List of Supporting Documents:	Other Departments, Boards, Commissions or Agencies:		
Final Report			

CITY OF LOCKHART, TEXAS

ANNUAL FINANCIAL REPORT

For the fiscal year ended September 30, 2017

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CITY OF LOCKHART, TEXAS
ANNUAL FINANCIAL REPORT
For the year ended September 30, 2017

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FINANCIAL SECTION



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INDEPENDENT AUDITORS' REPORT

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

Mayor and Members of Council:

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, 2017, 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 misstatements, 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

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, 2017, 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 and budgetary comparison information, schedule of changes in net pension liability and related ratios and the schedule 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 combining nonmajor fund financial statements and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor and individual 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 nonmajor fund financial statements and the compliance schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Honorable Mayor and Members
of the City Council

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2018, 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 12, 2018

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, 2017.

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, 2017, by \$42,350,982. Of this amount, \$9,375,749 of unrestricted net position is available to meet the City's ongoing obligations to citizens and creditors.
- At September 30, 2017, the City's governmental funds reported combined ending fund balances of \$10,866,889, a decrease of \$1,080,973 in comparison with the prior year.
- At September 30, 2017, unassigned fund balance for the General Fund was \$3,897,547 or 46.11% of total General Fund expenditures.
- The total cost of all City activities was \$28,103,957 for the fiscal year which is an increase of \$309,153 from the prior year.
- During the year, the City's general revenues exceeded net expenses of all City activities by \$187,370. This represents a 0.44% increase in net position from the previous fiscal year as a result of operations.

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, 3) component unit financial statements, and 4) notes to financial statements.

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 11

Government-wide Financial Statements

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

Pages 12 to 15

Fund Financial Statements

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

Pages 16 to 27

Notes to Financial Statements

Provides a summary of significant accounting policies and related disclosures.

Pages 28 to 59

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 2016-2017 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 and 2015 Capital Project Fund which are considered major funds. 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.

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 funds. They are the electric fund, the water fund, the wastewater fund, and EMSfund. 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 26 through 27 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

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

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 \$42,350,982 at the close of the 2017 fiscal year.

By far, the largest portion of the City's net position, 72.42%, 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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)

City of Lockhart, Texas

Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016*	2017	2016	2017	2016
Current and other assets	\$ 11,892,770	\$ 13,316,330	\$ 19,992,497	\$ 19,587,889	\$ 31,885,267	\$ 32,904,219
Capital assets (net)	23,282,995	23,118,718	22,075,259	21,912,245	45,358,254	45,030,963
Other noncurrent assets	-	-	-	253,469	-	253,469
Total assets	<u>35,175,765</u>	<u>36,435,048</u>	<u>42,067,756</u>	<u>41,753,603</u>	<u>77,243,521</u>	<u>78,188,651</u>
Deferred outflow of resources	<u>1,994,584</u>	<u>2,305,609</u>	<u>624,403</u>	<u>714,842</u>	<u>2,618,987</u>	<u>3,020,451</u>
Current and other liabilities	1,491,546	1,769,474	2,939,323	2,978,855	4,430,869	4,748,329
Noncurrent liabilities	<u>19,938,028</u>	<u>18,831,300</u>	<u>14,579,687</u>	<u>15,334,368</u>	<u>34,517,715</u>	<u>34,165,668</u>
Total liabilities	<u>21,429,574</u>	<u>20,600,774</u>	<u>17,519,010</u>	<u>18,313,223</u>	<u>38,948,584</u>	<u>38,913,997</u>
Deferred outflow of resources	<u>42,290</u>	<u>101,900</u>	<u>12,198</u>	<u>29,593</u>	<u>54,488</u>	<u>131,493</u>
Net position:						
Net investment in						
capital assets	14,162,688	14,806,651	16,507,663	15,074,665	30,670,351	29,881,316
Restricted	1,141,195	1,093,907	1,163,687	1,071,089	2,304,882	2,164,996
Unrestricted, as restated	<u>1,886,148</u>	<u>2,137,425</u>	<u>7,489,601</u>	<u>7,979,875</u>	<u>9,375,749</u>	<u>10,117,300</u>
Total net position	<u>\$ 17,190,031</u>	<u>\$ 18,037,983</u>	<u>\$ 25,160,951</u>	<u>\$ 24,125,629</u>	<u>\$ 42,350,982</u>	<u>\$ 42,163,612</u>

* Prior year restatement see footnote 16

An additional portion of the City's net position, 5.44%, 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, \$9,375,749, 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.

Governmental activities. Governmental activities decreased the City's net position by \$847,952. Key elements of this decrease are as follows:

- Decrease in charges for services and operating grants of \$594,555.

Business-type activities. Business-type activities increased the City's net position by \$1,035,322 accounting for 100.00% of the total growth in the City's net position. Key elements of this increase are as follows:

- Charges for services were \$712,700 higher due to increase in demand of the various business type activity.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)

City of Lockhart, Texas

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016*	2017	2016*	2017	2016*
REVENUES						
Program revenues:						
Charges for services	\$ 1,097,878	\$ 1,279,684	\$ 20,330,035	\$ 19,617,335	\$ 21,427,913	\$ 20,897,019
Operating grants and contributions	202,393	615,542	7,016	-	209,409	615,542
Capital grants and contributions	-	-	195,261	1,042,796	195,261	1,042,796
General revenues:						
Property taxes	3,909,699	3,704,494	-	-	3,909,699	3,704,494
Sales taxes	1,549,695	1,478,065	-	-	1,549,695	1,478,065
Franchise taxes	312,433	316,353	-	-	312,433	316,353
Other taxes	96,529	132,234	-	-	96,529	132,234
Impact fees	-	-	83,585	263,817	83,585	263,817
Investment earnings	99,353	59,851	118,159	61,357	217,512	121,208
Miscellaneous	289,291	239,590	-	263,817	289,291	503,407
Total revenues	7,557,271	7,825,813	20,734,056	21,249,122	28,291,327	29,074,935
EXPENSES						
General government	2,083,166	1,879,383	-	-	2,083,166	1,879,383
Public safety	5,086,371	5,230,470	-	-	5,086,371	5,230,470
Public works	2,644,292	2,586,206	-	-	2,644,292	2,586,206
Health	22,137	17,068	-	-	22,137	17,068
Culture and recreation	1,006,038	933,135	-	-	1,006,038	933,135
Interest on long-term debt	459,629	621,121	-	-	459,629	621,121
Electric system	-	-	8,722,211	8,664,234	8,722,211	8,664,234
Water systems	-	-	3,545,084	3,257,979	3,545,084	3,257,979
Wastewater system	-	-	1,824,111	2,089,407	1,824,111	2,089,407
EMS operation	-	-	1,289,014	1,230,254	1,289,014	1,230,254
Sanitation	-	-	1,345,466	1,215,636	1,345,466	1,215,636
Airport	-	-	76,438	69,911	76,438	69,911
Total expenses	11,301,633	11,267,383	16,802,324	16,527,421	28,103,957	27,794,804
Change in net position before transfers	(3,744,362)	(3,441,570)	3,931,732	4,721,701	187,370	1,280,131
Transfers	2,896,410	2,448,575	(2,896,410)	(2,448,575)	-	-
Change in net position	(847,952)	(992,995)	1,035,322	2,273,126	187,370	1,280,131
Net position - beginning, as restated	18,037,983	19,030,978	24,125,629	21,852,503	42,163,612	40,883,481
Net position - ending	\$ 17,190,031	\$ 18,037,983	\$ 25,160,951	\$ 24,125,629	\$ 42,350,982	\$ 42,163,612

*See footnote 16

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 \$10,866,889, a decrease of \$1,080,973 from the prior year.

Approximately 35.86% of this total amount, \$3,897,547, constitutes unassigned fund balance, which is available for spending at the government's discretion. The City also has \$609,054 of fund balance that is committed for specific projects. In addition, there is \$6,324,694 of fund balance that is restricted for specific purposes and \$35,594 that is classified as nonspendable; being that it is not available for new spending because it has already been committed: 1) for prepaid expenditures \$24,322; and 2) for inventory \$11,272.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance was \$3,897,547. Unassigned fund balance represents 46.11% of total General Fund expenditures. The fund balance of the City's General Fund increased by \$484,608 during the current fiscal year.

The primary reason for the decrease in the governmental fund balance was due to the decrease in the capital projects fund balance as a result of spending the prior years' bond proceeds.

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 \$7,489,601. The total growth for the funds was \$1,035,322 as a result of an increase in charges for services from the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual fiscal year revenues in the General Fund were \$256,044 more than the final budgeted amounts. The increase over the anticipated amount is comprised of the following items.

- \$106,369 increase in property tax revenues.
- \$86,303 increase in sales and other tax revenues.
- Overall expenses were less than the budgeted amount by \$863,213, primarily in the general government function.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities amounts to \$45,358,254 (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 0.29%.

City of Lockhart, Texas

Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
	Land	\$ 1,488,954	\$ 1,484,604	\$ 574,710	\$ 574,710	\$ 2,063,664
Construction in progress	608,655	1,510,342	681,574	495,736	1,290,229	2,006,078
Bldgs. and improvements	7,667,359	7,612,641	1,532,823	1,574,507	9,200,182	9,187,148
Infrastructure	12,384,114	11,378,397	19,007,730	18,763,492	31,391,844	30,141,889
Machinery and equipment	1,133,913	1,132,742	278,422	503,800	1,412,335	1,636,542
Total	\$ 23,282,995	\$ 23,118,726	\$ 22,075,259	\$ 21,912,245	\$ 45,358,254	\$ 45,030,971

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

Long-Term Debt

At the end of the current fiscal year, the City had total bonded debt outstanding of \$25,537,601. Of this amount, \$6,650,000 represents General Obligation Tax and Revenue Bonds. The remainder of the City's bonded debt is comprised of \$17,645,000 of Combination Tax and Revenue Certificates of Obligation and unamortized premiums of \$1,242,601. The City's bonded debt had a net decrease of \$1,018,425 during the fiscal year ended September 30, 2017. Additional information on the long-term debt can be found in Note 9.

The City maintains a bond rating of "A" from Standard & Poor's.

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.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Interest rates are remaining at lower levels and should result in decreased interest earnings.
- The City continues to experience economic growth with the construction of new businesses in the retail and manufacturing sectors.

All of these factors were considered in preparing the City's budget for the 2017-2018 fiscal year.

The certified assessed taxable property valuations for the 2017 tax roll total \$610,063,909 with a tax rate of \$.7260 per \$100 valuation. \$.6077 was allocated for maintenance and operations, and \$.1183 was allocated for interest and sinking (debt service). The projected total property tax due is \$4,295,179 for the 2017 tax year.

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, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Lockhart Economic Development Corporation
ASSETS				
Current assets				
Cash and cash equivalents	\$ 10,954,825	\$ 14,916,219	\$ 25,871,044	\$ 2,623,549
Receivables (net)	633,949	4,411,666	5,045,615	134,201
Contractual settlement	-	253,469	253,469	-
Due from other governments	268,402	-	268,402	-
Inventory	11,272	411,143	422,415	400,000
Prepaid expenses	24,322	-	24,322	10,000
Total current assets	<u>11,892,770</u>	<u>19,992,497</u>	<u>31,885,267</u>	<u>3,167,750</u>
Noncurrent assets (net)				
Capital assets	<u>23,282,995</u>	<u>22,075,259</u>	<u>45,358,254</u>	<u>646,560</u>
Total noncurrent assets	<u>23,282,995</u>	<u>22,075,259</u>	<u>45,358,254</u>	<u>646,560</u>
Total assets	<u>35,175,765</u>	<u>42,067,756</u>	<u>77,243,521</u>	<u>3,814,310</u>
DEFERRED OUTFLOWS				
Deferred amount on refunding	281,304	197,375	478,679	-
Deferred outflow related to TMRS	<u>1,713,280</u>	<u>427,028</u>	<u>2,140,308</u>	-
Total deferred outflow of resources	<u>1,994,584</u>	<u>624,403</u>	<u>2,618,987</u>	-

The accompanying notes are an integral part of this statement.

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	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Lockhart Economic Development Corporation
LIABILITIES				
Current liabilities				
Accounts payable	\$ 456,651	\$ 1,570,576	\$ 2,027,227	\$ 70,154
Payroll related payables	193,432	38,246	231,678	3,942
Accrued interest payable	78,785	87,981	166,766	-
Due to other governments	23,619	93,019	116,638	-
Customer deposits	30,650	355,478	386,128	-
Accrued compensated absences	106,939	54,994	161,933	2,684
Current portion of long-term liabilities	601,470	739,029	1,340,499	17,494
Total current liabilities	<u>1,491,546</u>	<u>2,939,323</u>	<u>4,430,869</u>	<u>94,274</u>
Noncurrent liabilities				
Accrued compensated absences	320,817	-	320,817	-
Noncurrent portion of long-term liabilities	13,854,110	13,577,718	27,431,828	184,411
Net pension liability	4,271,555	1,001,969	5,273,524	-
Total noncurrent liabilities	<u>18,446,482</u>	<u>14,579,687</u>	<u>33,026,169</u>	<u>184,411</u>
Total liabilities	<u>19,938,028</u>	<u>17,519,010</u>	<u>37,457,038</u>	<u>278,685</u>
DEFERRED INFLOWS				
Deferred inflow related to TMRS	42,290	12,198	54,488	-
Total deferred inflows	<u>42,290</u>	<u>12,198</u>	<u>54,488</u>	<u>-</u>
NET POSITION				
Invested in capital assets, net of related debt	14,162,688	16,507,663	30,670,351	844,655
Restricted	1,141,195	1,163,687	2,304,882	-
Unrestricted	1,886,148	7,489,601	9,375,749	2,690,970
Total net position	<u>\$ 17,190,031</u>	<u>\$ 25,160,951</u>	<u>\$ 42,350,982</u>	<u>\$ 3,535,625</u>

CITY OF LOCKHART, TEXAS
STATEMENT OF ACTIVITIES
For the year ended September 30, 2017

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
General government	\$ 2,083,166	\$ 181,313	\$ -	\$ -
Public safety	5,086,371	334,769	202,393	-
Public works	2,644,292	549,097	-	-
Health	22,137	-	-	-
Culture and recreation	1,006,038	32,699	-	-
Interest on long-term debt	459,629	-	-	-
Total governmental activities	<u>11,301,633</u>	<u>1,097,878</u>	<u>202,393</u>	<u>-</u>
Business-type activities				
Electric	8,722,211	11,444,388	-	-
Water	3,545,084	3,287,603	-	-
Wastewater	1,824,111	2,578,386	-	-
EMS	1,289,014	1,354,810	7,016	195,261
Other	1,421,904	1,664,848	-	-
Total business-type activities	<u>16,802,324</u>	<u>20,330,035</u>	<u>7,016</u>	<u>195,261</u>
Total primary government	<u>\$ 28,103,957</u>	<u>\$ 21,427,913</u>	<u>\$ 209,409</u>	<u>\$ 195,261</u>
Component Unit				
Lockhart Economic Development Corporation	<u>\$ 437,361</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

Investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning, as restated

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
\$ (1,901,853)	\$ -	\$ (1,901,853)	\$ -
(4,549,209)	-	(4,549,209)	-
(2,095,195)	-	(2,095,195)	-
(22,137)	-	(22,137)	-
(973,339)	-	(973,339)	-
(459,629)	-	(459,629)	-
<u>(10,001,362)</u>	<u>-</u>	<u>(10,001,362)</u>	<u>-</u>
-	2,722,177	2,722,177	-
-	(257,481)	(257,481)	-
-	754,275	754,275	-
-	268,073	268,073	-
-	242,944	242,944	-
-	<u>3,729,988</u>	<u>3,729,988</u>	<u>-</u>
<u>(10,001,362)</u>	<u>3,729,988</u>	<u>(6,271,374)</u>	<u>-</u>
-	-	-	(364,236)
3,217,538	-	3,217,538	-
692,161	-	692,161	-
1,549,695	-	1,549,695	774,847
312,433	-	312,433	-
96,529	-	96,529	-
-	83,585	83,585	-
99,353	118,159	217,512	16,822
289,291	-	289,291	15,787
<u>2,896,410</u>	<u>(2,896,410)</u>	<u>-</u>	<u>-</u>
<u>9,153,410</u>	<u>(2,694,666)</u>	<u>6,458,744</u>	<u>807,456</u>
(847,952)	1,035,322	187,370	443,220
<u>18,037,983</u>	<u>24,125,629</u>	<u>42,163,612</u>	<u>3,092,405</u>
<u>\$ 17,190,031</u>	<u>\$ 25,160,951</u>	<u>\$ 42,350,982</u>	<u>\$ 3,535,625</u>

CITY OF LOCKHART, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2017

	General	2015 Certificates of Obligation	Other Governmental Funds	Total Governmental Funds
ASSETS				
Current assets				
Cash and cash equivalents	\$ 4,382,362	\$ 5,053,969	\$ 1,518,494	\$ 10,954,825
Receivables (net)	465,075	-	168,874	633,949
Due from other funds	18,483	-	-	18,483
Due from other governments	268,402	-	-	268,402
Prepaid expenditures	23,642	-	680	24,322
Inventory	11,272	-	-	11,272
Total assets	<u>\$ 5,169,236</u>	<u>\$ 5,053,969</u>	<u>\$ 1,688,048</u>	<u>\$ 11,911,253</u>
LIABILITIES				
Accounts payable	\$ 136,688	\$ 255,499	\$ 56,524	\$ 448,711
Payroll related payables	193,432	-	-	193,432
Other payables	7,940	-	-	7,940
Due to other funds	-	-	18,483	18,483
Due to other governments	23,619	-	-	23,619
Deposits	-	-	30,650	30,650
Total liabilities	<u>361,679</u>	<u>255,499</u>	<u>105,657</u>	<u>722,835</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	266,042	-	55,487	321,529
Total deferred inflows of resources	<u>266,042</u>	<u>-</u>	<u>55,487</u>	<u>321,529</u>
FUND BALANCES				
Nonspendable				
Prepaid expenditures	23,642	-	680	24,322
Inventory	11,272	-	-	11,272
Restricted				
General government	-	-	664,319	664,319
Tourism	-	-	8,485	8,485
Public safety	-	-	206,068	206,068
Debt service	-	-	285,621	285,621
Various capital projects	-	4,798,470	361,731	5,160,201
Committed				
Sidewalks	31,870	-	-	31,870
Revolving loan	259,674	-	-	259,674
Industrial park	317,510	-	-	317,510
Unassigned	3,897,547	-	-	3,897,547
Total fund balances	<u>4,541,515</u>	<u>4,798,470</u>	<u>1,526,904</u>	<u>10,866,889</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 5,169,236</u>	<u>\$ 5,053,969</u>	<u>\$ 1,688,048</u>	<u>\$ 11,911,253</u>

The accompanying notes are an integral part of this statement.

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CITY OF LOCKHART, TEXAS

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

September 30, 2017

Total governmental fund balances		\$ 10,866,889
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Property taxes receivable and other receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as "unavailable" in the funds.		
Property taxes	319,661	
Other charges for services	<u>1,868</u>	321,529
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	\$ 95,429,623	
Accumulated depreciation of governmental capital assets	<u>(72,146,628)</u>	23,282,995
Deferred outflows of resources are not reported in the governmental funds:		
Deferred amount on refunding	281,304	
Deferred amount on pension	<u>1,713,280</u>	1,994,584
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	(13,681,287)	
Bond premiums	(774,293)	
Net pension liability	(4,271,555)	
Accrued interest payable	(78,785)	
Compensated absences	<u>(427,756)</u>	(19,233,676)
Deferred inflows of resources are not reported in the governmental funds:		
Deferred amount on pension		<u>(42,290)</u>
Net position of governmental activities		\$ <u>17,190,031</u>

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, 2017

	<u>General</u>	<u>2015 Certificates of Obligation</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 3,279,140	\$ -	\$ 692,161	\$ 3,971,301
Sales and other taxes	1,878,820	-	111,401	1,990,221
Fines, fees and forfeitures	271,303	-	655,970	927,273
Licenses and permits	125,761	-	-	125,761
Intergovernmental and grants	199,920	-	2,473	202,393
Investment	38,617	45,926	14,810	99,353
Miscellaneous	215,033	-	72,970	288,003
Total revenues	<u>6,008,594</u>	<u>45,926</u>	<u>1,549,785</u>	<u>7,604,305</u>
EXPENDITURES				
Current				
General government	1,728,059	-	119,799	1,847,858
Public safety	4,525,288	-	225,781	4,751,069
Public works	1,168,180	-	-	1,168,180
Health and welfare	17,207	-	-	17,207
Culture and recreation	877,327	-	12,720	890,047
Capital outlay	136,633	1,607,091	74,295	1,818,019
Debt service				
Principal retirement	-	-	587,160	587,160
Interest and fiscal charges	-	-	500,948	500,948
Paying agent and issue costs	-	-	1,200	1,200
Total expenditures	<u>8,452,694</u>	<u>1,607,091</u>	<u>1,521,903</u>	<u>11,581,688</u>
Excess (deficiency) of revenues over expenditures	(2,444,100)	(1,561,165)	27,882	(3,977,383)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,021,106	-	418,992	3,440,098
Transfers out	(92,398)	-	(451,290)	(543,688)
Total other financing sources	<u>2,928,708</u>	<u>-</u>	<u>(32,298)</u>	<u>2,896,410</u>
Net change in fund balances	484,608	(1,561,165)	(4,416)	(1,080,973)
Fund balances - beginning, as restated	<u>4,056,907</u>	<u>6,359,635</u>	<u>1,531,320</u>	<u>11,947,862</u>
Fund balances - ending	<u>\$ 4,541,515</u>	<u>\$ 4,798,470</u>	<u>\$ 1,526,904</u>	<u>\$ 10,866,889</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, 2017*

Total net change in fund balances - governmental funds \$ (1,080,973)

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	\$ 2,234,608	
Depreciation expense	<u>(2,039,034)</u>	195,574

The net effect of various transactions involving capital assets (i.e., transfers, contributions, adjustments and dispositions) is to increase (decrease) net position. (31,298)

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		587,160
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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	(34,298)	
Other revenues	<u>(12,735)</u>	(47,033)

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:

Decrease in compensated absences	7,001	
Decrease in bond premium	61,513	
Decrease in loss on bond refunding	(23,442)	
Decrease in accrued interest	4,448	
Net pension costs	<u>(520,902)</u>	<u>(471,382)</u>

Change in net position of governmental activities \$ (847,952)

The accompanying notes are an integral part of this statement.

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CITY OF LOCKHART, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2017

	Business-type Activities					Total
	Electric	Water	Wastewater	EMS	Other Funds	
ASSETS						
Current assets						
Cash and cash equivalents	\$ 2,214,006	\$ 9,555,525	\$ 2,127,704	\$ 456,802	\$ 562,182	\$ 14,916,219
Receivables (net)						
Customer accounts	1,932,204	477,466	335,543	1,427,785	238,668	4,411,666
Contractual settlement	-	253,469	-	-	-	253,469
Inventory	411,143	-	-	-	-	411,143
Total current assets	<u>4,557,353</u>	<u>10,286,460</u>	<u>2,463,247</u>	<u>1,884,587</u>	<u>800,850</u>	<u>19,992,497</u>
Noncurrent assets						
Capital assets (net)						
Land and other assets not being depreciated	561,703	241,312	260,699	-	192,570	1,256,284
Buildings, improvements, and equipment (net)	2,363,746	10,324,212	6,234,409	399,633	1,496,975	20,818,975
Total noncurrent assets	<u>2,925,449</u>	<u>10,565,524</u>	<u>6,495,108</u>	<u>399,633</u>	<u>1,689,545</u>	<u>22,075,259</u>
Total assets	<u>7,482,802</u>	<u>20,851,984</u>	<u>8,958,355</u>	<u>2,284,220</u>	<u>2,490,395</u>	<u>42,067,756</u>
DEFERRED OUTFLOWS						
Deferred amount on refunding	-	171,104	26,271	-	-	197,375
Deferred outflow related to TMRS	254,519	66,757	63,795	-	41,957	427,028
Total deferred outflow of resources	<u>254,519</u>	<u>237,861</u>	<u>90,066</u>	<u>-</u>	<u>41,957</u>	<u>624,403</u>

The accompanying notes are an integral part of this statement.

Business-type Activities

	Electric	Water	Wastewater	EMS	Other Funds	Total
LIABILITIES						
Current liabilities						
Accounts payable	\$ 775,270	\$ 228,056	\$ 375,800	\$ 98,616	\$ 92,834	\$ 1,570,576
Payroll related payables	21,819	6,955	5,306	-	4,166	38,246
Accrued interest payable	9,789	64,967	13,225	-	-	87,981
Due to other governments	93,019	-	-	-	-	93,019
Customer deposits	251,025	93,545	-	-	7,000	351,570
Unearned revenue	-	-	-	-	3,908	3,908
Accrued compensated absences	32,398	11,410	7,331	-	3,855	54,994
Current portion of long-term obligations						
Capital leases	129,764	90,175	-	-	-	219,939
Bonds, certificates and notes	47,929	385,191	85,970	-	-	519,090
Total current liabilities	<u>1,361,013</u>	<u>880,299</u>	<u>487,632</u>	<u>98,616</u>	<u>111,763</u>	<u>2,939,323</u>
Noncurrent liabilities						
Net pension liability	580,088	210,941	105,470	-	105,470	1,001,969
Noncurrent portion of long-term obligations	880,949	10,794,712	1,902,057	-	-	13,577,718
Total noncurrent liabilities	<u>1,461,037</u>	<u>11,005,653</u>	<u>2,007,527</u>	<u>-</u>	<u>105,470</u>	<u>14,579,687</u>
Total liabilities	<u>2,822,050</u>	<u>11,885,952</u>	<u>2,495,159</u>	<u>98,616</u>	<u>217,233</u>	<u>17,519,010</u>
DEFERRED INFLOWS						
Deferred inflow related to TMRS	6,710	1,666	3,479	-	343	12,198
Total deferred inflows	<u>6,710</u>	<u>1,666</u>	<u>3,479</u>	<u>-</u>	<u>343</u>	<u>12,198</u>
NET POSITION						
Invested in capital assets, net of debt	1,866,807	7,398,741	5,152,937	399,633	1,689,545	16,507,663
Restricted	198,308	563,643	401,736	-	-	1,163,687
Unrestricted net position	2,843,446	1,239,843	995,110	1,785,971	625,231	7,489,601
Total net position	<u>\$ 4,908,561</u>	<u>\$ 9,202,227</u>	<u>\$ 6,549,783</u>	<u>\$ 2,185,604</u>	<u>\$ 2,314,776</u>	<u>\$ 25,160,951</u>

CITY OF LOCKHART, TEXAS

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

PROPRIETARY FUNDS

For the year ended September 30, 2017

	Business-type Activities		
	Electric	Water	Wastewater
OPERATING REVENUES			
Charges for services	\$ 11,406,791	\$ 3,270,565	\$ 2,574,845
Miscellaneous	37,597	17,038	3,541
Total operating revenues	<u>11,444,388</u>	<u>3,287,603</u>	<u>2,578,386</u>
OPERATING EXPENSES			
Personnel services	1,025,694	393,688	221,317
Contracts and services	178,807	23,861	27,445
Materials and supplies	68,824	32,178	21,521
Maintenance and repairs	214,153	299,858	277,511
Power, water, and water treatment	6,744,877	1,860,160	979,695
Depreciation	388,222	560,060	218,564
Miscellaneous	63,725	5,349	10,998
Total operating expenses	<u>8,684,302</u>	<u>3,175,154</u>	<u>1,757,051</u>
Operating income (loss) before nonoperating revenues (expenses) and contributions and transfers	2,760,086	112,449	821,335
NONOPERATING REVENUES (EXPENSES)			
Investment income	15,966	77,728	16,933
Impact fees	-	45,285	38,300
Noncapital grants and contributions	-	-	-
Interest expense	(37,909)	(369,930)	(67,060)
Net nonoperating revenues (expenses)	<u>(21,943)</u>	<u>(246,917)</u>	<u>(11,827)</u>
Income before transfers and contributions	2,738,143	(134,468)	809,508
Contributions and transfers			
Capital grants and contributions	-	-	-
Transfers out	(2,162,600)	(134,253)	(407,005)
Total contributions and transfers	<u>(2,162,600)</u>	<u>(134,253)</u>	<u>(407,005)</u>
Change in net position	575,543	(268,721)	402,503
Net position - beginning	<u>4,333,018</u>	<u>9,470,948</u>	<u>6,147,280</u>
Net position - ending	<u>\$ 4,908,561</u>	<u>\$ 9,202,227</u>	<u>\$ 6,549,783</u>

The accompanying notes are an integral part of this statement.

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<u>Business-type Activities</u>		
<u>EMS</u>	<u>Other Funds</u>	<u>Total</u>
\$ 1,354,578	\$ 1,645,208	\$ 20,251,987
232	19,640	78,048
<u>1,354,810</u>	<u>1,664,848</u>	<u>20,330,035</u>
-	215,073	1,855,772
1,188,352	1,118,764	2,537,229
1,262	7,467	131,252
3,513	14,026	809,061
-	-	9,584,732
95,887	61,584	1,324,317
-	4,990	85,062
<u>1,289,014</u>	<u>1,421,904</u>	<u>16,327,425</u>
65,796	242,944	4,002,610
3,490	4,042	118,159
-	-	83,585
7,016	-	7,016
-	-	(474,899)
<u>10,506</u>	<u>4,042</u>	<u>(266,139)</u>
76,302	246,986	3,736,471
195,261	-	195,261
-	(192,552)	(2,896,410)
<u>195,261</u>	<u>(192,552)</u>	<u>(2,701,149)</u>
271,563	54,434	1,035,322
<u>1,914,041</u>	<u>2,260,342</u>	<u>24,125,629</u>
<u>\$ 2,185,604</u>	<u>\$ 2,314,776</u>	<u>\$ 25,160,951</u>

CITY OF LOCKHART, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the year ended September 30, 2017

	Business-type Activities		
	Electric	Water	Wastewater
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 11,354,850	\$ 3,273,850	\$ 2,562,091
Cash payments to suppliers for goods and services	(7,395,214)	(2,192,546)	(1,155,055)
Cash payments to employees for services	(1,000,643)	(320,596)	(251,098)
Net cash provided by operating activities	<u>2,958,993</u>	<u>760,708</u>	<u>1,155,938</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Customer deposits	8,400	3,470	-
Noncapital grants and contributions	-	-	-
Impact fees received	-	45,285	38,300
Cash paid to other funds	(2,162,600)	(134,253)	(407,005)
Net cash used by noncapital financing activities	<u>(2,154,200)</u>	<u>(85,498)</u>	<u>(368,705)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition of capital assets	(237,260)	(478,576)	(575,253)
Capital grants and contributions	-	-	-
Contractual settlement received	-	238,703	-
Principal paid on capital debt	(296,680)	(541,780)	(74,390)
Interest paid on capital debt	(38,947)	(387,849)	(68,908)
Net cash used by capital financing activities	<u>(572,887)</u>	<u>(1,169,502)</u>	<u>(718,551)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	15,966	77,728	16,933
Net cash provided (used) by investing activities	<u>15,966</u>	<u>77,728</u>	<u>16,933</u>
Net increase (decrease) in cash and cash equivalents	247,872	(416,564)	85,615
Cash and cash equivalents at beginning of year	1,966,134	9,972,089	2,042,089
Cash and cash equivalents at end of year	<u>\$ 2,214,006</u>	<u>\$ 9,555,525</u>	<u>\$ 2,127,704</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 2,760,086	\$ 112,449	\$ 821,335
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	388,222	560,060	218,564
Change in assets and liabilities:			
(Increase) decrease in receivables	(89,538)	(13,753)	(16,295)
(Increase) decrease in inventory	(46,259)	-	-
(Increase) decrease in deferred outflow related to TMRS	45,064	9,172	12,523
Increase (decrease) in accounts and other payables	(78,569)	28,860	162,115
Increase (decrease) in payroll related liabilities	(11,918)	66,863	(40,832)
Increase (decrease) in unearned revenue	-	-	-
Increase (decrease) in deferred inflow related to TMRS	(8,095)	(2,943)	(1,472)
Net cash provided by operating activities	<u>\$ 2,958,993</u>	<u>\$ 760,708</u>	<u>\$ 1,155,938</u>

The accompanying notes are an integral part of this statement.

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Business-type Activities		
EMS	Other Funds	Total
\$ 1,315,045	\$ 1,647,263	\$ 20,153,099
(1,192,793)	(1,149,341)	(13,084,949)
-	(192,038)	(1,764,375)
<u>122,252</u>	<u>305,884</u>	<u>5,303,775</u>

-	75	11,945
7,016	-	7,016
-	-	83,585
-	(192,552)	(2,896,410)
<u>7,016</u>	<u>(192,477)</u>	<u>(2,793,864)</u>

(196,240)	-	(1,487,329)
195,261	-	195,261
-	-	238,703
-	-	(912,850)
-	-	(495,704)
<u>(979)</u>	<u>-</u>	<u>(2,461,919)</u>

3,490	4,042	118,159
<u>3,490</u>	<u>4,042</u>	<u>118,159</u>

131,779	117,449	166,151
<u>325,023</u>	<u>444,733</u>	<u>14,750,068</u>
<u>\$ 456,802</u>	<u>\$ 562,182</u>	<u>\$ 14,916,219</u>

\$ 65,796	\$ 242,944	\$ 4,002,610
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95,887	61,584	1,324,317
(39,765)	(18,080)	(177,431)
-	-	(46,259)
-	-	66,759
334	2,876	115,616
-	16,065	30,178
-	495	495
-	-	(12,510)
<u>\$ 122,252</u>	<u>\$ 305,884</u>	<u>\$ 5,303,775</u>

CITY OF LOCKHART, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2017

	Private Purpose Trust	Agency Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 1,712	\$ 18,965
Total assets	<u>1,712</u>	<u>\$ 18,965</u>
LIABILITIES		
Due to others	-	\$ 18,965
Total liabilities	<u>-</u>	<u>\$ 18,965</u>
NET POSITION		
Held for various purposes	<u>\$ 1,712</u>	

The accompanying notes are an integral part of this statement.

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CITY OF LOCKHART, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the year ended September 30, 2017

	Private Purpose Trust
ADDITIONS	
Investment income	\$ <u>13</u>
Total additions	13
DEDUCTIONS	<u>-</u>
Change in net position	13
Net position - beginning	<u>1,699</u>
Net position - ending	<u>\$ 1,712</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

In evaluating how to define the government, for financial reporting purposes, the City's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. Under these guidelines, the reporting entity consists of the primary government (all funds of the City), organizations for which the primary government is financially accountable, and any other organization for which the nature and significance of their relationship with the primary government is such that exclusion could cause the City's financial statements to be misleading or incomplete. Entities other than the primary government that are included in the primary government's financial statements are called component units.

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, 2017.

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.

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

B. Government-wide and Fund Financial Statements - (Continued)

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.

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.

The 2015 Certificates of Obligation Fund accounts for the proceeds received and expenditures incurred related to the City's issuance of certificates of obligation in 2016. The proceeds from this issue will be used to fund various projects, the majority of which relate to infrastructure improvements.

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:

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 - Funds of this type account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

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

Capital Projects Funds - These 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.

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.

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

D. Budgets and Budgetary Accounting

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.

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 1st. 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.
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.

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

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, 2017, 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, 2017.

The Caldwell County Appraisal District bills and collects property taxes for the City. These taxes are levied on October 1st of each year and are payable by the following January 31st, 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 1st following the year of levy.

G. Inventories and Prepaid Items

All inventories are valued at the lower of cost or market on a first-in, first-out basis. Inventories of governmental funds 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.

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

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.

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.

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

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 two 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 other 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

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 two 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 other item that qualifies for reporting as a deferred inflow of resources is calculated in the actuarial pension study required by GASB No. 68. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension 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 liability is obtained from TMRS through a report prepared for the City by TMRS' consulting actuary, Gabriel Roeder Smith & Company (GRS), in compliance with GASB No. 68.

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

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.

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.

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

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

Excess Expenditures Over Appropriations

In the General Fund there was one instance where expenditures exceeded appropriations. Health and Welfare expenditures exceeded the budget by \$6,525.

NOTE 3: DEPOSITS AND INVESTMENTS

As of September 30, 2017, the City had the following investments:

<u>Investment Type</u>	<u>Amortized Cost</u>	<u>Weighted Average Maturity (Days)</u>
Public Funds Investment Pools		
TexPool	\$ 6,008,320	44
MBIA Texas CLASS	10,803,103	56
TexStar	<u>8,046,322</u>	41
Total	<u>\$ 24,857,745</u>	

As previously discussed in Note 1, the investments are reported in the accompanying statements at amortized cost.

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. TexPool's weighted average maturity cannot exceed 60 days.

B. Credit Risk

It is the City's policy to limit its investments to those with ratings of not less than A or its equivalent. The City's investments in the public funds investment pools include those with TexPool, MBIA Texas CLASS and TexStar. The pools operate in full compliance with the Public Funds Investment Act. TexPool, MBIA Texas CLASS and TexStar are rated AAAM by Standard & Poor's.

C. 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.

NOTE 3: DEPOSITS AND INVESTMENTS - (Continued)

D. 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, 2017.

E. 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, 2017, and for the year then ended, the City was not exposed to any custodial credit risk.

Please see Note 19 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:

	General	Electric	Water	Wastewater	EMS	Nonmajor Bus.-type Funds	Nonmajor Govt. Funds	Total
Receivables:								
Ad valorem taxes	\$ 317,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,706	\$ 383,955
Franchise taxes	66,302	-	-	-	-	-	-	66,302
Municipal court fines	1,349,839	-	-	-	-	-	98,187	1,448,026
Customer accounts	-	1,971,679	487,253	341,792	2,988,336	243,265	-	6,032,325
Occupancy taxes	-	-	-	-	-	-	22,103	22,103
Miscellaneous	210,560	-	-	-	-	-	117,762	328,322
Gross receivables	1,943,950	1,971,679	487,253	341,792	2,988,336	243,265	304,758	8,281,033
Less: Allowance for uncollectibles	(1,478,875)	(39,475)	(9,787)	(6,249)	(1,560,551)	(4,597)	(135,884)	(3,235,418)
Net total receivables	\$ 465,075	\$ 1,932,204	\$ 477,466	\$ 335,543	\$ 1,427,785	\$ 238,668	\$ 168,874	\$ 5,045,615

NOTE 4: RECEIVABLES - (Continued)

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, 2017, was \$0.7333 per \$100 of assessed valuation. Property taxes attach as an enforceable lien on property as of January 1st. Taxes are levied on October 1st and payable by the following January 31st, which comprises the collection dates for the current tax roll.

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 deferred revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
General Fund			
Ad valorem taxes	\$ 264,174	\$ -	\$ 264,174
Charges for services	1,868	-	1,868
Nonmajor Funds			
Ad valorem taxes	55,487	-	55,487
	<u>\$ 321,529</u>	<u>\$ -</u>	<u>\$ 321,529</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, 2017:

	<u>General</u>
Sales taxes	\$ 268,402
	<u>\$ 268,402</u>

NOTE 6: CAPITAL ASSETS

The capital asset activity of the City was as follows for the year ended September 30, 2017:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 1,484,604	\$ 4,350	\$ -	\$ 1,488,954
Construction in progress	1,510,342	1,663,764	2,565,451	608,655
Total capital assets not being depreciated	<u>2,994,946</u>	<u>1,668,114</u>	<u>2,565,451</u>	<u>2,097,609</u>
Capital assets, being depreciated				
Machinery and equipment	6,178,538	325,579	159,779	6,344,338
Buildings	11,484,190	304,749	-	11,788,939
Infrastructure	72,728,425	2,470,312	-	75,198,737
Total capital assets being depreciated	<u>90,391,153</u>	<u>3,100,640</u>	<u>159,779</u>	<u>93,332,014</u>
Less accumulated depreciation for				
Machinery and equipment	5,045,796	324,408	159,779	5,210,425
Buildings	3,871,549	250,031	-	4,121,580
Infrastructure	61,350,028	1,464,595	-	62,814,623
Total accumulated depreciation	<u>70,267,373</u>	<u>2,039,034</u>	<u>159,779</u>	<u>72,146,628</u>
Total capital assets being depreciated, net	<u>20,123,780</u>	<u>1,061,606</u>	<u>-</u>	<u>21,185,386</u>
Governmental activities capital assets, net	<u>\$ 23,118,726</u>	<u>\$ 2,729,720</u>	<u>\$ 2,565,451</u>	<u>\$ 23,282,995</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 574,710	\$ -	\$ -	\$ 574,710
Construction in progress	495,736	340,816	154,978	681,574
Total capital assets not being depreciated	<u>1,070,446</u>	<u>340,816</u>	<u>154,978</u>	<u>1,256,284</u>
Capital assets, being depreciated				
Machinery and equipment	5,875,016	196,240	-	6,071,256
Buildings and improvements	4,570,434	-	-	4,570,434
Infrastructure	36,694,515	1,105,253	-	37,799,768
Total capital assets being depreciated	<u>47,139,965</u>	<u>1,301,493</u>	<u>-</u>	<u>48,441,458</u>
Less accumulated depreciation for				
Machinery and equipment	5,371,216	421,618	-	5,792,834
Buildings and improvements	2,995,927	41,684	-	3,037,611
Infrastructure	17,931,023	861,015	-	18,792,038
Total accumulated depreciation	<u>26,298,166</u>	<u>1,324,317</u>	<u>-</u>	<u>27,622,483</u>
Total capital assets being depreciated, net	<u>20,841,799</u>	<u>(22,824)</u>	<u>-</u>	<u>20,818,975</u>
Business-type activities capital assets, net	<u>\$ 21,912,245</u>	<u>\$ 317,992</u>	<u>\$ 154,978</u>	<u>\$ 22,075,259</u>

NOTE 6: CAPITAL ASSETS - (Continued)

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

Governmental activities

General government	\$ 105,215
Public safety	286,036
Public works	1,534,637
Health	4,930
Parks and recreation	<u>108,216</u>

Total depreciation expense - governmental activities \$ 2,039,034

Business-type activities

Electric	\$ 388,222
Water	560,060
Wastewater	218,564
EMS	95,887
Solid Waste	8,766
Airport	<u>52,818</u>

Total depreciation expense - business-type activities \$ 1,324,317

NOTE 7: DEFINED BENEFIT PENSION PLAN

Plan Description

The City participates as one of 872 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.

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.

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 2017 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 repeating
Annuity increase (to retirees)	70.0% of CPI

At the December 31, 2016 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	71
Inactive employees entitled to but not yet receiving benefits	104
Active employees	<u>133</u>
	<u>308</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 11.86% and 13.06% in calendar years 2016 and 2017, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2017 were \$754,327, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2016, 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, 2016 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5%
Overall Payroll Growth	3.0%
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

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, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2016 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. 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 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.50%	4.55%
International Equity	17.50%	6.35%
Core Fixed Income	10.00%	1.00%
Non-Core Fixed Income	20.00%	4.15%
Real Return	10.00%	4.15%
Real Estate	10.00%	4.75%
Absolute Return	10.00%	4.00%
Private Equity	5.00%	7.75%
Total	<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.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2015	\$ 28,655,653	\$ 23,682,371	\$ 4,973,282
Changes for the year:			
Service cost	809,909	-	809,909
Interest	1,924,544	-	1,924,544
Difference between expected and actual experience	213,804	-	213,804
Change of assumptions	-	-	-
Contributions - Employer	-	708,591	(708,591)
Contributions - Employee	-	358,731	(358,731)
Net investment income	-	1,599,743	(1,599,743)
Benefit payments, including refunds of employee contributions	(1,097,681)	(1,097,681)	-
Administrative expense	-	(18,076)	18,076
Other changes	-	(974)	974
Net changes	<u>1,850,576</u>	<u>1,550,334</u>	<u>300,242</u>
Balance at 12/31/2016	<u>\$ 30,506,229</u>	<u>\$ 25,232,705</u>	<u>\$ 5,273,524</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:	\$9,770,400	\$5,273,524	\$1,620,807

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.tmrs.com.

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

For the year ended September 30, 2017, the City recognized pension expense of \$1,346,923.

At September 30, 2017, 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	\$ 406,636	\$ 54,488
Changes in actuarial assumptions	67,148	-
Difference between projected and actual investment earnings	1,087,323	-
Contributions subsequent to the measurement date	579,201	-
Total	\$ 2,140,308	\$ 54,488

\$2,140,308 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 year ending September 30, 2018. 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
2017	\$ 569,814
2018	578,611
2019	358,430
2020	(235)
2021	-
Thereafter	-

NOTE 8: SUPPLEMENTAL DEATH BENEFIT PLAN

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1st of any year to be effective the following January 1st.

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); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit", or OPEB.

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.

The City's contributions to the TMRS SDBF for the years ended 2017 and 2016 were \$14,040 and \$14,265, respectively, which equaled the required contributions each year.

NOTE 9: LONG-TERM DEBT

A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2017, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Bonds and certificates payable					
Certificates of obligation	\$ 9,381,395	\$ -	\$ (587,160)	\$ 8,794,235	\$ 601,470
General obligation bonds	<u>4,887,052</u>	<u>-</u>	<u>-</u>	<u>4,887,052</u>	<u>-</u>
Total bonds and certificates payable	<u>14,268,447</u>	<u>-</u>	<u>(587,160)</u>	<u>13,681,287</u>	<u>601,470</u>
Bond premium	<u>835,806</u>	<u>-</u>	<u>(61,513)</u>	<u>774,293</u>	<u>-</u>
Compensated absences	<u>434,757</u>	<u>301,570</u>	<u>(308,571)</u>	<u>427,756</u>	<u>106,939</u>
Net pension liability	<u>3,978,626</u>	<u>292,929</u>	<u>-</u>	<u>4,271,555</u>	<u>-</u>
Total governmental activity long-term liabilities	<u>\$ 19,517,636</u>	<u>\$ 594,499</u>	<u>\$ (957,244)</u>	<u>\$ 19,154,891</u>	<u>\$ 708,409</u>
Business-type activities					
Bonds and certificates payable					
Certificates of obligation	\$ 9,070,641	\$ -	\$ (219,876)	\$ 8,850,765	\$ 243,530
General obligation bonds	<u>1,880,560</u>	<u>-</u>	<u>(117,612)</u>	<u>1,762,948</u>	<u>120,000</u>
Total bonds and certificates payable	<u>10,951,201</u>	<u>-</u>	<u>(337,488)</u>	<u>10,613,713</u>	<u>363,530</u>
Bond premium	<u>500,572</u>	<u>-</u>	<u>(32,264)</u>	<u>468,308</u>	<u>-</u>
State infrastructure note	<u>3,166,553</u>	<u>-</u>	<u>(151,766)</u>	<u>3,014,787</u>	<u>155,560</u>
Capital leases payable	<u>643,534</u>	<u>-</u>	<u>(423,595)</u>	<u>219,939</u>	<u>219,939</u>
Compensated absences	<u>55,349</u>	<u>70,206</u>	<u>(70,561)</u>	<u>54,994</u>	<u>54,994</u>
Net pension liability	<u>994,656</u>	<u>7,313</u>	<u>-</u>	<u>1,001,969</u>	<u>-</u>
Total business-type activity long-term liabilities	<u>\$ 16,311,865</u>	<u>\$ 77,519</u>	<u>\$ (1,015,674)</u>	<u>\$ 15,373,710</u>	<u>\$ 794,023</u>

NOTE 9: LONG-TERM DEBT - (Continued)

B. Bonds and Certificates Payable - Governmental Activities

Bonds and certificates payable of the City's governmental activities at September 30, 2017, were comprised of the following individual issues:

2009 Certificates of Obligation due in annual installments ranging from \$135,000 to \$140,000 through August 1, 2018; interest rate at 4.77%.	\$ 140,000
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%.	175,000
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%.	971,850
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%.	7,507,385
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>4,887,052</u>
	<u>\$ 13,681,287</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
2018	\$ 601,470	\$ 483,207	\$ 1,084,677
2019	690,800	456,409	1,147,209
2020	727,162	432,504	1,159,666
2021	745,722	408,367	1,154,089
2022	903,038	382,584	1,285,622
2023-2027	3,982,485	1,198,283	5,180,768
2028-2032	3,760,185	697,755	4,457,940
2033-2035	<u>2,270,425</u>	<u>197,106</u>	<u>2,467,531</u>
	<u>\$ 13,681,287</u>	<u>\$ 4,256,215</u>	<u>\$ 17,937,502</u>

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 9: 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, 2017, were comprised of the following individual issues:

2009 General Obligation Refunding Bonds due in annual installments of \$115,000 to \$120,000 through February 1, 2018; interest rate at 4.33%.	\$ 120,000
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%.	73,150
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%.	8,777,615
2016 General Obligation Refunding Bonds due in annual installments of \$69,300 to \$229,320 through February 1, 2028; interest rate at 3.60%.	<u>1,642,948</u>
	<u>\$ 10,613,713</u>

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

<u>Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 363,530	\$ 365,712	\$ 729,242
2019	324,200	351,136	675,336
2020	337,838	342,890	680,728
2021	344,278	334,589	678,867
2022	606,962	324,041	931,003
2023-2027	2,692,515	1,042,005	3,734,520
2028-2032	3,289,815	748,857	4,038,672
2033-2035	<u>2,654,575</u>	<u>230,456</u>	<u>2,885,031</u>
	<u>\$ 10,613,713</u>	<u>\$ 3,739,686</u>	<u>\$ 14,353,399</u>

NOTE 9: LONG-TERM DEBT - (Continued)

D. State Infrastructure Notes - Business-type Activities

2013 State Infrastructure Bank Loan 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
2018	\$ 155,560	\$ 75,370	\$ 230,930
2019	159,449	71,481	230,930
2020	163,435	67,495	230,930
2021	167,521	63,409	230,930
2022	171,709	59,221	230,930
2023-2027	925,124	229,526	1,154,650
2028-2032	1,046,692	107,958	1,154,650
2033	225,297	5,633	230,930
	<u>\$ 3,014,787</u>	<u>\$ 680,093</u>	<u>\$ 3,694,880</u>

D. Capital Leases

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2017, are as follows:

Year Ending September 30	Business-type Activities
2018	\$ 219,939
Total minimum lease payments	<u>\$ 219,939</u>

E. Debt Reserves

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

	Reserve Requirement
2006 Combination Certificates of Obligation	\$ 3,500
2006A Combination Certificates of Obligation	20,900
2009 General Obligation Refunding Bonds	2,400
2009 Combination Certificates of Obligation	2,800
2015 Combination Certificates of Obligation	325,700
2016 General Obligation Refunding Bonds	130,600
	<u>\$ 485,900</u>

NOTE 9: LONG-TERM DEBT - (Continued)

F. Debt Reserves - (Continued)

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

<u>Fund</u>	<u>Cash</u>
Debt Service I & S Fund	\$ 285,621
Water Utility Fund	200,279
	<u>\$ 485,900</u>

NOTE 10: 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, 2017, there was \$4,215,000 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 10: CONDUIT DEBT OBLIGATIONS - (Continued)

Lockhart Wastewater Treatment Plant

GBRA entered into a contract on June 15, 1994 with the City whereby GBRA would construct a Regional Wastewater Treatment System to receive, treat and dispose of wastewater collected by the City's collection system.

GBRA issued \$4,025,000 of Contract Revenue Refunding Bonds in the fiscal year 2010 for the treatment system. As of September 30, 2017 there were no refunding bonds outstanding. Under the provisions of the contract, the City has agreed to pay GBRA through 2017 the following:

(a.) all operation and maintenance expenses of the Regional Wastewater Treatment System; (b.) amounts necessary to pay debt service on the bonds; (c.) amounts necessary to establish and maintain funds established by the resolution authorizing the issuance of the bonds; and (d.) amounts necessary to restore any deficiency in funds established by the resolution.

NOTE 11: CONTRACTUAL SETTLEMENT

The City reached a settlement agreement with a vendor during the 2006 fiscal year in a dispute over the performance of equipment used in its utility system infrastructure. Under the settlement agreement, the vendor agreed to pay the City a total of \$3,210,173 in multiple installments extending through the year 2018. As of September 30, 2017, the City had received \$2,956,704 in scheduled installment payments. The remaining balance due the City is reported as receivable in the accompanying government-wide and proprietary fund Statements of Net Position.

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, 2017, 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.

NOTE 13: RELATED PARTY TRANSACTIONS

During the fiscal year ending September 30, 2017, LEDC (a discretely presented component unit of the City) transferred a total of \$87,561 to the City. The City's Debt Service Fund, a nonmajor governmental fund, received \$48,093 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, 2017, 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 collectibility of any related receivables at September 30, 2017, 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.

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, 2017, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	<u>\$ 18,483</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>General</u>	<u>Nonmajor Govt.</u>	<u>Total</u>
General	\$ -	\$ 92,398	\$ 92,398
Electric	2,162,600	-	2,162,600
Water	134,253	-	134,253
Wastewater	236,701	170,304	407,005
Sanitation	192,552	-	192,552
Nonmajor govt.	295,000	156,290	451,290
	<u>\$ 3,021,106</u>	<u>\$ 418,992</u>	<u>\$3,440,098</u>

NOTE 16: RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS

A restatement was made to the beginning balances of the capital assets of the governmental activities. The result of the restatement decreased the government activities net position by \$194,379 decreased the beginning capital assets by \$194,288 and increased accumulated depreciation by \$91.

In addition, there was a restatement as a decrease to the beginning fund balance in the major governmental capital project of \$93,535 with a corresponding increase to the nonmajor governmental funds beginning fund balance.

NOTE 17: FUND BALANCES

The following is a detail of the governmental fund balances as of September 30, 2017:

	<u>Governmental Fund Balances</u>				
	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Unassigned</u>	<u>Total</u>
General					
Prepaid expenditures	\$ 23,642	\$ -	\$ -	\$ -	\$ 23,642
Inventory	11,272	-	-	-	11,272
Sidewalks	-	-	31,870	-	31,870
Revolving loan	-	-	259,674	-	259,674
Industrial park	-	-	317,510	-	317,510
Unassigned	-	-	-	3,897,547	3,897,547
2015 Cert. of Oblig.					
Various capital projects	-	4,798,470	-	-	4,798,470
Nonmajor Governmental					
Prepaid expenditures	680	-	-	-	680
Various capital projects	-	361,731	-	-	361,731
General government	-	664,319	-	-	664,319
Tourism	-	8,485	-	-	8,485
Public safety	-	206,068	-	-	206,068
Debt service	-	285,621	-	-	285,621
	<u>\$ 35,594</u>	<u>\$ 6,324,694</u>	<u>\$ 609,054</u>	<u>\$ 3,897,547</u>	<u>\$10,866,889</u>

NOTE 18: 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, 2017, the City of Lockhart rebated sales taxes totaling \$5,436 under this program, including the following tax rebate agreement that exceeded 10 percent of the total amount rebated:

A 50 percent sales tax rebate to a glass and mirror manufacturing company for purchasing land and building a manufacturing and distribution facility. The rebate amounted to \$5,436.

NOTE 19: 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 30th 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, 2017, 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.

NOTE 19: 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:

Major 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.

NOTE 19: 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, 2017:

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, 2017, TexPool was rated AAAM by Standard and Poor's and MBIA Texas CLASS was rated AAA/V-1+ by Fitch.

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.

NOTE 19: LOCKHART ECONOMIC DEVELOPMENT CORPORATION - (Continued)

C. Deposits and Investments - (Continued)

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, 2017, 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, 2017, 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, 2017, was \$134,201. 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, 2017, 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 19: LOCKHART ECONOMIC DEVELOPMENT CORPORATION - (Continued)

G. Capital Assets

The LEDC owns two buildings which are rented to businesses. The total cost of the facilities are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Discretely presented component unit				
Capital assets, not being depreciated				
Land	\$ 264,857	\$ -	\$ 156,857	\$ 108,000
Total capital assets not being depreciated	<u>264,857</u>	<u>-</u>	<u>156,857</u>	<u>108,000</u>
Capital assets, being depreciated				
Buildings	2,035,053	-	1,423,053	612,000
Total capital assets being depreciated	<u>2,035,053</u>	<u>-</u>	<u>1,423,053</u>	<u>612,000</u>
Less accumulated depreciation for				
Buildings	141,292	21,073	88,925	73,440
Total accumulated depreciation	<u>141,292</u>	<u>21,073</u>	<u>88,925</u>	<u>73,440</u>
Total capital assets being depreciated, net	<u>1,893,761</u>	<u>(21,073)</u>	<u>1,334,128</u>	<u>538,560</u>
Discretely presented component unit capital assets, net	<u>\$ 2,158,618</u>	<u>\$ (21,073)</u>	<u>\$ 1,490,985</u>	<u>\$ 646,560</u>

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

Discretely presented component unit

 General government \$ 21,073

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>
Discretely presented component unit					
Notes payable	\$ 1,114,604	\$ -	\$ (912,699)	\$ 201,905	\$ 17,494
Compensated absences	-	4,234	(1,550)	2,684	2,684
Total discretely presented component unit	<u>\$ 1,114,604</u>	<u>\$ 4,234</u>	<u>\$ (914,249)</u>	<u>\$ 204,589</u>	<u>\$ 20,178</u>

NOTE 19: 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>
2018	\$ 17,494	\$ 8,717	\$ 26,211
2019	18,298	7,913	26,211
2020	19,138	7,073	26,211
2021	20,017	6,193	26,210
2022	20,937	5,274	26,211
2023-2027	<u>106,021</u>	<u>1,297</u>	<u>107,318</u>
	<u>\$ 201,905</u>	<u>\$ 36,467</u>	<u>\$ 238,372</u>

I. Contingencies and Commitments

1. Litigation

LEDC was not involved in any litigation as of September 30, 2017, 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, 2017, the Lockhart Economic Development Corporation rebated sales taxes totaling \$2,718 under this program, including the following tax rebate agreement that exceeded 10 percent of the total amount rebated:

A 50 percent sales tax rebate to a glass and mirror manufacturing company for purchasing land and building a manufacturing and distribution facility. The rebate amounted to \$2,718.

Required Supplementary Information

CITY OF LOCKHART, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

GENERAL FUND

For the year ended September 30, 2017

	Budget	Actual	Variance with
	Original / Final	Amounts	Final Budget
			Positive
			(Negative)
REVENUES			
Property taxes	\$ 3,172,771	\$ 3,279,140	\$ 106,369
Sales and other taxes	1,792,517	1,878,820	86,303
Fines, fees, and forfeitures	297,006	271,303	(25,703)
Licenses and permits	175,000	125,761	(49,239)
Intergovernmental and grants	166,224	199,920	33,696
Investment	14,600	38,617	24,017
Miscellaneous	134,432	215,033	80,601
Total revenues	<u>5,752,550</u>	<u>6,008,594</u>	<u>256,044</u>
EXPENDITURES			
Current			
General government	2,401,752	1,728,059	673,693
Public safety	4,654,563	4,525,288	129,275
Public works	1,218,816	1,168,180	50,636
Health and welfare	10,682	17,207	(6,525)
Culture and recreation	893,094	877,327	15,767
Capital outlay	137,000	136,633	367
Total expenditures	<u>9,315,907</u>	<u>8,452,694</u>	<u>863,213</u>
Excess (deficiency) of revenues over expenditures	(3,563,357)	(2,444,100)	1,119,257
OTHER FINANCING SOURCES (USES)			
Transfers in	2,915,546	3,021,106	105,560
Transfers out	(86,523)	(92,398)	(5,875)
Total other financing sources (uses)	<u>2,829,023</u>	<u>2,928,708</u>	<u>99,685</u>
Net change in fund balance	(734,334)	484,608	1,218,942
Fund balance - beginning	4,056,907	4,056,907	-
Fund balance - ending	<u>\$ 3,322,573</u>	<u>\$ 4,541,515</u>	<u>\$ 1,218,942</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

Last ten years

	2014	2015	2016
Total Pension Liability			
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)
Net Change in Total Pension Liability	1,156,833	2,196,521	1,850,576
Total Pension Liability - Beginning	25,302,299	26,459,132	28,655,653
Total Pension Liability - Ending (a)	\$ 26,459,132	\$ 28,655,653	\$ 30,506,229
Plan Fiduciary Net Position			
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)
Net Change in Plan Fiduciary Net Position	1,264,698	2,517	1,550,334
Plan Fiduciary Net Position - Beginning	22,415,156	23,679,854	23,682,371
Plan Fiduciary Net Position - Ending (b)	\$ 23,679,854	\$ 23,682,371	\$ 25,232,705
Net Pension Liability - Ending (a) - (b)	\$ 2,779,278	\$ 4,973,282	\$ 5,273,524
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	89.50%	82.64%	82.71%
Covered Employee Payroll	\$ 5,359,686	\$ 5,730,595	\$ 5,937,749
Net Pension Liability as a Percentage of Covered Employee Payroll	51.86%	86.78%	88.81%

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
Last ten fiscal years

	<u>2015</u>	<u>2016</u>	<u>2017</u>
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 employee payroll	\$ 5,617,224	\$ 6,129,529	\$ 5,911,532
Contributions as a percentage of covered employee payroll	12.33%	11.99%	12.76%

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

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. There was one line item where actual expenditures exceeded the budgeted amount, this was health and welfare and the excess expenditure amount was \$6,525.

NOTE 2: TEXAS MUNICIPAL RETIREMENT SYSTEM

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	29 years
Asset Valuation Method	10 year Smoothed Market; 15% Soft Corridor
Inflation	2.5%
Salary Increases	3.50% to 10.5% 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 2015 valuation pursuant to an experience study of the period 2010-2014
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information

There were no benefit changes during the year.

Combining and Individual Fund Statements

CITY OF LOCKHART, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2017

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Project Funds	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 840,492	\$ 285,621	\$ 392,381	\$ 1,518,494
Receivables (net)	113,387	55,487	-	168,874
Prepaid expenditures	680	-	-	680
Total assets	\$ 954,559	\$ 341,108	\$ 392,381	\$ 1,688,048
LIABILITIES				
Accounts payable	\$ 56,524	\$ -	\$ -	\$ 56,524
Due to other funds	18,483	-	-	18,483
Deposits	-	-	30,650	30,650
Total liabilities	75,007	-	30,650	105,657
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	55,487	-	55,487
Total deferred inflows of resources	-	55,487	-	55,487
FUND BALANCES				
Nonspendable				
Prepaid expenditures	680	-	-	680
Restricted				
General government	664,319	-	-	664,319
Tourism	8,485	-	-	8,485
Public safety	206,068	-	-	206,068
Debt service	-	285,621	-	285,621
Various capital projects	-	-	361,731	361,731
Total fund balances	879,552	285,621	361,731	1,526,904
Total liabilities, deferred inflows and fund balances	\$ 954,559	\$ 341,108	\$ 392,381	\$ 1,688,048

CITY OF LOCKHART, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS

September 30, 2017

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Project Funds	Total
REVENUES				
Property taxes	\$ -	\$ 692,161	\$ -	\$ 692,161
Sales and other taxes	111,401	-	-	111,401
Fines, fees, and forfeitures	655,970	-	-	655,970
Intergovernmental and grants	2,473	-	-	2,473
Investment	6,570	5,115	3,125	14,810
Miscellaneous	-	72,970	-	72,970
Total revenues	<u>776,414</u>	<u>770,246</u>	<u>3,125</u>	<u>1,549,785</u>
EXPENDITURES				
Current				
General government	119,799	-	-	119,799
Public safety	225,781	-	-	225,781
Culture and recreation	12,720	-	-	12,720
Capital outlay	-	-	74,295	74,295
Debt service				
Principal retirement	-	587,160	-	587,160
Interest and fiscal charges	-	500,948	-	500,948
Paying agent and issue costs	-	1,200	-	1,200
Total expenditures	<u>358,300</u>	<u>1,089,308</u>	<u>74,295</u>	<u>1,521,903</u>
Excess (deficiency) of revenues over expenditures	418,114	(319,062)	(71,170)	27,882
OTHER FINANCING SOURCES (USES)				
Transfers in	92,398	326,594	-	418,992
Transfers out	(451,290)	-	-	(451,290)
Total other financing sources (uses)	<u>(358,892)</u>	<u>326,594</u>	<u>-</u>	<u>(32,298)</u>
Net change in fund balances	59,222	7,532	(71,170)	(4,416)
Fund balances - beginning, as restated	<u>820,330</u>	<u>278,089</u>	<u>432,901</u>	<u>1,531,320</u>
Fund balances - ending	<u>\$ 879,552</u>	<u>\$ 285,621</u>	<u>\$ 361,731</u>	<u>\$ 1,526,904</u>

CITY OF LOCKHART, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2017

	Radio Tower Equipment Replacement	Forfeited Property	Hotel / Motel Occupancy Tax	TCEQ NPS Grant	Road Impact Fees #1	Road Impact Fees #2
ASSETS						
Current assets						
Cash and cash equivalents	\$ 64,069	\$ 3,662	\$ 160	\$ 5,907	\$ 462,906	\$ 6,056
Receivables (net)	-	-	22,103	-	-	-
Prepaid expenditures	-	-	-	-	-	-
Total assets	<u>\$ 64,069</u>	<u>\$ 3,662</u>	<u>\$ 22,263</u>	<u>\$ 5,907</u>	<u>\$ 462,906</u>	<u>\$ 6,056</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ 12,106	\$ -	\$ -	\$ -
Due to other funds	-	-	7,579	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>19,685</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted						
General government	-	-	-	-	462,906	6,056
Tourism	-	-	2,578	5,907	-	-
Public safety	64,069	3,662	-	-	-	-
Total fund balances	<u>64,069</u>	<u>3,662</u>	<u>2,578</u>	<u>5,907</u>	<u>462,906</u>	<u>6,056</u>
Total liabilities and fund balances	<u>\$ 64,069</u>	<u>\$ 3,662</u>	<u>\$ 22,263</u>	<u>\$ 5,907</u>	<u>\$ 462,906</u>	<u>\$ 6,056</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>
\$ 6,801	\$ 110,858	\$ 10,172	\$ 18,195	\$ 9,174	\$ 9,986	\$ 353
730	-	547	440	106	1,028	31
-	-	-	-	-	-	-
<u>\$ 7,531</u>	<u>\$ 110,858</u>	<u>\$ 10,719</u>	<u>\$ 18,635</u>	<u>\$ 9,280</u>	<u>\$ 11,014</u>	<u>\$ 384</u>
\$ -	\$ 43,684	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	43,684	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,531	67,174	10,719	18,635	9,280	11,014	384
<u>7,531</u>	<u>67,174</u>	<u>10,719</u>	<u>18,635</u>	<u>9,280</u>	<u>11,014</u>	<u>384</u>
<u>\$ 7,531</u>	<u>\$ 110,858</u>	<u>\$ 10,719</u>	<u>\$ 18,635</u>	<u>\$ 9,280</u>	<u>\$ 11,014</u>	<u>\$ 384</u>

(continued)

CITY OF LOCKHART, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2017

	Cable Education	Transportation System Improvmts	Drainage System Improvmts	Law Enforcement Education - Police	Total
ASSETS					
Current assets					
Cash and cash equivalents	\$ 13,621	\$ 74,837	\$ 29,455	\$ 14,280	\$ 840,492
Receivables (net)	6,082	54,386	27,934	-	113,387
Prepaid expenditures	-	-	-	680	680
Total assets	<u>\$ 19,703</u>	<u>\$ 129,223</u>	<u>\$ 57,389</u>	<u>\$ 14,960</u>	<u>\$ 954,559</u>
LIABILITIES					
Accounts payable	\$ 54	\$ -	\$ -	\$ 680	\$ 56,524
Due to other funds	-	-	10,904	-	18,483
Total liabilities	<u>54</u>	<u>-</u>	<u>10,904</u>	<u>680</u>	<u>75,007</u>
FUND BALANCES					
Nonspendable	-	-	-	680	680
Restricted					
General government	19,649	129,223	46,485	-	664,319
Tourism	-	-	-	-	8,485
Public safety	-	-	-	13,600	206,068
Total fund balances	<u>19,649</u>	<u>129,223</u>	<u>46,485</u>	<u>14,280</u>	<u>879,552</u>
Total liabilities and fund balances	<u>\$ 19,703</u>	<u>\$ 129,223</u>	<u>\$ 57,389</u>	<u>\$ 14,960</u>	<u>\$ 954,559</u>

(concluded)

CITY OF LOCKHART, TEXAS

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

NONMAJOR SPECIAL REVENUE FUNDS

September 30, 2017

	Radio Tower Equipment Replacement	Forfeited Property	Hotel / Motel Occupancy Tax	TCEQ NPS Grant	Road Impact Fees #1	Road Impact Fees #2
REVENUES						
Sales and other taxes	\$ -	\$ -	\$ 87,766	\$ -	\$ -	\$ -
Fines, fees, and forfeitures	-	-	-	-	22,083	6,041
Intergovernmental and grants	-	-	440	-	-	-
Investment	509	29	153	80	3,661	15
Total revenues	<u>509</u>	<u>29</u>	<u>88,359</u>	<u>80</u>	<u>25,744</u>	<u>6,056</u>
EXPENDITURES						
Current						
General government	-	-	35,482	-	35,151	-
Public safety	329	-	-	-	-	-
Culture and recreation	-	-	12,720	-	-	-
Total expenditures	<u>329</u>	<u>-</u>	<u>48,202</u>	<u>-</u>	<u>35,151</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	180	29	40,157	80	(9,407)	6,056
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(40,000)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	180	29	157	80	(9,407)	6,056
Fund balances - beginning	<u>63,889</u>	<u>3,633</u>	<u>2,421</u>	<u>5,827</u>	<u>472,313</u>	<u>-</u>
Fund balances - ending	<u>\$ 64,069</u>	<u>\$ 3,662</u>	<u>\$ 2,578</u>	<u>\$ 5,907</u>	<u>\$ 462,906</u>	<u>\$ 6,056</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,338	129,975	4,756	2,360	442	7,615	231
-	-	-	-	-	-	-
<u>44</u>	<u>683</u>	<u>80</u>	<u>134</u>	<u>70</u>	<u>55</u>	<u>3</u>
<u>6,382</u>	<u>130,658</u>	<u>4,836</u>	<u>2,494</u>	<u>512</u>	<u>7,670</u>	<u>234</u>
-	-	-	-	-	-	-
13,449	205,128	6,195	-	-	-	-
-	-	-	-	-	-	-
<u>13,449</u>	<u>205,128</u>	<u>6,195</u>	-	-	-	-
(7,067)	(74,470)	(1,359)	2,494	512	7,670	234
-	92,398	-	-	-	-	-
-	-	-	-	-	-	-
-	<u>92,398</u>	-	-	-	-	-
(7,067)	17,928	(1,359)	2,494	512	7,670	234
<u>14,598</u>	<u>49,246</u>	<u>12,078</u>	<u>16,141</u>	<u>8,768</u>	<u>3,344</u>	<u>150</u>
<u>\$ 7,531</u>	<u>\$ 67,174</u>	<u>\$ 10,719</u>	<u>\$ 18,635</u>	<u>\$ 9,280</u>	<u>\$ 11,014</u>	<u>\$ 384</u>

(continued)

CITY OF LOCKHART, TEXAS

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

NONMAJOR SPECIAL REVENUE FUNDS

September 30, 2017

	Cable Education	Transportation System Improvmts	Drainage System Improvmts	Law Enforcement Education - Police	Total
REVENUES					
Sales and other taxes	\$ 23,635	\$ -	\$ -	\$ -	\$ 111,401
Fines, fees, and forfeitures	-	288,151	187,978	-	655,970
Intergovernmental and grants	-	-	-	2,033	2,473
Investment	165	470	310	109	6,570
Total revenues	<u>23,800</u>	<u>288,621</u>	<u>188,288</u>	<u>2,142</u>	<u>776,414</u>
EXPENDITURES					
Current					
General government	41,693	925	6,548	-	119,799
Public safety	-	-	-	680	225,781
Culture and recreation	-	-	-	-	12,720
Total expenditures	<u>41,693</u>	<u>925</u>	<u>6,548</u>	<u>680</u>	<u>358,300</u>
Excess (deficiency) of revenues over expenditures	(17,893)	287,696	181,740	1,462	418,114
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	92,398
Transfers out	-	(260,000)	(151,290)	-	(451,290)
Total other financing sources (uses)	<u>-</u>	<u>(260,000)</u>	<u>(151,290)</u>	<u>-</u>	<u>(358,892)</u>
Net change in fund balances	(17,893)	27,696	30,450	1,462	59,222
Fund balances - beginning	<u>37,542</u>	<u>101,527</u>	<u>16,035</u>	<u>12,818</u>	<u>820,330</u>
Fund balances - ending	<u>\$ 19,649</u>	<u>\$ 129,223</u>	<u>\$ 46,485</u>	<u>\$ 14,280</u>	<u>\$ 879,552</u>

(concluded)

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CITY OF LOCKHART, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
 September 30, 2017

	Clearfork Detention Basin	Clearfork Section 1 Sidewalk	2009 Certificates of Obligation	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 21,620	\$ 16,355	\$ 354,406	\$ 392,381
Total assets	<u>\$ 21,620</u>	<u>\$ 16,355</u>	<u>\$ 354,406</u>	<u>\$ 392,381</u>
LIABILITIES				
Deposits	\$ 17,450	\$ 13,200	\$ -	\$ 30,650
Total liabilities	<u>17,450</u>	<u>13,200</u>	<u>-</u>	<u>30,650</u>
FUND BALANCES				
Restricted				
Various capital projects	4,170	3,155	354,406	361,731
Total fund balances	<u>4,170</u>	<u>3,155</u>	<u>354,406</u>	<u>361,731</u>
Total liabilities and fund balances	<u>\$ 21,620</u>	<u>\$ 16,355</u>	<u>\$ 354,406</u>	<u>\$ 392,381</u>

CITY OF LOCKHART, TEXAS

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

NONMAJOR CAPITAL PROJECT FUNDS

September 30, 2017

	<u>Clearfork Detention Basin</u>	<u>Clearfork Section 1 Sidewalk</u>	<u>2009 Certificates of Obligation</u>	<u>Total</u>
REVENUES				
Investment	\$ 172	\$ 130	\$ 2,823	\$ 3,125
Total revenues	<u>172</u>	<u>130</u>	<u>2,823</u>	<u>3,125</u>
EXPENDITURES				
Capital outlay	<u>-</u>	<u>-</u>	<u>74,295</u>	<u>74,295</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>74,295</u>	<u>74,295</u>
Excess (deficiency) of revenues over expenditures	172	130	(71,472)	(71,170)
Fund balances - beginning	<u>3,998</u>	<u>3,025</u>	<u>425,878</u>	<u>432,901</u>
Fund balances - ending	<u>\$ 4,170</u>	<u>\$ 3,155</u>	<u>\$ 354,406</u>	<u>\$ 361,731</u>

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, 2017

With comparative totals for the year ended September 30, 2016

	2017		Variance Positive (Negative)	2016
	Final Budget	Actual		Actual
REVENUES				
Taxes				
Ad valorem	\$ 658,181	\$ 692,161	\$ 33,980	\$ 696,861
Investment income	-	5,115	5,115	2,727
Miscellaneous	-	72,970	72,970	350,515
Total revenues	<u>658,181</u>	<u>770,246</u>	<u>112,065</u>	<u>1,050,103</u>
EXPENDITURES				
Debt service				
Principal retirement	587,160	587,160	-	855,322
Interest and fiscal charges	500,948	500,948	-	566,342
Paying agent fees and issue costs	400	1,200	(800)	151,889
Total expenditures	<u>1,088,508</u>	<u>1,089,308</u>	<u>(800)</u>	<u>1,573,553</u>
Excess (deficiency) of revenues over expenditures	(430,327)	(319,062)	111,265	(523,450)
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	4,887,402
Premium on issuance of bonds	-	-	-	593,157
Payment to escrow	-	-	-	(5,455,484)
Transfers in	374,686	326,594	(48,092)	413,545
Total other financing sources (uses)	<u>374,686</u>	<u>326,594</u>	<u>(48,092)</u>	<u>438,620</u>
Net change in fund balance	\$ <u>(55,641)</u>	7,532	\$ <u>63,173</u>	(84,830)
Fund balance at beginning of year		<u>278,089</u>		<u>362,919</u>
Fund balance at end of year		<u>\$ 285,621</u>		<u>\$ 278,089</u>

CITY OF LOCKHART, TEXAS
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
September 30, 2017

	<u>Sanitation</u>	<u>Airport</u>	<u>Total</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 468,277	\$ 93,905	\$ 562,182
Receivables (net)	<u>237,913</u>	<u>755</u>	<u>238,668</u>
Total current assets	<u>706,190</u>	<u>94,660</u>	<u>800,850</u>
Noncurrent assets			
Capital assets			
Land and other assets not being depreciated	120,409	72,161	192,570
Buildings, improvements, and equipment (net)	<u>52,165</u>	<u>1,444,810</u>	<u>1,496,975</u>
Total noncurrent assets	<u>172,574</u>	<u>1,516,971</u>	<u>1,689,545</u>
Total assets	<u>878,764</u>	<u>1,611,631</u>	<u>2,490,395</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow related to TMRS	<u>41,957</u>	<u>-</u>	<u>41,957</u>
Total deferred outflows of resources	<u>41,957</u>	<u>-</u>	<u>41,957</u>
LIABILITIES			
Current liabilities			
Accounts payable	92,518	316	92,834
Payroll related payables	4,166	-	4,166
Customer deposits	50	6,950	7,000
Unearned revenue	-	3,908	3,908
Accrued compensated absences	<u>3,855</u>	<u>-</u>	<u>3,855</u>
Total current liabilities	<u>100,589</u>	<u>11,174</u>	<u>111,763</u>
Noncurrent liabilities			
Net pension liability	<u>105,470</u>	<u>-</u>	<u>105,470</u>
Total liabilities	<u>206,059</u>	<u>11,174</u>	<u>217,233</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to TMRS	<u>343</u>	<u>-</u>	<u>343</u>
Total deferred inflows of resources	<u>343</u>	<u>-</u>	<u>343</u>
NET POSITION			
Invested in capital assets, net of related debt	172,574	1,516,971	1,689,545
Unrestricted net position	<u>541,745</u>	<u>83,486</u>	<u>625,231</u>
Total net position	<u>\$ 714,319</u>	<u>\$ 1,600,457</u>	<u>\$ 2,314,776</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, 2017

	<u>Sanitation</u>	<u>Airport</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 1,574,494	\$ 70,714	\$ 1,645,208
Miscellaneous	18,865	775	19,640
Total operating revenues	<u>1,593,359</u>	<u>71,489</u>	<u>1,664,848</u>
OPERATING EXPENSES			
Personnel services	215,073	-	215,073
Contracts and services	1,105,644	13,120	1,118,764
Materials and supplies	7,467	-	7,467
Maintenance and repairs	3,526	10,500	14,026
Depreciation	8,766	52,818	61,584
Miscellaneous	4,990	-	4,990
Total operating expenses	<u>1,345,466</u>	<u>76,438</u>	<u>1,421,904</u>
Operating income before nonoperating revenues (expenses) and transfers	247,893	(4,949)	242,944
NONOPERATING REVENUES (EXPENSES)			
Investment income	3,449	593	4,042
Net nonoperating revenues (expenses)	<u>3,449</u>	<u>593</u>	<u>4,042</u>
Income (loss) before transfers	251,342	(4,356)	246,986
Transfers out	<u>(192,552)</u>	<u>-</u>	<u>(192,552)</u>
Change in net position	58,790	(4,356)	54,434
Net position - beginning	<u>655,529</u>	<u>1,604,813</u>	<u>2,260,342</u>
Net position - ending	<u>\$ 714,319</u>	<u>\$ 1,600,457</u>	<u>\$ 2,314,776</u>

CITY OF LOCKHART, TEXAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the year ended September 30, 2017

	<u>Sanitation</u>	<u>Airport</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 1,574,883	\$ 72,380	\$ 1,647,263
Cash payments to suppliers for goods and services	(1,125,112)	(24,229)	(1,149,341)
Cash payments to employees for services	(192,038)	-	(192,038)
Net cash provided by operating activities	<u>257,733</u>	<u>48,151</u>	<u>305,884</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Customer deposits	-	75	75
Cash paid to other funds	(192,552)	-	(192,552)
Net cash provided (used) by noncapital financing activities	<u>(192,552)</u>	<u>75</u>	<u>(192,477)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition of capital assets	-	-	-
Net cash used by capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	3,449	593	4,042
Net cash provided (used) by investing activities	<u>3,449</u>	<u>593</u>	<u>4,042</u>
Net increase in cash and cash equivalents	68,630	48,819	117,449
Cash and cash equivalents at beginning of year	399,647	45,086	444,733
Cash and cash equivalents at end of year	<u>\$ 468,277</u>	<u>\$ 93,905</u>	<u>\$ 562,182</u>
RECONCILIATION OF OPERATING INCOME TO NET			
CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 247,893	\$ (4,949)	\$ 242,944
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	8,766	52,818	61,584
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(18,476)	396	(18,080)
Increase (decrease) in accounts and other payables	3,485	(609)	2,876
Increase (decrease) in payroll related liabilities	16,065	-	16,065
Increase (decrease) in unearned revenue	-	495	495
Net cash provided by operating activities	<u>\$ 257,733</u>	<u>\$ 48,151</u>	<u>\$ 305,884</u>

CITY OF LOCKHART, TEXAS
 COMBINING STATEMENT OF NET POSITION
 FIDUCIARY FUNDS
 September 30, 2017

	Private Purpose Trusts		Total
	Glosserman Trust	Brock Cabin Trust	
ASSETS			
Cash and cash equivalents	\$ 513	\$ 1,199	\$ 1,712
Total assets	<u>513</u>	<u>1,199</u>	<u>1,712</u>
LIABILITIES			
Due to others	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Held for various purposes	\$ 513	\$ 1,199	\$ 1,712

Agency Funds

<u>Confiscated Property</u>	<u>Unclaimed Property</u>	<u>Bicycle Helmet</u>	<u>Total</u>
\$ 9,444	\$ 8,458	\$ 1,063	\$ 18,965
<u>\$ 9,444</u>	<u>\$ 8,458</u>	<u>\$ 1,063</u>	<u>\$ 18,965</u>
\$ 9,444	\$ 8,458	\$ 1,063	\$ 18,965
<u>\$ 9,444</u>	<u>\$ 8,458</u>	<u>\$ 1,063</u>	<u>\$ 18,965</u>

CITY OF LOCKHART, TEXAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

PRIVATE PURPOSE TRUSTS

For the year ended September 30, 2017

	<u>Glosserman Trust</u>	<u>Brock Cabin Trust</u>	<u>Total</u>
ADDITIONS			
Investment income	\$ 4	\$ 9	\$ 13
Total additions	<u>4</u>	<u>9</u>	<u>13</u>
DEDUCTIONS			
	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	4	9	13
Net position - beginning	<u>509</u>	<u>1,190</u>	<u>1,699</u>
Net position - ending	<u>\$ 513</u>	<u>\$ 1,199</u>	<u>\$ 1,712</u>

**OVERALL COMPLIANCE AND INTERNAL CONTROL
SECTION**



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

STEPHEN W. VAN MANEN, CPA
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VOICE: (361) 573-3255
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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

Mayor and Members of Council:

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, 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, 2017, 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 12, 2018. 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of 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

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 result 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 12, 2018



CITY OF LOCKHART COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory	Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
	Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: March 20, 2018			
Department: Economic Development		Initials	Date
Department Head: Robert Tobias		Assistant City Manager	
Department Signature <i>Robert Tobias</i>		City Manager <i>[Signature]</i>	
Agenda Item Coordinator/Contact (include phone #): Robert Tobias Cell: 512-376-0856			
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER			
CAPTION			
DISCUSSION AND/OR ACTION REGARDING THE APPOINTMENT OF AN ELECTED CITY COUNCIL OFFICIAL TO SERVE ON THE THREE-MEMBER EVALUATION COMMITTEE THAT WILL DETERMINE WHICH OF THE PRE-APPROVED TEXAS CAPITAL FUND GRANT ADMINISTRATORS ARE SOLICITED AND EVALUATED FOR ANY TEXAS CAPITAL FUND GRANT APPLICATIONS FILED AND FUNDED FOR FISCAL YEAR 2017-2018			
FINANCIAL SUMMARY			
<input type="checkbox"/> N/A <input checked="" type="checkbox"/> GRANT FUNDS	<input type="checkbox"/> OPERATING EXPENSE	<input type="checkbox"/> REVENUE <input type="checkbox"/> CIP	<input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS
Budget			TOTALS
			\$0.00
Budget Amendment Amount			\$0.00
Encumbered/Expended Amount			\$0.00
This Item			\$0.00
BALANCE	\$0.00	\$0.00	\$0.00
FUND(S): Grant administrator paid out of Texas Capital Fund grant proceeds.			
SUMMARY OF ITEM			
<p>The Texas Department of Agriculture requires applicants pursuing Texas Capital Fund grants to appoint three persons to a committee to complete the Phase II selection process. One of the three must be an elected official. The three-member committee will determine which of the pre-approved Texas Capital Fund grant administrators are solicited and evaluated for the City's consideration to administer future Texas Capital Fund applications. The City Manager and LEDC President has appointed the other two members to be the Chair of the Lockhart Economic Development Corporation and the Director of Economic Development.</p>			
STAFF RECOMMENDATION			
<p>Staff respectfully recommends appointment of a City Council member to be appointed to participate in this process for fiscal year 2017-2018.</p>			
List of Supporting Documents: <ul style="list-style-type: none"> • Texas Department of Agriculture guidelines for choosing pre-qualified grant administrator 		Other Departments, Boards, Commissions or Agencies:	



Community follows streamlined process for the procurement of Grant Administrator

1. Identify evaluation team and review approved vendor applications
2. Select firms to consider further
3. Complete Phase 2 Solicitation – Request for Project Specific Proposal
4. Receive and review the proposals
5. Select a Grant Administrator using local procedures to award the contract
6. Work with Grant Administrator to prepare the application

Good morning, my name is Barbara Chandler. I am a program compliance monitor and the procurement specialist for the TxCDBG program.

I would like to start by briefly reviewing the six steps in Phase 2 that the applicant community will need to complete for the procurement of a grant administrator .

Step 1: Identify an evaluation team or committee

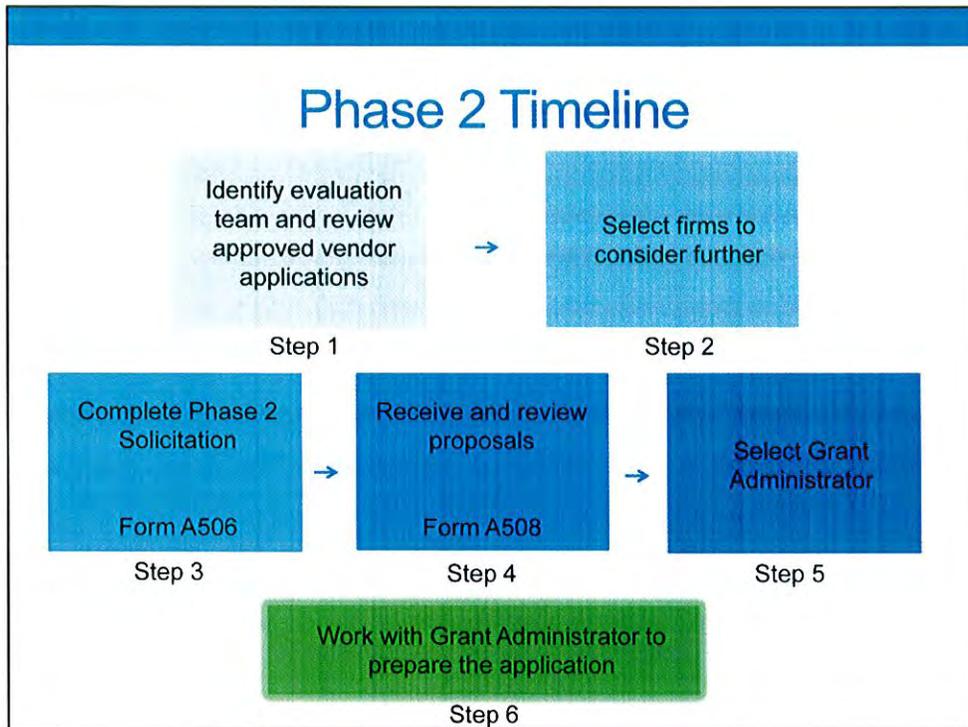
Step 2: The committee will select firms to consider for solicitation

Step 3: Complete Phase 2 Solicitation – Request for Project Specific Proposal

Step 4: The committee will then review and evaluate the proposals submitted

Step 5: Using local procedures, the applicant community will award the contract(s) to a Grant Administrator

Then, last Step 6: The community works with the selected Grant Administrator to prepare an application.



This flowchart depicts the six steps mentioned in the previous slides.

You may note that Steps 3 & 4 include the corresponding Forms that are associated with those procedures; we'll go into greater detail in the upcoming slides.

Step 2 – Select firms to consider further

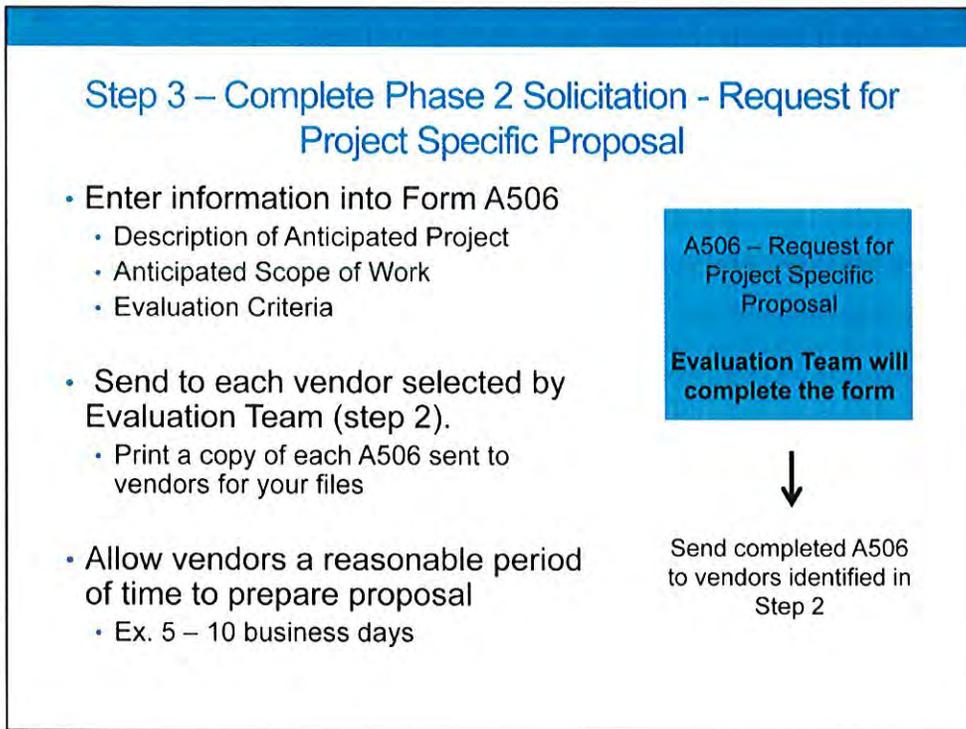
- Evaluation Team must select at least three vendors from the Pre-Qualified List to consider further
- One or more of the vendors selected for further consideration must qualify under at least one of these categories:
 - Minority-owned Business (MBE)
 - Woman-owned Business (WBE)
 - Small Business Enterprise (SBE)
 - Section 3 Business (S3)

Based on the qualifications reviewed by the evaluation team, at least three vendors must be selected from the “pre-qualified list” for solicitation. The committee may choose (and is highly encouraged) to consider as many vendors as it wishes.

Please keep in mind that one or more of the vendors selected for solicitation must qualify as:

- Minority Owned (MBE)
- Woman-Owned (WBE)
- Small-Business Enterprises (SBE)
- Section 3 Businesses

These self-identified categories are included in the pre-qualified list on our website.



Next, communities will complete the A506 Form which is the “Request for Project-Specific Proposal” from the vendors identified in Step 2.

The completed A506 form will be sent to each vendor for their response. Please ensure that you allow vendors a reasonable period of time to prepare and submit the proposal, such as 5-10 business days.

Be sure to print a copy of each form and retain for recordkeeping purposes as you must document proof that Form A506 was sent to firms. Please keep in mind that all documents involved in the procurement process are essential in providing verifiable sources during the monitoring review.



**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input type="checkbox"/> Yes <input type="checkbox"/> Not Applicable	
		Reviewed by Legal	<input type="checkbox"/> Yes <input type="checkbox"/> Not Applicable	
Council Meeting Date: March 20, 2018				
Department: City Manager		Initials	Date	
Department Head: Vance Rodgers	Asst. City Manager			
Dept. Signature: <i>Vance Rodgers</i>	City Manager	<i>VR</i>	<i>3-16-18</i>	
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers, 376-8149				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action to consider naming an individual as the City of Lockhart's nominee to fill a vacant position to the Board of Directors of the Caldwell County Appraisal District (CCAD).				
FINANCIAL SUMMARY				
XN/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S):				
SUMMARY OF ITEM				
On March 2, 2018, the City of Lockhart received notice dated Feb 27, 2018 informing the City that a vacancy exists on the CCAD Board of Directors. The deadline to submit the Resolution with a nomination to the CCAD is April 13, 2018 (45 days after the date of the CCAD's notification). A list of current CCAD Board members is attached. Thomas Caffell is the Board member that resigned. If the Council chooses to make a nomination of an individual to fill the vacancy, a name will be voted on during the March 20 or April 3 Council meeting. If the name is voted on during the April 3 council meeting, a Resolution will also be presented to which the City of Lockhart's nominee will be added. The Resolution will thereafter be sent to the CCAD.				
STAFF RECOMMENDATION				
None.				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies:		
<ul style="list-style-type: none"> • CCAD Notice of Vacancy 		Caldwell County Appraisal District		

Caldwell County Appraisal District

DATE: February 27, 2018
TO: Taxing Unit Presiding Officers
FROM: Miguel Islas, Chairman, Board of Directors

Thomas Caffell

RE: Vacancy on Caldwell County Appraisal District Board of Directors

Dear Public Officials:

Pursuant to section 6.03(1) of the Texas Tax Code, please be advised that a vacancy exists on the Board of Directors of the Caldwell County Appraisal District. According to that section, you may nominate a candidate by resolution to fill the vacancy. Section 6.03(1) provides that the deadline to submit the name of your candidate to the chief appraiser of the Caldwell County Appraisal District is 45 days after this notification.

If your entity wishes to make a nomination, please provide a copy of the nominating resolution from your governing body approving that candidate.

Sincerely,



Miguel Islas
Chairman, Board of Directors

Encl: Board Resolution
Copy Property Tax Code §6.03

RECEIVED
CITY OF LOCKHART

MAR 02 2018

RCVD. BY: _____
TIME RECVD: _____



211 Bufkin Ln
P.O. Box 900
Lockhart, Texas 78644
United States

PHONE (512) 398-5550
FAX (512) 398-5551
E-MAIL general@caldwellcad.org
WEB SITE www.caldwellcad.org

179

STATE OF TEXAS

COUNTY OF CALDWELL

**RESOLUTION TO NOTIFY TAXING UNITS OF VACANCY
ON BOARD OF DIRECTORS**

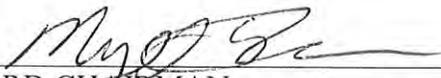
WHEREAS, one (1) vacancy has occurred on the Caldwell County Appraisal District Board of Directors; and

WHEREAS, §6.03(l) of the Texas Tax Code provides for notification by the Board of Directors to each taxing unit that is entitled to vote for director of the vacancy; and

WHEREAS, §6.03 of the Code provides that each eligible taxing unit may nominate by resolution adopted by its governing body a candidate to fill the vacancy, and such taxing unit shall submit its nominee to the chief appraiser within 45 days of notification by the Board of Directors;

NOW THEREFORE, be it resolved that each taxing unit entitled to vote as provided by §6.03 of the Texas Tax Code shall be sent notice that there exists a vacancy on the Caldwell County Appraisal District Board of Directors.

Adopted by a majority vote this 27th day of February, 2018.



BOARD CHAIRMAN



BOARD SECRETARY

NOTES TO DECISIONS

Analysis

Energy & Utilities Law

- Oil, Gas & Mineral Interests
 - General Overview

Evidence

- Procedural Considerations
 - Burdens of Proof
 - General Overview

Tax Law

- State & Local Taxes
 - Real Property Tax
 - General Overview

ENERGY & UTILITIES LAW**Oil, Gas & Mineral Interests**

General Overview. — Where a mineral lease crossed county lines, a county appraisal district incorrectly valued the minerals for purposes of ad valorem taxation by calculating the percentage of surface acres in the county and applying that percentage to the mineral interest; its burden under Tex. Tax Code Ann. § 21.01 to prove the situs of the taxable property allowed it to tax only minerals actually in the county, in accordance with the provisions of Tex. Const. art. VIII, § 11 and Tex. Const. art. VIII, § 20 for property to be assessed at fair market value in the county where situated, and of Tex. Tax Code Ann. § 6.01(a), (b) and Tex. Tax Code Ann. § 6.02(a) for an appraisal district in each county. *Devon Energy Prod., L.P. v. Hockley County Appraisal Dist.*, 178 S.W.3d 879, 2005 Tex. App. LEXIS 9177 (Tex. App. Amarillo Nov. 3, 2005), pet. denied No. 06-0137, 2006 Tex. LEXIS 1080 (Tex. Oct. 27, 2006).

EVIDENCE**Procedural Considerations****Burdens of Proof**

General Overview. — Where a mineral lease crossed

county lines, a county appraisal district incorrectly valued the minerals for purposes of ad valorem taxation by calculating the percentage of surface acres in the county and applying that percentage to the mineral interest; its burden under Tex. Tax Code Ann. § 21.01 to prove the situs of the taxable property allowed it to tax only minerals actually in the county, in accordance with the provisions of Tex. Const. art. VIII, § 11 and Tex. Const. art. VIII, § 20 for property to be assessed at fair market value in the county where situated, and of Tex. Tax Code Ann. § 6.01(a), (b) and Tex. Tax Code Ann. § 6.02(a) for an appraisal district in each county. *Devon Energy Prod., L.P. v. Hockley County Appraisal Dist.*, 178 S.W.3d 879, 2005 Tex. App. LEXIS 9177 (Tex. App. Amarillo Nov. 3, 2005), pet. denied No. 06-0137, 2006 Tex. LEXIS 1080 (Tex. Oct. 27, 2006).

TAX LAW**State & Local Taxes****Real Property Tax**

General Overview. — Where a mineral lease crossed county lines, a county appraisal district incorrectly valued the minerals for purposes of ad valorem taxation by calculating the percentage of surface acres in the county and applying that percentage to the mineral interest; its burden under Tex. Tax Code Ann. § 21.01 to prove the situs of the taxable property allowed it to tax only minerals actually in the county, in accordance with the provisions of Tex. Const. art. VIII, § 11 and Tex. Const. art. VIII, § 20 for property to be assessed at fair market value in the county where situated, and of Tex. Tax Code Ann. § 6.01(a), (b) and Tex. Tax Code Ann. § 6.02(a) for an appraisal district in each county. *Devon Energy Prod., L.P. v. Hockley County Appraisal Dist.*, 178 S.W.3d 879, 2005 Tex. App. LEXIS 9177 (Tex. App. Amarillo Nov. 3, 2005), pet. denied No. 06-0137, 2006 Tex. LEXIS 1080 (Tex. Oct. 27, 2006).

OPINIONS OF ATTORNEY GENERAL

Analysis

Jurisdiction.
Savings Clause.

Jurisdiction.

Despite the enactment of House Bill 1010 by the Eightieth Legislature, an appraisal district operating in overlapping territory by operation of Tex. Tax Code Ann. § 6.02(b) retains authority to hear and determine pending corrective motions and taxpayer protests concerning property in that territory that relate to the 2007, or prior, tax year. *Tex. Op. Att'y Gen. GA-0631* (2008).

Sec. 6.025. Overlapping Appraisal Districts; Joint Procedures [Repealed].

Repealed by Acts 2007, 80th Leg., ch. 648 (H.B. 1010), § 5(3), effective January 1, 2008.

HISTORY: Enacted by Acts 1995, 74th Leg., ch. 186 (H.B. 623), § 1, effective January 1, 1996; am. Acts 1997, 75th Leg., ch. 1357 (H.B. 670), § 1, effective January 1, 1998; am. Acts 1999, 76th Leg., ch. 250 (H.B. 1037), § 1, 2, effective January 1, 2000; am. Acts 2003, 78th Leg., ch. 455 (H.B. 703), § 1, effective January 1, 2004; am. Acts 2003, 78th Leg., ch. 1041 (H.B. 1082), § 1, effective January 1, 2004.

OPINIONS OF ATTORNEY GENERAL

Overlapping Districts.

With respect to property lying in overlapping appraisal districts, section 6.025(d) of the Tax Code requires the chief appraiser of each of the overlapping districts to enter in the

appraisal records the lowest values, appraised and market, listed by any of the overlapping districts. *Tex. Op. Att'y Gen. GA-0283* (2004).

Sec. 6.03. Board of Directors.

(a) The appraisal district is governed by a board of directors. Five directors are appointed by the taxing units that participate in the district as provided by this section. If the county assessor-collector is not appointed to the board, the county assessor-collector serves as a nonvoting director. The county assessor-collector is ineligible to serve if the board

enters into a contract under Section 6.05(b) or if the commissioners court of the county enters into a contract under Section 6.24(b). To be eligible to serve on the board of directors, an individual other than a county assessor-collector serving as a nonvoting director must be a resident of the district and must have resided in the district for at least two years immediately preceding the date the individual takes office. An individual who is otherwise eligible to serve on the board is not ineligible because of membership on the governing body of a taxing unit. An employee of a taxing unit that participates in the district is not eligible to serve on the board unless the individual is also a member of the governing body or an elected official of a taxing unit that participates in the district.

(b) Members of the board of directors other than a county assessor-collector serving as a nonvoting director serve two-year terms beginning on January 1 of even-numbered years.

(c) Members of the board of directors other than a county assessor-collector serving as a nonvoting director are appointed by vote of the governing bodies of the incorporated cities and towns, the school districts, the junior college districts, and, if entitled to vote, the conservation and reclamation districts that participate in the district and of the county. A governing body may cast all its votes for one candidate or distribute them among candidates for any number of directorships. Conservation and reclamation districts are not entitled to vote unless at least one conservation and reclamation district in the district delivers to the chief appraiser a written request to nominate and vote on the board of directors by June 1 of each odd-numbered year. On receipt of a request, the chief appraiser shall certify a list by June 15 of all eligible conservation and reclamation districts that are imposing taxes and that participate in the district.

(d) The voting entitlement of a taxing unit that is entitled to vote for directors is determined by dividing the total dollar amount of property taxes imposed in the district by the taxing unit for the preceding tax year by the sum of the total dollar amount of property taxes imposed in the district for that year by each taxing unit that is entitled to vote, by multiplying the quotient by 1,000, and by rounding the product to the nearest whole number. That number is multiplied by the number of directorships to be filled. A taxing unit participating in two or more districts is entitled to vote in each district in which it participates, but only the taxes imposed in a district are used to calculate voting entitlement in that district.

(e) The chief appraiser shall calculate the number of votes to which each taxing unit other than a conservation and reclamation district is entitled and shall deliver written notice to each of those units of its voting entitlement before October 1 of each odd-numbered year. The chief appraiser shall deliver the notice:

(1) to the county judge and each commissioner of the county served by the appraisal district;

(2) to the presiding officer of the governing body of each city or town participating in the appraisal district, to the city manager of each city or town having a city manager, and to the city secretary or clerk, if there is one, of each city or town that does not have a city manager;

(3) to the presiding officer of the governing body of each school district participating in the district and to the superintendent of those school districts; and

(4) to the presiding officer of the governing body of each junior college district participating in the district and to the president, chancellor, or other chief executive officer of those junior college districts.

(f) The chief appraiser shall calculate the number of votes to which each conservation and reclamation district entitled to vote for district directors is entitled and shall deliver written notice to the presiding officer of each conservation and reclamation district of its voting entitlement and right to nominate a person to serve as a director of the district before July 1 of each odd-numbered year.

(g) Each taxing unit other than a conservation and reclamation district that is entitled to vote may nominate by resolution adopted by its governing body one candidate for each position to be filled on the board of directors. The presiding officer of the governing body of the unit shall submit the names of the unit's nominees to the chief appraiser before October 15.

(h) Each conservation and reclamation district entitled to vote may nominate by resolution adopted by its governing body one candidate for the district's board of directors. The presiding officer of the conservation and reclamation district's governing body shall submit the name of the district's nominee to the chief appraiser before July 15 of each odd-numbered year. Before August 1, the chief appraiser shall prepare a nominating ballot, listing all the nominees of conservation and reclamation districts alphabetically by surname, and shall deliver a copy of the nominating ballot to the presiding officer of the board of directors of each district. The board of directors of each district shall determine its vote by resolution and submit it to the chief appraiser before August 15. The nominee on the ballot with the most votes is the nominee of the conservation and reclamation districts in the appraisal district if the nominee received more than 10 percent of the votes entitled to be cast by all of the conservation and reclamation districts in the appraisal district, and shall be named on the ballot with the candidates nominated by the other taxing units. The chief appraiser shall resolve a tie vote by any method of chance.

(i) If no nominee of the conservation and reclamation districts receives more than 10 percent of the votes entitled to be cast under Subsection (h), the chief appraiser, before September 1, shall notify the presiding officer of the board of directors of each conservation and reclamation district of the failure to select a nominee. Each conservation and reclamation district may submit a nominee by September 15 to the chief appraiser as provided by Subsection (h). The chief appraiser shall submit a second nominating ballot by October 1 to the conservation and reclamation districts as provided by Subsection (h). The conservation and reclamation districts shall submit their votes for nomination before October 15 as provided by Subsection (h). The nominee on the second nominating ballot with the most votes is the nominee of the conservation and reclamation districts in the appraisal district and shall be named on the ballot with the candidates nominated by the other taxing units. The chief appraiser shall resolve a tie vote by any method of chance.

(j) Before October 30, the chief appraiser shall prepare a ballot, listing the candidates whose names were timely submitted under Subsections (g) and, if applicable, (h) or (i) alphabetically according to the first letter in each candidate's surname, and shall deliver a copy of the ballot to the presiding officer of the governing body of each taxing unit that is entitled to vote.

(k) The governing body of each taxing unit entitled to vote shall determine its vote by resolution and submit it to the chief appraiser before December 15. The chief appraiser shall count the votes, declare the five candidates who receive the largest cumulative vote totals elected, and submit the results before December 31 to the governing body of each taxing unit in the district and to the candidates. For purposes of determining the number of votes received by the candidates, the candidate receiving the most votes of the conservation and reclamation districts is considered to have received all of the votes cast by conservation and reclamation districts and the other candidates are considered not to have received any votes of the conservation and reclamation districts. The chief appraiser shall resolve a tie vote by any method of chance.

(l) If a vacancy occurs on the board of directors other than a vacancy in the position held by a county assessor-collector serving as a nonvoting director, each taxing unit that is entitled to vote by this section may nominate by resolution adopted by its governing body a candidate to fill the vacancy. The unit shall submit the name of its nominee to the chief appraiser within 45 days after notification from the board of directors of the existence of the vacancy, and the chief appraiser shall prepare and deliver to the board of directors within the next five days a list of the nominees. The board of directors shall elect by majority vote of its members one of the nominees to fill the vacancy.

(m) [Repealed by Acts 2007, 80th Leg., ch. 648 (H.B. 1010), § 5(4), effective January 1, 2008.]

HISTORY: Enacted by Acts 1979, 66th Leg., ch. 841 (S.B. 621), § 1; am. Acts 1981, 67th Leg., 1st C.S., ch. 13 (H.B. 30), §§ 15, 167(a), effective January 1, 1982; am. Acts 1987, 70th Leg., ch. 59 (S.B. 469), § 1, effective September 1, 1987; am. Acts 1987, 70th Leg., ch. 270 (H.B. 268), § 1, effective August 31, 1987; am. Acts 1989, 71st Leg., ch. 1123 (H.B. 2301), § 2, effective January 1, 1990; am. Acts 1991, 72nd Leg., ch. 20 (S.B. 351), § 15, effective August 26, 1991; am. Acts 1991, 72nd Leg., ch. 371 (H.B. 864), § 1, effective September 1, 1991; am. Acts 1993, 73rd Leg., ch. 347 (S.B. 7), § 4.06, effective May 31, 1993; am. Acts 1997, 75th Leg., ch. 165 (S.B. 898), § 6.73, effective September 1, 1997; am. Acts 1997, 75th Leg., ch. 1039, § 2, effective January 1, 1998; am. Acts 1999, 76th Leg., ch. 705 (H.B. 834), § 1, effective January 1, 2000; am. Acts 2003, 78th Leg., ch. 629 (H.B. 2043), effective June 20, 2003; am. Acts 2007, 80th Leg., ch. 648 (H.B. 1010), § 5(4), effective January 1, 2008; am. Acts 2013, 83rd Leg., ch. 1161 (S.B. 359), § 1, effective June 14, 2013.

NOTES TO DECISIONS

Analysis

Constitutional Law

- Equal Protection
 - Scope of Protection
- Governments
 - Local Governments
 - Finance

Tax Law

- State & Local Taxes
 - Personal Property Tax
 - General Overview
 - Real Property Tax
 - Assessment & Valuation
 - General Overview

CONSTITUTIONAL LAW

Equal Protection

Scope of Protection. — Judgment that denied a municipal utility district's request to declare Tex. Tax Code Ann. § 6.03(c), (d), (f), (h), (i) unconstitutional was affirmed because a political subdivision did not have any equal protection rights; equal protection rights were vested in persons. *Colony Municipal Utility Dist. v. Appraisal Dist. of Denton County*, 626 S.W.2d 930, 1982 Tex. App. LEXIS 3784 (Tex. App. Fort Worth Jan. 13, 1982, writ ref'd n.r.e.).

GOVERNMENTS

Local Governments

Finance. — Appraisal districts were created by statute and constituted political subdivisions of the State and constituted entities independent from the cities and counties within their borders; the McLennan County Appraisal District was neither a city nor a county for purposes of the constitutional provision. *Hoppenstein Props. v. McLennan County Appraisal Dist.*, No. 07-13-00035-CV, 2014 Tex. App. LEXIS 5413 (Tex. App. Amarillo May 20, 2014), pet. denied No. 14-0597, 2014 Tex. LEXIS 835 (Tex. Oct. 3, 2014).

TAX LAW

State & Local Taxes

Personal Property Tax

General Overview. — Court affirmed judgment dismissing the appeal of a property valuation protest for want of jurisdiction because under Tex. Tax Code Ann. §§ 6.01 and 6.03, taxpayer gave notice of appeal to the wrong entity. *Ganassi v. Fort Bend Cty. Appraisal Dist.*, 1987 Tex. App. LEXIS 6792 (Tex. App. Houston 1st Dist. Mar. 26, 1987).

Three-fourths of county taxing units was not authorized by Tex. Tax Code Ann. § 6.03 to change method of selecting board of director members for local tax appraisal district because state legislature provided a clear formula concerning voting entitlement. *Huffman v. Arlington*, 619 S.W.2d 425, 1981 Tex. App. LEXIS 3815 (Tex. Civ. App. Fort Worth June 18, 1981, writ ref'd n.r.e.).

REAL PROPERTY TAX

Assessment & Valuation

General Overview. — Appraisal districts were created by statute and constituted political subdivisions of the State and constituted entities independent from the cities and counties within their borders; the McLennan County Appraisal District was neither a city nor a county for purposes of the constitutional provision. *Hoppenstein Props. v. McLennan County Appraisal Dist.*, No. 07-13-00035-CV, 2014 Tex. App. LEXIS 5413 (Tex. App. Amarillo May 20, 2014), pet. denied No. 14-0597, 2014 Tex. LEXIS 835 (Tex. Oct. 3, 2014).

Provisions of Tex. Tax Code Ann. §§ 6.01, 6.03, 23.01, 25.21 expressly provide the necessary authority for an appraisal review board to ensure that the mineral interests of a county are appraised based on market value, unreduced by fraud, and for local taxing units to bring a challenge, if necessary, to insist that the appraisal review board do so. Therefore, the court issued a writ of mandamus directing a district court to vacate its order denying pleas to jurisdiction and to dismiss an action brought by local taxing units alleging that certain companies owning oil properties in the county committed fraud and conspiracy with respect to the valuation of the oil properties for ad valorem tax



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Dates: March 20, 2018				
Department: City Manager			Initials	Date
Department Head: Vance Rodgers		Asst. City Manager		
Dept. Signature: <i>Vance Rodgers</i>		City Manager		<i>WR</i>
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding Council FY 18-19 Goals sorted by time frame and scores				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S):				
SUMMARY OF ITEM				
Requested by Council				
STAFF RECOMMENDATION				
N/A				
List of Supporting Documents: FY 18-19 Goals sorted by time frame and score			Other Departments, Boards, Commissions or Agencies:	

FY 18-19 CITY COUNCIL GOALS BY SCORE AND TIME FRAME

Goals By Category	COUNCILMEMBER						SCORE	Time Frame
	LW	AGS	JUAN M	KM	CASTILLO	JEFF M		
Economic development	5	2	4	5	4		20	On going
Streets		3			5		13	On going
Police	1	1	3		3	1	9	On going
Employee raises		4	5				9	On going
Code Enforcement							3	On going
St. Paul Church Property							2	On going
Affordable Housing					1		1	On going
Employee Wellness Program							0	On going
Signage, wayfinding	3					4	11	New
Public relations person	4			2		5	11	New
Fire Station				3		3	6	New
City Facilities			2		2	2	6	New
Hire New City Mgr		5					5	New
Adams gym				4			4	New
Parks	2		1				3	New
WIFI downtown				1			1	New
Angled Parking Downtown							1	New
Priority number weighted factor: #1 = 5, #2=4, #3=3, #4=2, #5=1, #6=0								

FY 18-19 CITY COUNCIL GOALS BY CATEGORY									
Goals By Category	COUNCILMEMBER						SCORE		
	LW	AGS	JUAN M	KM	CASTILLO	JEFF M		BW	
Economic development	5	2	4	5	4			20	
Streets		3				5	5	13	
Signage, wayfinding	3						4	11	
Public relations person	4			2		5		11	
Police	1	1	3		3	1		9	
Employee raises		4	5					9	
Fire Station				3		3		6	
City Facilities			2		2	2		6	
Hire New City Mgr		5						5	
Adams gym				4				4	
Parks	2		1					3	
Code Enforcement							3	3	
St. Paul Church Property							2	2	
WIFI downtown				1				1	
Angled Parking Downtown							1	1	
Affordable Housing					1			1	
Employee Wellness Program								0	
Priority number weighted factor: #1 = 5, #2=4, #3=3, #4=2, #5=1, #6=0									

LIST OF BOARD/COMMISSION VACANCIES

Updated: March 12, 2018

Board Name	Reappointments/Vacancies	Council member
Board of Adjustment	Nic Irwin moved to Lockhart Economic Development Corp.	Any Councilmember

APPLICATIONS RECEIVED TO BE ON A BOARD/COMMISSION

APPLICANT	BOARD REQUESTED	DATE RECEIVED	RESIDENCE DISTRICT
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NO APPLICATIONS AT THIS TIME

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<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>NOTES: AIRPORT ADVISORY BOARD</p>	<p>Sec. 4-26. Membership; appointments. 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>Sec. 4-28. Eligibility for board membership. 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>Sec. 4-32. Limitations of authority. 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>NOTES: CONSTRUCTION BOARD APPOINTMENTS</p>	<p><i>Section B101.4, 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 B101.2, 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>NOTES: ELECTRIC BOARD APPOINTMENTS</p>	<p>Sec. 12-132. Members. (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>Sec. 12-133. Officers and quorum. 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>NOTES: HISTORIC PRESERVATION COMMISSION</p>	<p>Sec. 28-3. Historical preservation commission. (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>NOTES: PARKS ADVISORY BOARD</p>	<p>Sec. 40-133. Members. (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 filed 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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Sec. 2-209. - Rules for appointment.

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.
- (6) 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.

Section 2-210. Method of selection; number of members; terms.

- (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.

Sec. 2-212. Removal and resignation of members.

- (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.

NOTES:
ORDINANCE
RE: ALL
BOARD,
COMMISSION
APPOINTMENTS

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<p>NOTES: 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"> • Councilmembers • City staff • Two Parks Advisory Board members • Business owners • Civic Organization members <p>Committee will assist Burditt Consultants to perform tasks outlined in the Parks Master Plan.</p>
<p>NOTES: 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>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>

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COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS

Councilmember	Board/Commission	Appointee	Date Appointed
Mayor – Lew White	Airport Board	John Hinnekamp	12/19/17
	Board of Adjustment	Mike Annas	12/19/17
	Construction Board	Ralph Gerald	12/19/17
	Ec Dev. Revolving Loan	Barbara Gilmer	12/19/17
	Ec Dev. Corp. ½ Cent Sales Tax	Alan Fielder, Vice-Chair	12/19/17
	Electric Board	Joe Colley, Chair	12/19/17
	Historical Preservation	John Lairsen	12/19/17
	Library Board	Stephanie Riggins	12/19/17
	Parks and Recreation	Albert Villalpando, Chair	12/19/17
	Planning & Zoning	Paul Rodriguez	12/19/17
	ETJ Rep-Impact Fee Adv Comm	Larry Metzler	12/19/17
	District 1 – Juan Mendoza	Airport Board	Larry Burrier
Board of Adjustment		Lori Rangel	03/07/17
Construction Board		Mike Votee	03/07/17
Eco Dev. Revolving Loan		Ryan Lozano	03/07/17
Eco Dev. Corp, ½ Cent Sales Tax		Dyral Thomas	03/07/17
Electric Board		Thomas Herrera	03/07/17
Historical Preservation		Victor Corpus	03/07/17
Library Board		Shirley Williams	03/07/17
Parks and Recreation		Linda Thompson-Bennett	03/07/17
Planning & Zoning	Marcos Villalobos	03/07/17	
District 2– John Castillo	Airport Board	Reed Coats	03/07/17
	Board of Adjustment	Juan Juarez	03/07/17
	Construction Board	Israel Zapien	03/07/17
	EcoDev. Revolving Loan	Rudy Ruiz	03/07/17
	Eco Dev. Corp. ½ Cent Sales Tax	Fermin Islas, Chair	03/07/17
	Electric Board	James Briceno	03/07/17
	Historical Preservation	Ron Faulstich	03/07/17
	Library Board	Donnie Wilson	03/07/17
	Parks and Recreation	James Torres	03/07/17
		Rob Ortiz, Alternate	03/07/17
	Planning & Zoning	Manuel Oliva	03/07/17

COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS

District 3 – Kara McGregor	Airport Board Board of Adjustment Construction Board Eco Dev. Revolving Loan 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 Lew White, Chair Nic Irwin Thomas Stephens Ronda Reagan Jean Clark Fox, Chair Warren Burnett Philip McBride, Chair	02/06/18 12/19/17 12/05/17 01/02/18 12/19/17 12/05/17 12/19/17 12/19/17 12/19/17 12/05/17 12/19/17
District 4 - Jeffry Michelson	Airport Board Board of Adjustment Construction Board Eco Dev. Revolving Loan 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 Frank Coggins Morris Alexander Ian Stowe Kathy McCormick Donaly Brice Russell Wheeler Mary Beth Nickel	03/07/17 12/05/17 12/05/17 12/05/17 12/05/17 03/06/18 12/05/17 12/05/17 12/05/17 12/05/17
Mayor Pro-Tem (At-Large) – Angie Gonzales-Sanchez	Airport Board Board of Adjustment Construction Board Eco Dev. Revolving Loan Eco Dev. Corp. ½ Cent Sales Tax Historical Preservation Library Board Parks and Recreation Planning & Zoning	Andrew Reyes Laura Cline, Chair Paul Martinez Irene Yanez Alfredo Munoz Juan Alvarez, Jr. Jodi King Chris Schexnayder Philip Ruiz, Vice-Chair	03/07/17 03/07/17 03/07/17 03/07/17 06/06/17 03/07/17 03/07/17 03/07/17 03/07/17

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COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS

At-Large - Brad Westmoreland	Airport Board Board of Adjustment Construction Board (Alternate) Eco Dev. Revolving Loan Eco Dev. Corp. ½ Cent Sales Tax Historical Preservation Library Board Parks and Recreation Planning & Zoning	Jayson “Tex” Cordova Severo Castillo Gary Shafer Edward Strayer Frank Estrada Richard Thomson Rebecca Lockhart Dennis Placke Christina Black	03/07/17 03/07/17 03/07/17 03/07/17 03/07/17 11/21/17 03/07/17 03/07/17 03/07/17
	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

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COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS

	Church Property Ad-hoc Committee (7 members)	Amelia Smith Jackie Westmoreland Todd Blomerth Andy Govea Terry Black Jane Brown Raymond DeLeon Dyrall Thomas	09/05/17 – Westmoreland 09/05/17 – Westmoreland 09/05/17 – Mayor White 09/1917 – Sanchez 12/19/17 – McGregor 09/19/17 – Michelson 09/20/17 – Castillo 09/22/17 – Mendoza
	Wayfinding Signage and Community Branding Ad-Hoc Committee (5 members)	Kara McGregor Roy Watson Chris St. Leger Taylor Burge Christie Pruitt–Lockhart Chamber Laura Rivera-Hispanic Chamber Vanessa Fischer Kate Collins Katie Westmoreland Mills	01/02/2018 01/02/2018 01/02/2018 02/06/2018 02/08/2018 02/09/2018 02/09/2018 (ex-officio) 02/06/2018 (ex-officio) 02/06/2018 (ex-officio)

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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 properties		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 9/30/15

Description		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTAL DEBT
General Government																						
Hotel Tax Fund																						
2009 Tax & Revenue		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000								520,000
Total Hotel Tax Fund P & I		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000								520,000
LEDC																						
2008 GO Refunding		300,000																				300,000
2015 Tax & Revenue		37,357	48,093	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	1,182,139
Total LEDC Fund P & I		337,357	48,093	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	1,482,139
2015 Capital Projects Fund																						
2015 Tax & Revenue		122,620																				122,620
Total 2015 Capital Projects Fund		122,620	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	122,620
Drainage																						
2008 GO Refunding	31.00%	100,000																				100,000
2015 Tax & Revenue		100,000	116,289	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	2,016,289
Total Drainage Fund P & I		200,000	116,289	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	2,116,289
General Fund																						
2008 GO Refunding		91,210																				91,210
2015 Tax & Revenue		-																				-
Total General Fund P & I		91,210	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	91,210
Debt Service Fund																						
2009 Tax & Rev CO's	100.00%	333,210	331,060	328,972	327,883	336,575	329,615	737,655	742,642	741,325	743,920	750,210	749,978	753,440								7,206,485
2006 Tax & Rev CO's	100.00%	50,455	48,815	47,175	50,535	48,690	46,845															292,515
2006-A Tax & Rev CO's	93.00%	266,916	267,594	267,890	267,803	267,332	271,128															1,608,664
2015 Tax & Revenue	12.00%	91,487	117,779	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	2,895,035
Total Debt Service Fund P & I		742,068	765,248	761,816	763,880	770,400	765,511	893,522	898,569	896,868	899,535	905,855	905,839	909,409	160,769	160,517	160,592	160,365	160,602	160,502	160,831	12,002,699
Total General Government		1,533,255	969,630	949,909	951,924	958,503	953,663	1,097,167	1,102,239	1,100,381	1,103,078	1,109,410	1,109,482	1,113,096	326,416	326,061	326,167	325,847	326,181	326,040	326,507	16,334,957

City of Lockhart
Future Debt Payments as of 9/30/15

Description		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTAL DEBT	
Proprietary																							
Electric Fund																							
2008 GO Refunding	3.59%	40,379																				40,379	
2013 SIB Loan	30.81%	71,151	71,151	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				1,280,721
Total Electric Fund P & I		111,530	71,151	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	-	-		1,321,100
Water Fund																							
2006A Tax & Rev CO's	7.00%	20,090	20,142	20,164	20,157	20,122	20,408																121,082
2008 GO Refunding	36.38%	409,192																					409,192
2009 GO Refunding	86.69%	165,829	165,775	165,656	165,477	169,357	168,625	167,709	170,852	169,384	171,937	174,082	171,534	177,194									2,203,410
2015 Tax & Revenue	49.60%	378,148	486,818	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		11,966,146
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				1,488,169
Total Water Fund P & I		1,055,935	755,411	755,314	754,632	759,071	759,122	894,633	898,024	894,969	897,820	900,089	898,433	904,540	747,186	746,144	746,454	745,518	746,498	663,406	664,800		16,187,999
Sewer Fund																							
2008 GO Refunding	16.36%	183,990																					183,990
2009 GO Refunding	13.31%	25,461	25,452	25,434	25,407	26,002	25,890	25,749	26,232	26,006	26,398	26,728	26,336	27,206									338,302
2015 Tax & Revenue	4.30%	32,783	42,204	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		1,037,388
2015 Tax & Revenue	TRNSF		170,305	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		4,905,677
2013 SIB Loan	33.39%	77,102	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	77,103	77,102	77,102				1,387,844
Total Sewer Fund P & I		319,336	315,064	331,334	330,973	331,971	332,193	437,979	438,629	437,331	437,915	438,338	438,549	439,721	425,914	425,210	425,421	424,788	425,449	348,067	349,017		7,853,201
Airport Fund																							
2000 Airport	100.00%																						-
Total Airport Fund P & I		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Proprietary Fund P & I		1,486,801	1,141,626	1,157,799	1,156,757	1,162,193	1,162,466	1,403,764	1,407,804	1,403,451	1,406,887	1,409,579	1,408,133	1,415,412	1,244,252	1,242,505	1,243,026	1,241,458	1,243,099	1,011,473	1,013,817		25,362,300
Grand Total		3,020,056	2,111,256	2,107,708	2,108,681	2,120,696	2,116,129	2,500,931	2,510,043	2,503,832	2,509,965	2,518,989	2,517,615	2,528,508	1,570,668	1,568,566	1,569,193	1,567,305	1,569,280	1,337,513	1,340,324		41,697,257

