

PUBLIC NOTICE
AGENDA
LOCKHART CITY COUNCIL

March 21, 2023

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 issues discussed or reviewed during the work session except to the extent specifically authorized under the Texas Open Meetings Act

DISCUSSION ONLY

- A. Discussion regarding the City of Lockhart and Caldwell County Interlocal Agreement for the Farmers' Market. 5-11
- B. Discuss the preliminary Budget and Tax Calendar for Fiscal Year 2022--2023. 12-13
- C. Presentation of the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2021-22 Annual Comprehensive Financial Report (annual financial audit) by BrooksWatson & Company, PLLC., an independent public accounting firm. 14-236
- D. Discussion regarding an appeal by Caroline Keifer-Bell, on behalf of Robert Mendez, to the Historical Preservation Commission's denial of CFA-23-04, an application for a Certificate for Alteration to allow an existing, temporary mural, originally approved through application CFA-22-14, to become permanent within the Courthouse Square Historic District on Part of Lot 3, Block 14, Original Town of Lockhart, zoned CCB, Commercial Central Business District and located at 200 East Market Street. 237-242
- E. Discuss Ordinance 2023-06 amending Section II, Subsection 2-1 of the City's Personnel Policies Manual to provide for a residency requirement for certain City employees involved in public health and safety services during emergencies. 248-251
- F. Discuss confirmation of the City Manager's appointment of Mr. Gary Williamson as Lockhart Police Chief. 252-255
- G. Discuss Resolution 2023-03, setting a date for the public hearing regarding the 2023 water/wastewater and roads impact fee reports, including land use assumptions, capital projects, and fee adjustments. 256-310
- H. Discuss contracting with Skyhawks Sports Academy to provide youth sports camps this summer. 311-329

- I. Discussion regarding the first two Work Authorizations for Halff Associates under the Master General Services Agreement to renovate the city parks. 330-342
- J. Discuss Resolution 2023-04 terminating the Hangar Ground Lease Agreement dated February 3, 2021 between the City of Lockhart, Texas and Lockhart Hangar Partners, LLC. 343-344

7:30 P.M. REGULAR MEETING

1. CALL TO ORDER

Mayor Lew White

2. INVOCATION, PLEDGE OF ALLEGIANCE

Invocation. Pledge of Allegiance to the United States and Texas flags.

3. PUBLIC COMMENT

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

4. PUBLIC HEARING/COUNCIL ACTION

- A. Hold a PUBLIC HEARING and discussion and/or action on an appeal to the Planning and Zoning Commission's denial of application SUP-23-03 by Catarina Gonzales on behalf of Martin Espinoza for a Specific Use Permit to allow a Manufactured Home on Lot 3, Block 1, East Side, zoned RMD Residential Medium Density District and located at 405 Neches Street. 347-369

5. DISCUSSION/ACTION ITEMS

- A. Discussion and/or action to consider an appeal by Caroline Keifer-Bell, on behalf of Robert Mendez, to the Historical Preservation Commission's denial of CFA-23-04, an application for a Certificate for Alteration to allow an existing, temporary mural, originally approved through application CFA-22-14, to become permanent within the Courthouse Square Historic District on Part of Lot 3, Block 14, Original Town of Lockhart, zoned CCB, Commercial Central Business District and located at 200 East Market Street. 370-380
- B. Discussion and/or action to consider the preliminary Budget and Tax Calendar for Fiscal Year 2022--2023. 381-382
- C. Presentation, discussion and/or action for the City Council to consider acceptance of the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2021-22 Annual Comprehensive Financial Report (annual financial audit) by BrooksWatson & Company, PLLC., an independent public accounting firm. 383-605

- D. Discussion and/or action to consider Ordinance 2023-06 amending Section II, Subsection 2-1 of the City's Personnel Policies Manual to provide for a residency requirement for certain City employees involved in public health and safety services during emergencies. 606-609
- E. Discussion and/or action regarding confirmation of the City Manager's appointment of Mr. Gary Williamson as Lockhart Police Chief. 610-613
- F. Discussion and/or action to consider Resolution 2023-03, setting a date for the public hearing regarding the 2023 water/wastewater and roads impact fee reports, including land use assumptions, capital projects, and fee adjustments. 614-618
- G. Discussion and/or action to consider contracting with Skyhawks Sports Academy to provide youth sports camps this summer. 669-687
- H. Discussion and/or action regarding the first two Work Authorizations for Halff Associates under the Master General Services Agreement to renovate the city parks. 688-700
- I. Discussion and/or action to consider Resolution 2023-04 terminating the Hangar Ground Lease Agreement dated February 3, 2021 between the City of Lockhart, Texas and Lockhart Hangar Partners, LLC. 701-704

6. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE ACTION

- 2023 Sidewalk Projects - construction update.
- KidFish event has been postponed to Saturday, March 25th at 9:00 a.m. at City Park.
- Citywide Spring Clean Up Program on Saturday, March 25, 2023.
- Cemetery Spring Cleanup will take place March 28 -29, 2023
- Household Hazardous Waste Collection Event will be held Saturday, April 1, 2023 (rain or shine) for Lockhart residents.
- Site preparation underway for the new Maple Street park splashpad.
- Update on Dell Children's Kids in Cars program for car seats being conducted in cooperation with the Lockhart Fire Department.
- Comprehensive plan update concerning the consultant selection process.
- Update on building permit application trends.
- Update concerning the deployment of updated body-worn cameras in the Police Department.

7. **COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST**
8. **EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.087 TO DELIBERATE OR FOR 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.**
 - A. Discussion regarding economic development negotiations with Project Titan.
9. **EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.071, PRIVATE CONSULTATION WITH ITS ATTORNEY TO SEEK ADVICE ABOUT PENDING OR CONTEMPLATED LITIGATION; SETTLEMENT OFFER; OR LEGAL MATTERS SUBJECT TO ATTORNEY/CLIENT PRIVILEGE.**
 - A. Seek legal advice from City Attorney regarding terminating the Hangar Ground Lease Agreement dated February 3, 2021 between the City of Lockhart, Texas and Lockhart Hangar Partners, LLC.
10. **OPEN SESSION**
 - A. Discussion and/or action regarding economic development negotiations with Project Titan.
 - B. Discussion and/or action regarding terminating the Hangar Ground Lease Agreement dated February 3, 2021 between the City of Lockhart, Texas and Lockhart Hangar Partners, LLC.
11. **ADJOURNMENT**

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

Posted on the bulletin board in the Municipal Building, 308 West San Antonio Street, Lockhart, Texas, on the 17th day of March, 2023 at 3:00 p.m.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion regarding the City of Lockhart and Caldwell County Interlocal Agreement for the Farmers' Market.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Monte Akers

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: At the City Council meeting on March 7, 2023, representatives of the new sponsors of the Lockhart Farmers Market, the "Farmers and Artisans Market of Lockhart, " informed the Council of their intent to abide by the terms of the interlocal agreement (ILA) between the City and Caldwell County regarding the market. At that time, it was anticipated that a new ILA would be needed, and staff was directed to prepare one for Council consideration. Subsequently, communications with the sponsors and examination of the original ILA revealed that the former sponsors have relinquished the Market's non-profit status, but that the wording of the ILA references only "the sponsors" of the Market without identifying them by name. Accordingly , whereas the new sponsors will need to obtain non-profit status and comply with other terms of the ILA, they can step into the shoes of the former sponsors and a new ILA or an amendment is not needed at this time.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: The original ILA was dated March 9, 2021. An amendment to allow extended time for the Market's operations was approved, effective July 6, 2021. An agenda item regarding the Market was considered on March 7, 2023.

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: No action is needed at this time unless there is a desire to modify the terms of the ILA.

LIST OF SUPPORTING DOCUMENTS: InterLocal Agreement Farmers Market, 2021 ILA

City of Lockhart, Texas

Council Agenda Item Cover Sheet

amendment - City and County Farmers Market

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN CALDWELL COUNTY AND THE CITY OF LOCKHART FOR
PERFORMANCE OF GOVERNMENTAL FUNCTIONS AND SERVICES**

THIS INTERLOCAL COOPERATION AGREEMENT ("Agreement") is made and entered into by and between Caldwell County, Texas, a political subdivision of the State of Texas ("County"), by and through its County Judge, and the City of Lockhart, a municipal corporation of the State of Texas ("City"), by and through its City Mayor.

WHEREAS, pursuant to Texas Local Government Code Chapter 791, local governments may contract among and between themselves to perform governmental functions and services, including governmental functions in which the contracting parties are mutually interested; and

WHEREAS, the City of Lockhart (the "City") and Caldwell County, Texas (the "County") are mutually interested in the operation and administration of a Farmers Market within the boundaries of Caldwell County and the city limits of Lockhart, Texas; and

NOW, THEREFORE, the Parties mutually agree as follows:

I. Definitions:

- (a) "Certified Farmers' Market" shall mean a Farmers' Market that is certified under state law pursuant to Ch. 229, Texas Health & Safety Code, or other applicable statute.
- (b) "Permit" shall mean a permit approving operation of a Farmers' Market by the City, as described herein.
- (c) "Square" shall mean the Courthouse Square in the City of Lockhart but is intended to include only that portion of County property that extends into the streets and parking areas over which the City exercises jurisdiction.

II. Term and Termination:

- (a) This agreement is effective as of the 9th day of March, 2021 and shall remain in effect for one year unless otherwise terminated earlier, as provided herein.
- (b) This agreement shall be automatically renewed and extended for additional one-year terms unless either party provides at least sixty (60) days written notice to the other party of its intent that the agreement terminate at the end of the term then in effect.
- (c) Either party may terminate this agreement for any reason by providing the other party written notice of intent to do so at least sixty (60) days in advance of the proposed termination date.

III. Conditions for Farmers' Market:

County and City agree that a Farmers' Market may be conducted on the Square under the following conditions:

- (a) The sponsors of the Farmers' Market will obtain and maintain non-profit status before a Farmers' Market may be permitted on the square.
- (b) The market will be a certified Farmers' Market pursuant to state law.
- (c) The market will be allowed only on the east, west, and south sides of the Square, and on the inner lanes of the streets on those sides. The north side of the Square and Highway 142 will not be used.
- (d) The inner lanes of the streets on the east, west, and south sides of the Square will be closed to auto traffic.
- (e) For so long as the COVID-19 pandemic continues and until social distancing requirements are no longer in effect, spacing of tents and possible staggering of tents to maintain social distancing will be required
- (f) The sponsors of the Farmers' Market shall furnish or shall ensure that two restroom facilities are furnished, one of which shall be ADA compliant.
- (g) The market will be allowed on the square on Saturdays for which no other event is traditionally scheduled, or which is not postponed or cancelled under section VI, below, but only from 8 a.m. to 1 p. m. Setup begins at 7:30 and all vendors shall be gone by 1:30.
- (h) Vendors at the Market shall, except when unloading for set up or loading to leave, park their vehicles at locations off the Square.

IV. Alternative Location for Farmers' Market:

Space at the Caldwell County Justice Center, located at 1703 S Colorado St. Lockhart, TX 78644, will be available on weekends for a Farmers' Market at that location if and when the Square is not available. Permitting a Farmers' Market at the Caldwell County Justice Center shall be accomplished in the same or similar manner to permitting of the event on the Square.

V. Duties and Responsibilities of City and County:

- (a) City shall process Permit applications from the sponsor of a Farmers' Market in a manner and using a form similar to that for the permitting of special events and/or special events with Covid protocols.
- (b) City or County may periodically inspect the Market for compliance with the Conditions listed above and the terms of the Permit.
- (c) During operation of a Farmers' Market on the Square, City will provide traffic control and enforcement as follows:
 - 1. Northbound lanes of Main St. will be closed between Market St. and San Antonio St.
 - 2. Eastbound lanes of Market St. will be closed between Main St. and Commerce St.
 - 3. Southbound Lanes of Commerce St. will be closed between San Antonio St. and Market St.

- (d) City will provide the same or similar services and facilities that it traditionally provides for other downtown events, provided that the same accomplishes a public purpose and is budgeted for expenditure by the City.

VI. Cancellation or Postponement of a Permitted or Planned Farmers' Market

(a) City, acting through its Mayor or City Council, and County, acting through its County Judge or Commissioners Court, may cancel or postpone a Farmers' Market that has been issued a Permit by the City, or which has been scheduled but not permitted, under the following circumstances:

1. City or County determines that one or more conditions listed in III above are not being met by the sponsors of or the vendors at the Farmers' Market.

2. City or County determines that another community or public event planned to be held at the Square should take precedence over a Farmers' Market at that location.

(b) In the event that City or County determines that a permitted or scheduled Farmers' Market event should be cancelled or postponed, it shall notify the other party to this Agreement and the sponsors/permittees of the Farmers' Market in writing at least ten (10) days prior to the intended date of the Farmers' Market being cancelled or postponed.

VII. Notices:

All notices sent pursuant to this Agreement shall be in writing and must be sent by registered or certified mail, postage prepaid, return receipt requested.

Notices sent pursuant to this Agreement shall be sent to Caldwell County at the following address:

Caldwell County Judge
110 S. Main Street
Lockhart, Texas 78644

Notices sent pursuant to this Agreement shall be sent to the City at the following address:

Lockhart City Manager
P.O. Box 239
Lockhart TX 78644

VIII. Severability:

If any provision of this Agreement is found to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect the remaining provisions of this Agreement.

IX. Non-Waiver:

The waiver by either Party of a breach of this Agreement shall not constitute a continuing waiver of such breach or of a subsequent breach of the same or a different provision. Nothing in this

Agreement is intended by either Party to constitute a waiver of any immunity from suit or liability to which it is entitled- under applicable law.

X. Entire Agreement; Third Parties:

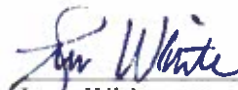
This Agreement constitutes the entire agreement between the COUNTY and the CITY. No other agreement, statement, or promise relating to the subject matter of this Agreement and which is not contained in this Agreement or incorporated by reference in this Agreement shall be valid or binding. This Agreement is not intended to confer any rights on any third parties, and it shall not be construed as conferring any rights on any third parties.

Caldwell County, Texas



Hoppy Haden
Caldwell County Judge

The City of Lockhart, Texas



Lew White
Mayor, City of Lockhart

**AMENDMENT TO INTERLOCAL COOPERATION AGREEMENT
BETWEEN CALDWELL COUNTY AND THE CITY OF LOCKHART FOR
PERFORMANCE OF GOVERNMENTAL FUNCTIONS AND SERVICES**

WHEREAS, by agreement titled Interlocal Cooperation Agreement ("Agreement") between Caldwell County, Texas, a political subdivision of the State of Texas ("County"), by and through its County Judge, and the City of Lockhart, a municipal corporation of the State of Texas ("City"), by and through its City Mayor; and

WHEREAS, the agreement references the operation and administration of a Farmers Market ("Market") within the boundaries of Caldwell County and the city limits of Lockhart, Texas; and

WHEREAS, Pursuant to the referenced agreement, Article III, Conditions for Farmers' Market, Section (g) provides that the Market will be allowed on the square on Saturdays, for which no other event is traditionally scheduled, or which is not postponed or cancelled under Section VI below, but only from 8:00 a.m. to 1:00 p.m. Setup begins at 7:30 a.m. and all vendors shall be gone by 1:30 p.m.; and

WHEREAS, the County and City desire to amend the agreement in order to revise the time that the Market will be allowed on the square on Saturdays.

NOW, THEREFORE, the County and City agree as follows:

- Article III, Section (g) is hereby amended to read as follows:
(g) The market will be allowed on the square on Saturdays for which no other event is traditionally scheduled, or which is not postponed or cancelled under Section VI, below, but only from 8 a.m. to 2 p.m. Setup begins at 7:30 a.m. and all vendors shall be gone by 2:30 p.m.

Except as amended herein, the Agreement shall remain in full force and effect. Additional sections to remain as currently written.

Effective as of this the 6th day of July, 2021.

Caldwell County, Texas

The City of Lockhart, Texas



Hoppy Haden
Caldwell County Judge



Lew White
Mayor, City of Lockhart

Date Signed: 7-27-2021

Date Signed: 7-6-2021

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discuss the preliminary Budget and Tax Calendar for Fiscal Year 2022--2023.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Pam Larison

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: This document is the preliminary budget and tax calendar for the fiscal year 2022-2023. Tentative dates are subject to Council acceptance of the Council workshop. This year's budget workshops will have two dedicated days (as has been recent practice) for management to present and discuss the City Manager's proposed budget for fiscal year 2022-2023.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: Budget and tax calendar 23-24

CITY OF LOCKHART

BUDGET CALENDAR

(TENTATIVE)

FY 2023-24

March 20	Budget kick-off - Departmental operating budget requests; justifications with written quotes due to the Finance department and City Manager.
April 10-20	Meetings with Department Heads to discuss budget expenses & needs.
April 28	Chief appraiser prepares and certifies estimate of taxable values.
April 28	Revised Budgets due to Finance Director from departments.
May 8	Budget Workshops to discuss budget with Council. Presentation of CCAD Budget
May 9	Budget Workshop to discuss budget with Council. Presentation of GBRA Budget
June 12	LEDC meeting w/Budget workshop
June 20	Distribution of City Manager's Proposed Budget – no action Non-Profits Presentation to Council
July 1	File City Manager's Proposed Budget with City Secretary
July 5	Appointment of Caldwell County Tax Assessor/Collector to calculate and prepare the 2023 Effective and Rollback Tax rates.
July 25	Chief Appraiser certifies the appraised roll to taxing units.
August 1	City Manager presents Proposed Budget to Council; LEDC presents LEDC Budget to Council; set two public hearings on proposed budget.
August 3	Publish notice of Effective and Rollback Tax Rates
August 15	Public hearing on Budget #1; <u>City Council sets proposed tax rate; record vote; schedule Public hearing.</u>
August 30	<u>Notice of Public Hearing</u> on Tax Rate (at least 5 days before public hearing).
September 5	Public hearing #2 on budget; Public hearing #1 on tax rate. City Council to adopt Budget, approve LEDC Budget; and adopt tax rate.
September 19	Public hearing #2 on tax rate if rate exceeds the No New Revenue tax rate.
October 1	New Fiscal Year
November 30	Deadline for Budget distribution to City Council, Caldwell County Clerk, City Hall, Municipal Library, and post to City's website.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Presentation of the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2021-22 Annual Comprehensive Financial Report (annual financial audit) by BrooksWatson & Company, PLLC., an independent public accounting firm.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Pam Larison

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: According to City of Lockhart's Home Rule Charter, Article 3, Section 3.14 - Audit of City books and accounts, the City shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. In addition, Section 3.14 states that the accountant shall not maintain or keep any of the city's accounts or records and shall not perform the city's annual audit for more than five years in succession. This is the second year for BrooksWatson & Company, PLLC to perform the City's annual audit.

BrooksWatson & Company, PLLC has issued an unqualified (clean) opinion. An unqualified opinion is presumed to be free from material misstatements and fairly represents its financial results, financial position, and cash flows.

The Annual Comprehensive Financial Report for FYE 2021 includes three sections: Introduction, Financial, and Statistical. The transmittal letter is one of the legal requirements for the annual report that typically includes the local government's profile, provides an economic update on the local economy, lists any major initiatives undertaken by the local government and states that the financial reports are management's responsibility. The financial section includes all necessary financial information, narratives explaining financials, and an auditor's report. The third section is the statistical section. It outlines financial trends, revenue capacity, debt capacity, demographic information and other operating indicators about the local government.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

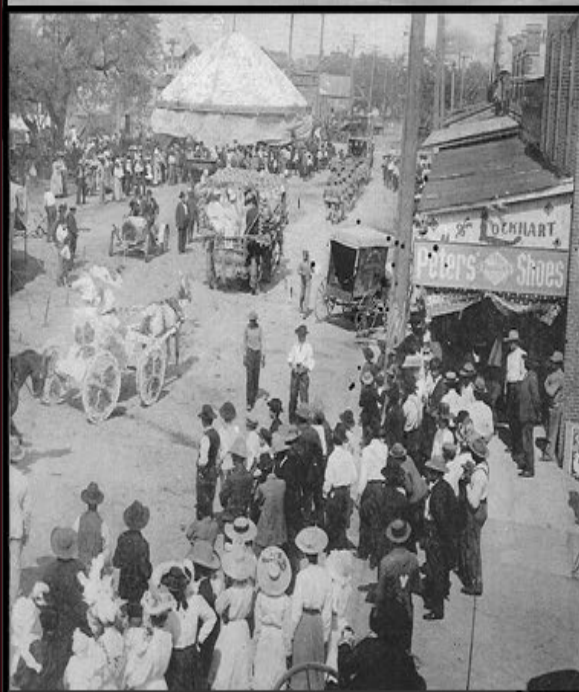
STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: Annual Comprehensive Financial Report 9.30.2022

Annual Comprehensive Financial Report

City of Lockhart

Fiscal Year Ending September 30, 2022





***ANNUAL COMPREHENSIVE
FINANCIAL REPORT***

of the

City of Lockhart, Texas

**For the Year Ended
September 30, 2022**

Prepared by

Pam Larison
Finance Director

Robert Eggimann
Controller



City of Lockhart, Texas

TABLE OF CONTENTS

September 30, 2022

INTRODUCTORY SECTION	<u>Page</u>
Letter of Transmittal	1
GFOA Certificate of Achievement	7
Organizational Chart	8
List of Elected and Principal Officials	9
 FINANCIAL SECTION	
Independent Auditor's Report	11
Management's Discussion and Analysis	15
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	28
Statement of Activities	32
Fund Financial Statements:	
Balance Sheet - Governmental Funds	34
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	35
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	36
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances	
Governmental Funds to the Statement of Activities	37
Statement of Net Position - Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	42
Statement of Cash Flows - Proprietary Funds	44
Fiduciary Funds Financial Statements	
Statement of Fiduciary Net Position	48
Statement of Changes in Fiduciary Net Position	50
Notes to the Financial Statements	51
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget (GAAP Basis) and Actual - General Fund	100
Schedule of Changes in Net Pension Liability and Related Ratios	102
Schedule of Employer Contributions to Pension Plan	104
Schedule of Changes in OPEB Liability and Related Ratios-SDBF	106
Schedule of Changes in OPEB Liability and Related Ratios-Retiree Healthcare	108
Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -	
Nonmajor Governmental Funds	113

Combining Balance Sheet - Nonmajor Special Revenue Funds	114
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Special Revenue Funds	118
Combining Balance Sheet - Nonmajor Capital Projects Funds	122
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Capital Projects Funds	124
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Radio Tower Equipment Replacement	127
Forfeited Property	128
Hotel/Motel Tax Fund	129
Road Impact Fees #1	130
Road Impact Fees #2	131
Court Technology	132
Radio System Maintenance	133
Court Security	134
Child Safety	135
Court Efficiency	136
Juvenile Case Manager	137
Truancy Court	138
Cable Education	139
Transportation	140
Drainage	141
LEOSE	142
Clearfork Section 1 Sidewalk	143
Maple 2201 Trail Project	144
2015 Certificates of Obligation	145
Combining and Nonmajor Enterprise Funds	
Combining Schedule of Net Position - Nonmajor Enterprise Funds	148
Combining Schedule of Revenues, Expenses, and Changes in Net Position - Nonmajor Enterprise Funds	152
Combining Schedule of Cash Flows - Nonmajor Enterprise Funds	154
Combining Statement of Fiduciary Net Position	
Private-Purpose Trusts	160
Combining Statement of Changes in Fiduciary Net Position	
Private-Purpose Trusts	161
Combining Statement of Fiduciary Net Position	
Custodial Funds	162
Combining Statement of Changes in Fiduciary Net Position	
Custodial Funds	163

STATISTICAL SECTION

Financial Trends:

Net Position by Component	166
Changes in Net Position	168
Fund Balances of Governmental Funds	172
Changes in Fund Balances of Governmental Funds	174

Revenue Capacity:

Tax Revenues by Source - Governmental Funds	177
Assessed Value and Estimated Actual Value of Taxable Property	178
Direct and Overlapping Property Tax Rates	180
Principal Property Taxpayers	181
Property Tax Levies and Collections	182
Electricity Purchased and Consumed	185
Electric Rates	186
Largest Electric Customers	189
Water Produced and Consumed and Wastewater Treated	190
Largest Water Customers	193
Water and Sewer Rates	194

Debt Capacity:

Ratios of Outstanding Debt by Type	196
Ratios of Net General Bonded Debt Outstanding	198
Direct and Overlapping Governmental Activities Debt	200

Demographic and Economic Information:

Demographic and Economic Statistics	201
Principal Employers	203

Operating Information:

Full-Time Equivalent City Government Employees by Function	204
Operating Indicators by Function	206
Capital Asset Statistics by Function	208



INTRODUCTORY SECTION





March 21, 2023

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

The Texas Local Government Code states that a municipality shall have its records and accounts audited annually and shall have annual financial statements prepared based on the audit. The Code also states that the annual financial statements, including the auditor's opinion on the statements, shall be filed in the office of the municipal city secretary or clerk within 180 days after the last day of the municipality's fiscal year. The Annual Comprehensive Financial Report of the City of Lockhart, Texas (the City) for the year ended September 30, 2022, is hereby submitted to fulfill that requirement.

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

BrooksWatson & Company, PLLC has issued an unmodified ("clean") opinion on the City of Lockhart financial statements for the year ended September 30, 2022. The independent auditors' report is located at the front of the financial section of this report.

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

Profile of the Government

The City of Lockhart was founded in 1826 and officially incorporated as a city in 1852. Located in central Texas, Lockhart is 30 miles south of downtown Austin on U.S. Highway 183. It is 70 miles northeast of San Antonio and 156 miles west of Houston. According to the 2020 U.S. Census Bureau, the estimated population of the City of Lockhart is 14,379, and serves as the county seat of Caldwell County, Texas. Lockhart is a Home Rule Charter City and operates under the Council-Manager form of government. Lockhart is served by a seven-person city council. The elected body is made up of the mayor and two council members that are elected at large. The remaining four council members are elected from single-member districts. The length of office for all Council members and the Mayor are three-year terms. The City Council appoints the City Manager, the City Attorney, and the Municipal Court Judge. All other staff members work either directly or indirectly under the direction of the City Manager.

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

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

The City provides a full range of municipal government services to more than 14,379 residents and numerous visitors annually. Municipal services provided include police and fire protection; crime prevention, enforcement, and adjudication; electric services; water production and distribution; wastewater collection and treatment; solid waste collection, curbside recycling and disposal; city code enforcement and building inspection; maintenance of streets; maintenance of park land and recreational facilities; library services; cemetery; airport; and economic development.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The City of Lockhart is the county seat for Caldwell County. With this designation comes commercial growth not typically seen for population of approximately 14,379 residents. Major industries located within the government's boundaries, or close proximately, include small and advanced manufacturing industries, information technology industries, retail and service industries, and agriculture. The school district has significant economic presence, employing in total more than 731 teachers, professionals, and support staff.

In 2020, the COVID-19 pandemic created an unprecedented situation for the City of Lockhart and for every municipality across the United States, but with it brought the passage of the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 and the American Rescue Plan Act (ARPA) of 2022. Through these federal programs, states received money to distribute to local governments.

The City of Lockhart received an allotment from CARES of \$763,895. After the final draw from the CARES Relief Program in 2021, the City of Lockhart was awarded federal grant money from the American Rescue Plan Act (ARPA). The total award was for \$3,501,959.00 to be used for further economic relief from the COVID-19 pandemic. The broad eligible uses for ARPA funds include COVID-related expenses (directly or indirectly), premium pay for essential workers, government service programs under certain circumstances, necessary improvements in water, sewer, or broadband infrastructure (whether related or not to COVID-19), and revenue

replacement. The City Council approved the spending of ARPA funds for the much needed improvements to water and sewer infrastructure and revenue replacement. Revenue replacement funds have been allocated towards multiple park improvements.

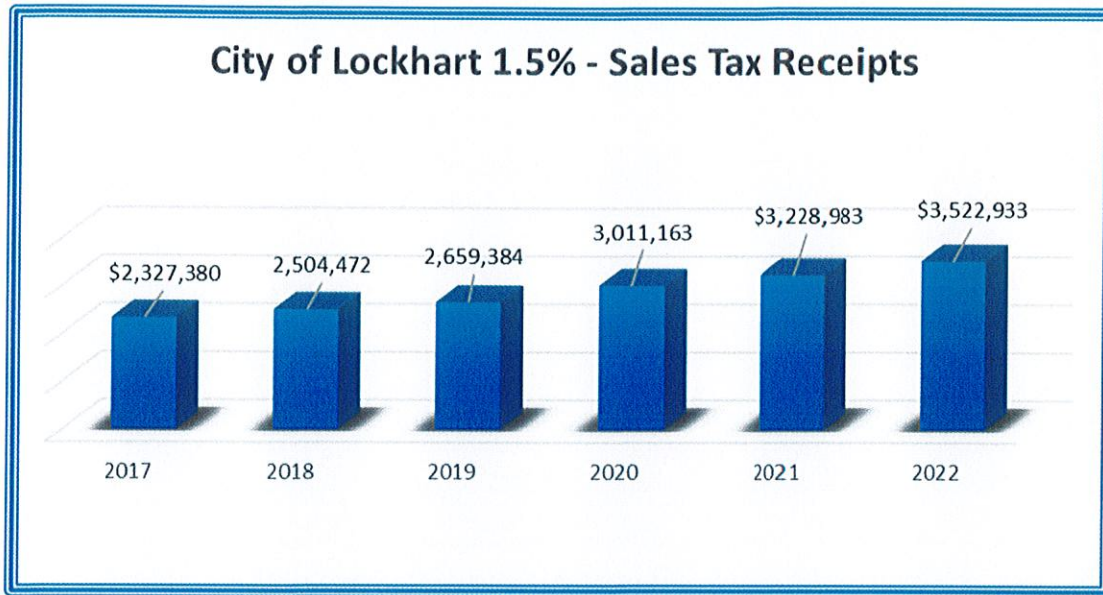
Due to the healthy economy, the City of Lockhart has a credit rating of AA- from Standard and Poor's as of March 2016. Over the past 10 years, the City has experienced significant economic growth and investment. The City is growing at a steady rate, increasing more than 9% over ten years. The growth of Austin and San Antonio metro areas is spreading toward Lockhart but at a slower pace than neighboring counties.

In 2020, the Lockhart Economic Development Corporation completed a Strategic Plan to assist in attracting businesses; helped Iron Ox, a robotic farming company to expand operations in Lockhart; established a new economic development office downtown; created the BIG Grant Program to improve downtown businesses and buildings and purchased property for a new 75-acre industrial/distribution park near SH 130. The SH 130 Industrial Park III began construction in 2021 and the Lockhart Economic Development Corporation sold its first ten acres to McElroy Metals.

The City of Lockhart's sound financial position is apparent because of its conservative budgeting practices, as evident from its strong fund balances. The City experienced growth in assessed valuation of property taxes and collection of 1.5% sales taxes from Fiscal Year 2016 through 2022 and continues to grow. (See charts below). Valuation of property continues to increase at a steady rate. This increase is attributable to construction of multiple subdivisions due to population growth and the increase in assessed values of current properties including new commercial growth.



The last five years the City of Lockhart has seen a significant increase in sales tax revenues due to new businesses and a healthy area economy. Sales tax revenues for 2022 have recorded all-time highs according to the City's revenue history.



Long-term Financial Planning

The City Council approved a budget that maintained fund balance at 33% for Fiscal Year 2022. This is above the 25% minimum reserve required by the Fund Balance – Stabilization and Excess of Reserves Policy.

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

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

Relevant Financial Policies

The City of Lockhart practices a comprehensive set of financial policies and procedures. Annually or as needed, the City Council approves its financial policies, and an extensive review and revisions are provided to the City Council and the City Manager from the Finance Department. Each year the City Council approves the Investment Policy, which is intended to protect City assets by identifying investment objectives, addressing the issues of investment risks versus rewards, and providing the framework for the establishment of controls, limitations, and responsibilities of City employees in the performance of their fiduciary responsibilities. In Fiscal Year 2022, a revised purchasing policy was approved to maintain a cost-effective purchasing system conforming to good management practice. The establishment and maintenance of an effective purchasing policy is possible only through a cooperative effort. This policy reaffirms the City of Lockhart's commitment to strengthen purchasing

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

Major Initiatives

The City of Lockhart issued debt in 2022 by a Limited Tax Note Series for \$4,050,000. The purpose of the debt is 1) improvement to wastewater system lines, 2) acquiring and equipping a bucket truck, 3) public safety improvement including acquisition of a fire truck, and 4) street and sidewalk improvements.

The City of Lockhart Council placed a Strategic Goals Plan in action for Fiscal Year 2021-22, which focuses on 1) City facilities by beginning plan to replace/update City Hall; 2) Human Resources/Staffing by hiring Assistant City Manager and support staff and consider additional staffing needs; 4) Parks and Recreation – develop youth programs, consider new park activities and facilities, and update Parks and Open Space Master Plan; 4) Infrastructure – approve the historic downtown revitalization design and construction; 5) Modernization and Communication – new website design by including online forms, applications and mobile platform ease; and 6) Development & Quality of Life – consider sidewalk maintenance ordinance, more housing option incentives, and promote more family friendly events.

Financial Procedures and Internal Controls

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

Budgetary Controls

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

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lockhart for its annual comprehensive financial

report for the fiscal year ended September 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Other Acknowledgements

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

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

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Steve Lewis".

Steve Lewis, City Manager

A handwritten signature in blue ink, appearing to read "Pam M. Larison".

Pam M. Larison, Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Lockhart
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

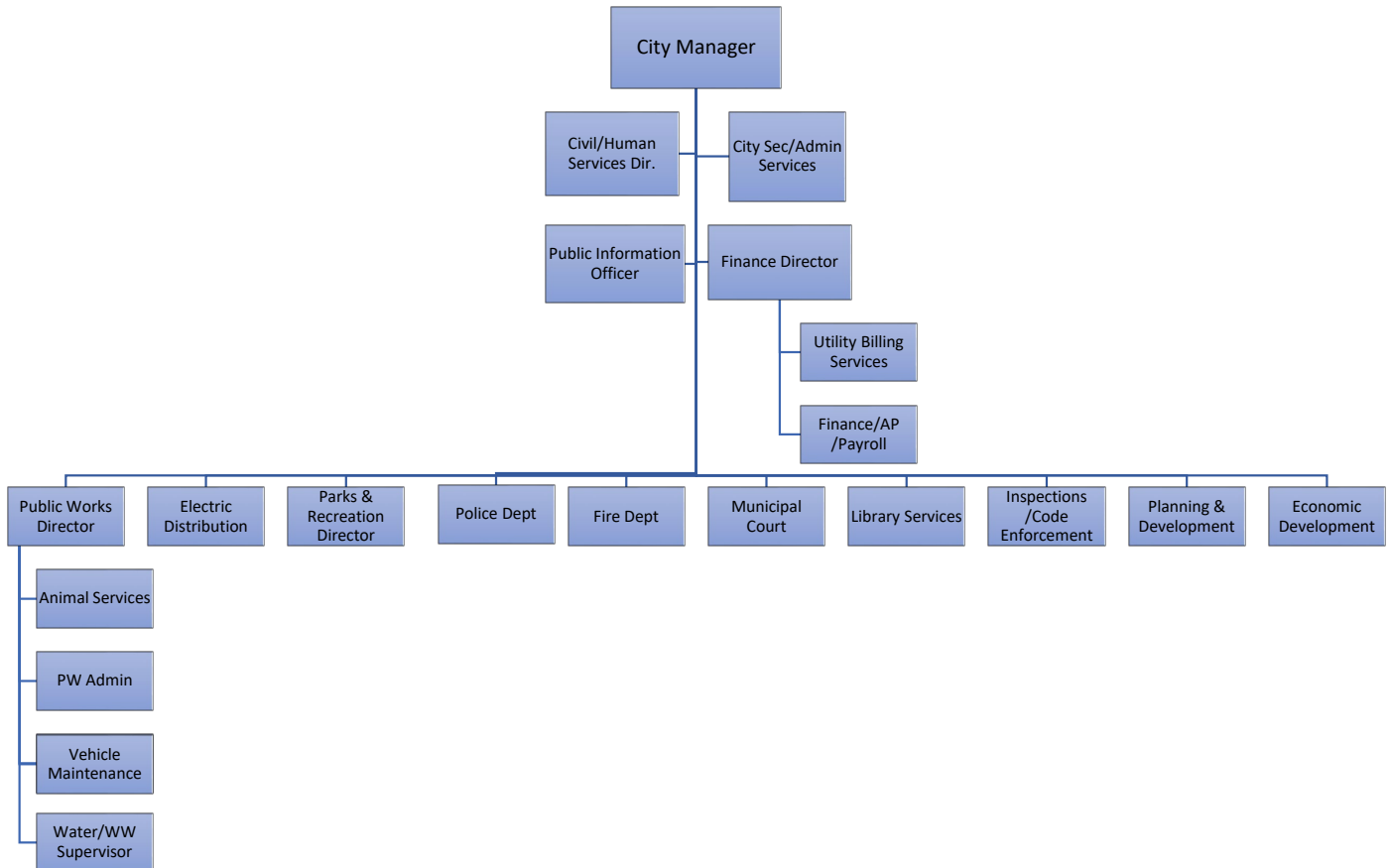
September 30, 2021

Christopher P. Morill

Executive Director/CEO

City of Lockhart

Organizational Chart



City of Lockhart, Texas
ELECTED AND PRINCIPAL OFFICIALS
September 30, 2022

City Council

Lew White	Mayor
Angie Gonzales-Sanchez	At-Large
Juan Mendoza	District 1
David Bryant	District 2
Kara McGregor	District 3
Jeffry Michelson	District 4
Brad Westmoreland	At-Large

Principal Officials

Steve Lewis	City Manager
Pam Larison	Finance Director
Connie Constancio	City Secretary
Vacant as of yearend	Police Chief
Randy Jenkins	Fire Chief
Sean Kelley	Director of Public Works



FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Lockhart, Texas:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, the 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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Lockhart, Texas, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Lockhart, Texas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As discussed in Note V.G. to the financial statements, due to the implementation of GASB Statement No. 87, *Leases*, the LEDC restated capital assets and long-term liabilities for component unit activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of employer contributions to pension plan, schedules of changes in other postemployment benefits liability and related ratios, and budgetary comparison information for the general fund 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 conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This accompanying supplementary information is the responsibility of management and was derived from and relates 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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



Brooks Watson & Co.
Certified Public Accountants
Houston, Texas
March 21, 2023



City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2022

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, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-6 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources (net position) at September 30, 2022 by \$47,114,214. Of this amount, \$14,173,314 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$3,167,677. The majority of the City's net position is invested in capital assets and restricted for specific purposes.
- The City's governmental funds reported combined ending fund balances of \$18,050,212 at September 30, 2022, an increase of \$4,302,864 from the prior fiscal year; this includes an increase of \$3,200,877 in the general fund and an increase of \$1,101,987 in the nonmajor governmental funds.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$10,143,227 or 85% of total general fund expenditures.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide 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. The difference between the two is 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. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2022

The *statement of activities* presents information showing how the City'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 for some items that will only result in cash flows in future fiscal periods (e.g., 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, culture and recreation, community development, public safety, and public works. The business-type activities of the City include electric, water, wastewater, sanitation, airport, and EMS operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate component unit, the Lockhart Economic Development Corporation, which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 28-33 of this report.

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

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 assessing 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 *governmental funds* and *governmental activities*.

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2022

The City maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in a separate section of the report.

The City adopts an annual appropriated budget for its general, debt service, three capital projects, and various special revenue funds. A budgetary comparison statement has been provided for each governmental fund with an adopted budget to demonstrate compliance with their respective budget.

The basic governmental fund financial statements can be found on pages 34-37 of this report.

Proprietary Funds

The City's proprietary funds are all enterprise funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its utility, golf course, and storm water utility operations. All activities associated with providing such services are accounted for in these funds, including administration, operation, maintenance, debt service, capital improvements, meter maintenance, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise.

Proprietary financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water, and wastewater funds, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 38-47 of this report.

Component Units

The City maintains the accounting and financial statements for one component unit. The Lockhart Economic Development Corporation is a discretely presented component unit, which is displayed on the government-wide financial statements.

Notes to Financial Statements

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

The notes to the financial statements can be found on pages 53-98 of this report.

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

September 30, 2022

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The required RSI includes a budgetary comparison schedule for the general fund, schedule of changes in the net pension liability and related ratios and schedule of employer contributions for the Texas Municipal Retirement System and schedule of changes in the OPEB liabilities. RSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City of Lockhart, Texas, assets and deferred outflows exceeded liabilities and deferred inflows by \$47,114,214 as of September 30, 2022, in the primary government.

The largest portion of the City's net position, \$26,951,524 reflects its investments in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment, construction in progress), less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to 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 assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Lockhart, Texas's net position of \$5,989,376 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$14,173,314 is unrestricted and 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 of Lockhart, Texas is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2022			2021		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and						
other assets	\$ 19,516,345	\$ 18,990,527	\$ 38,506,872	\$ 15,249,321	\$ 16,497,800	\$ 31,747,121
Capital assets, net	20,594,127	67,193,926	87,788,053	20,636,233	54,425,350	75,061,583
Total Assets	40,110,472	86,184,453	126,294,925	35,885,554	70,923,150	106,808,704
Deferred Outflows of Resources	1,284,768	418,436	1,703,204	923,299	338,339	1,261,638
Other liabilities	2,965,820	4,086,685	7,052,505	2,573,267	3,519,408	6,092,675
Long-term liabilities	14,208,500	57,292,569	71,501,069	14,169,384	42,920,839	57,090,223
Total Liabilities	17,174,320	61,379,254	78,553,574	16,742,651	46,440,247	63,182,898
Deferred Inflows of Resources	1,848,364	481,977	2,330,341	735,928	204,979	940,907
Net Position:						
Net investment in						
capital assets	11,546,567	15,404,957	26,951,524	11,816,033	15,721,677	27,537,710
Restricted	3,362,595	2,626,781	5,989,376	3,598,451	2,008,737	5,607,188
Unrestricted	7,463,394	6,709,920	14,173,314	3,915,790	6,885,849	10,801,639
Total Net Position	\$ 22,372,556	\$ 24,741,658	\$ 47,114,214	\$ 19,330,274	\$ 24,616,263	\$ 43,946,537

Current and other assets of the primary government increased by \$6,759,751 or 21% due to greater cash on hand resulting from current year operating surpluses and unspent debt funds as of yearend. Other liabilities of the primary government increased \$959,830 or 16% primarily as a result of an increase in the current portion of long-term debt obligations. Long-term liabilities for business-type activities increased by \$14,371,730 or 33% primarily due the issuance of contract revenue bonds with the Guadalupe-Blanco River Authority that occurred in the current year. Capital assets in business-type activities increased by \$12,768,576 or 19% primarily due to new infrastructure improvements during the year, as well as the capitalization of the Carrizo water supply project associated with the Guadalupe-Blanco River Authority.

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

Statement of Activities:

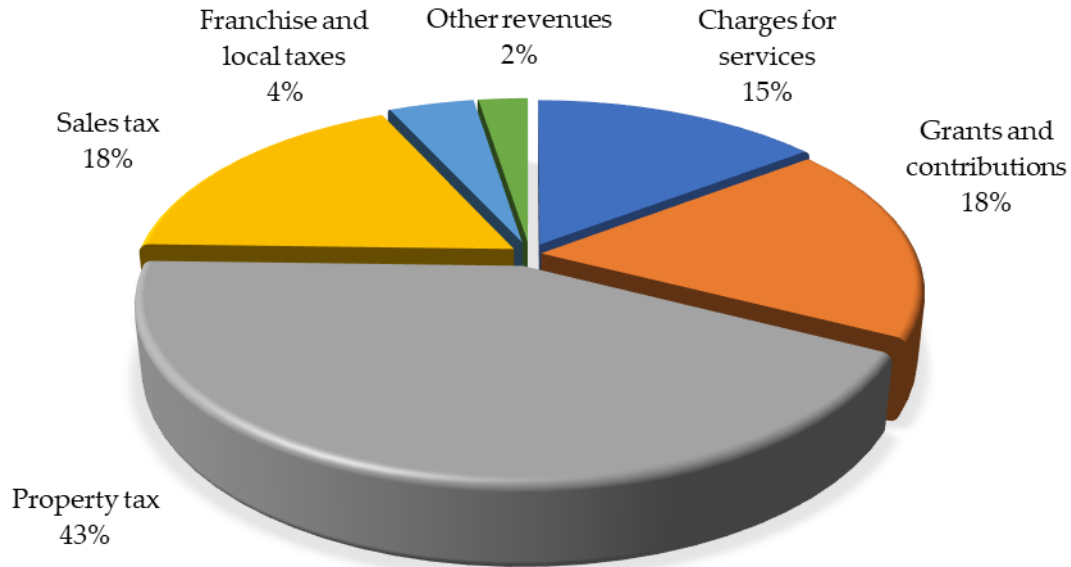
The following table provides a summary of the City's changes in net position:

	For the Year Ended September 30, 2022			For the Year Ended September 30, 2021		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 1,976,561	\$ 23,034,726	\$ 25,011,287	\$ 1,756,277	\$ 21,059,834	\$ 22,816,111
Operating grants	2,205,060	-	2,205,060	2,485,671	-	2,485,671
Capital contributions	211,854	196,038	407,892	177,865	432,657	610,522
General revenues:						
Property tax	5,801,092	-	5,801,092	5,250,047	-	5,250,047
Sales tax	2,392,769	-	2,392,769	2,143,239	-	2,143,239
Franchise & local taxes	585,018	-	585,018	511,709	-	511,709
Investment income	125,718	114,001	239,719	20,739	21,947	42,686
Other revenues	213,151	149,689	362,840	102,830	199,136	301,966
Total Revenues	13,511,223	23,494,454	37,005,677	12,448,377	21,713,574	34,161,951
Expenses						
General government	1,967,143	-	1,967,143	1,931,497	-	1,931,497
Public safety	6,168,414	-	6,168,414	6,202,140	-	6,202,140
Public works	2,684,964	-	2,684,964	2,970,230	-	2,970,230
Health and welfare	23,439	-	23,439	26,352	-	26,352
Culture and recreation	1,215,110	-	1,215,110	1,189,072	-	1,189,072
Comm. development	905,103	-	905,103	683,483	-	683,483
Interest & fiscal chrgs.	390,198	1,544,855	1,935,053	371,174	1,235,626	1,606,800
Electric	-	9,953,109	9,953,109	-	11,329,072	11,329,072
Water	-	4,063,290	4,063,290	-	3,853,355	3,853,355
Wastewater	-	1,789,326	1,789,326	-	1,634,563	1,634,563
Nonmajor enterprise	-	3,133,049	3,133,049	-	3,174,868	3,174,868
Total Expenses	13,354,371	20,483,629	33,838,000	13,373,948	21,227,484	34,601,432
Change in Net Position						
Before Transfers	156,852	3,010,825	3,167,677	(925,571)	486,090	(439,481)
Transfers	2,885,430	(2,885,430)	-	2,991,137	(2,991,137)	-
Total	2,885,430	(2,885,430)	-	2,991,137	(2,991,137)	-
Change in Net Position	3,042,282	125,395	3,167,677	2,065,566	(2,505,047)	(439,481)
	19,330,274	24,616,263	43,946,537	17,264,708	27,121,310	44,386,018
Beginning Net Position						
Ending Net Position	\$ 22,372,556	\$ 24,741,658	\$ 47,114,214	\$ 19,330,274	\$ 24,616,263	\$ 43,946,537

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.

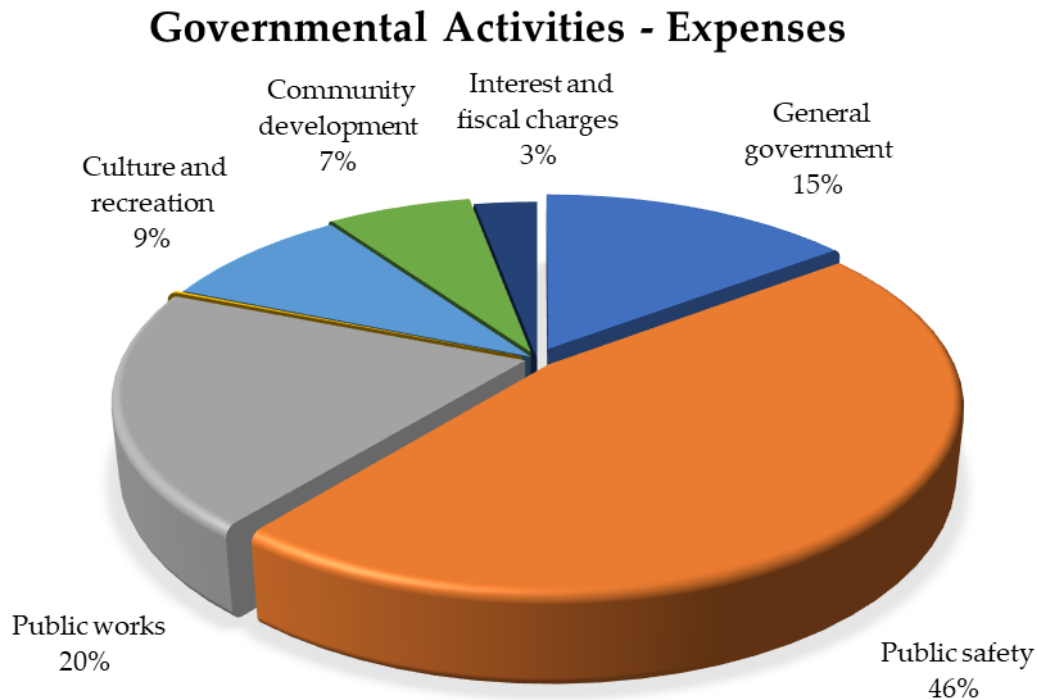
Governmental Activities - Revenues



For the year ended September 30, 2022, revenues from governmental activities totaled \$13,511,223. Property tax, grants/contributions, and sales tax are the City's largest general revenue sources. Overall revenue increased \$1,062,846 or 9% from the prior year. Charges for services also increased by \$220,284 or 13% due to greater building permit revenue and park dedication fees in the current year. Property taxes increased by \$551,045 or 10% primarily due to greater appraised values and growth within the City. Sales taxes and franchise taxes increased by \$249,530 or 12% and \$73,309 or 14%, respectively due to economic growth fueled by local purchases. Investment income increased by \$104,979 primarily as a result of higher interest rates and greater interest-bearing accounts in the current year. Other revenue increased by \$110,321 or over 100% primarily due to nonrecurring losses on capital asset disposals recognized in the prior year. All other revenues remained relatively stable when compared to the previous year.

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

This graph shows the governmental function expenses of the City:

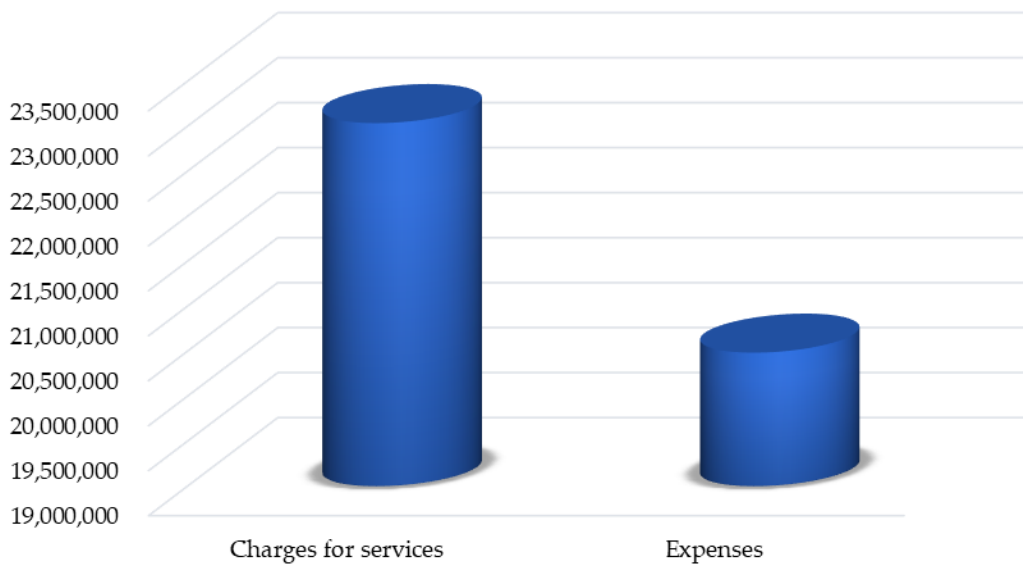


For the year ended September 30, 2022, expenses for governmental activities totaled \$13,354,371. This represents a slight decrease of \$19,577 from the prior year. The City's largest functional expense is public safety totaling \$6,168,414, which remained relatively consistent with the prior year. Public works expenses decreased by \$285,266 or 10% primarily due to nonrecurring street maintenance and repairs in the prior year. Community development increased by \$221,620 or 32% due to greater personnel costs and contract services resulting from increased building permit activity in the current year. All other governmental activities expenses remained relatively consistent with the prior year.

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

Business-type activities are shown comparing operating costs to revenues generated by related services.

Business-Type Activities - Revenues and Expenses



For the year ended September 30, 2022, charges for services by business-type activities totaled \$23,034,726. This represents an increase of \$1,974,892 or 9% from the previous year, which is a direct result of greater service rates in the current year and a growing customer base. Capital contributions decreased by \$236,619 as a result of nonrecurring developer contributions and impact fees received in the prior year.

Total business-type activity expenses decreased by \$743,855 or 4% to a total of \$20,483,629. Electric expenses totaled \$9,978,485, while water and wastewater operations totaled \$5,565,359 and \$1,805,990, respectively. There was a reduction in electric expenses by \$1,371,559, which is the primary driver of the overall decrease in business-type activities expenses. The decrease in electric expenses is directly related to the winter storm occurring in the prior year and the resulting decline in electricity demand and costs. Interest and fiscal charges increased by \$309,229 or 20% as a direct result of new GBRA revenue bond issuances in the current year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2022

At September 30, 2022, the City's governmental funds reported combined fund balances of \$18,050,212, an increase of \$4,302,864 in comparison with the prior year. Approximately 55% of this amount, \$10,004,484, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable*, *committed* or *restricted* to indicate that it is 1) not in spendable form \$57,433 2) committed for particular purposes \$311,949 or 3) restricted for particular purposes \$7,676,346.

As of the end of the year the general fund reflected a total fund balance of \$10,879,515. Of this, \$369,382 is considered not in spendable form, committed or restricted and \$10,143,227 is unassigned. General fund balance increased by \$3,200,877 during the current year as compared to a final budgeted decrease of \$1,246,437. The increased in fund balance was primarily a result of less than expected expenditures and greater than anticipated other financing sources, including new debt issuances, in the current year.

As a measure of the general fund's liquidity, it may be useful to compare total unassigned fund balance to total fund expenditures. The unassigned (the amount available for spending) fund balance of the general fund of \$10,143,227 is 85% of total general fund expenditures. Overall revenue in the general fund increased by \$698,429 when compared to the prior year. Property tax and sales tax showed the largest increase due to a growing City and local economy. General fund expenditures increase \$322,369 when compared to the prior year. The largest increase was in public safety of \$633,605 which was primarily due to greater personnel costs and new vehicle purchases in the current year.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position at the close of the fiscal year for all proprietary funds amounted to \$6,709,920, a decrease of \$175,929 from the previous year. Total investment in capital assets, net of related debt was \$15,404,957, and capital assets, net of depreciation totaled \$67,193,926.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted revenues of \$8,962,294 were less than actual revenues of \$9,245,783, resulting in a total positive revenue variance of \$283,489. All actual revenues were greater than the budgeted amounts, with the exception of property tax, intergovernmental, and fines and forfeitures. Total budgeted expenditures of \$13,716,563, were more than actual expenditures of \$11,951,842, resulting in a total positive expenditure variance of \$1,764,721. One significant change between the original and final budget included an increase for public safety of \$622,320 and was primarily due to the anticipated purchases of new police department vehicles.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$20,594,127 in a variety of capital assets and infrastructure, net of accumulated depreciation. The City's business-type activities funds had invested \$67,193,926 in a variety of capital assets and infrastructure, net of accumulated depreciation. This investment in capital assets includes land, buildings, vehicles, equipment, park improvements, and infrastructure.

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

September 30, 2022

Major capital asset events during the current year include the following:

- Roof replacement at the Lockhart Fire Station totaling \$26,647.
- Roof replacement at the Senior Citizen Tech Center totaling \$91,995.
- Street repairs totaling \$23,841.
- 2022 drainage projects for \$54,899.
- New construction work for downtown renovation totaling \$224,992.
- New construction on Maple Street for \$674,017.
- Commenced the TX130/FM2720 project for \$37,680.
- Extension on LK/30-LK-40 totaling \$442,075.
- Purchase of metal building for electric department for \$93,780.
- City Hall upgrades totaling \$29,761.
- Purchase of a new generator for \$37,460.
- Waterline extension project totaling \$173,802.
- Purchase of a 2022 Dodge Ram ambulance for \$246,794.
- Purchased a Stryker Power-Pro for \$27,247.
- Purchased a Stryker powerload lift for \$30,883.
- Addition of intangible water access associated with the Carrizo Groundwater Supply Project for \$14,485,000.

More detailed information about the City's capital assets is presented in note IV. C to the financial statements.

LONG-TERM DEBT

The City's outstanding bonds, tax notes, lease liabilities and certificates of obligation payable, net of all premiums, increased by \$16,605,372 from the prior year. The total bonds, leases and certificates of obligation payable at the close of the fiscal year was \$71,517,278, net of all premiums.

More detailed information about the City's long-term liabilities is presented in note IV.E to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City of Lockhart has seen a steady growth in tax revenue over the last five years. Sales tax revenue has increased by 36.3% since 2017 and property tax valuation has increased by 53.2%. Even with the 36.3% increase, the City continues to forecast sales tax in a conservative position. The total sales tax payments received in 2022 fiscal year equaled \$2,392,769. The City anticipates continued increase for 2023.

Property valuations have increased due to new additions and property on the tax roll, along with the appraisal district reassessing valuations in 2021. The certified assessed taxable property valuations for the 2023 fiscal year (2022 tax roll) total \$1,072,343,556 with a tax rate of \$0.4504 per \$100 valuation for

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*
September 30, 2022

maintenance and operations and \$0.1502 per \$100 valuation for the interest and sinking fund. The total tax rate of \$0.6006.

The City's capital plan for 2022-20236 continues to focus on infrastructure upgrades and improvements to streets, the electric distribution system and water and wastewater lines.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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 City of Lockhart, Texas, Finance Department, 308 W. San Antonio Street, Lockhart, Texas 78644. This information can also be accessed on the City's website at www.lockhart-tx.org.

BASIC FINANCIAL STATEMENTS

City of Lockhart, Texas
STATEMENT OF NET POSITION (Page 1 of 2)
September 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 17,860,296	\$ 14,630,301	\$ 32,490,597
Receivables, net	1,115,633	4,225,534	5,341,167
Internal balances	482,983	(482,983)	-
Inventories	26,240	612,196	638,436
Prepaid and other assets	31,193	5,479	36,672
Total Current Assets	19,516,345	18,990,527	38,506,872
Noncurrent assets:			
Capital assets:			
Non-depreciable	1,858,617	583,604	2,442,221
Net depreciable capital assets	18,735,510	66,610,322	85,345,832
Total Noncurrent Assets	20,594,127	67,193,926	87,788,053
Total Assets	40,110,472	86,184,453	126,294,925
<u>Deferred Outflows of Resources</u>			
Pension outflows-TMRS	1,035,179	273,769	1,308,948
OPEB outflows-TMRS	70,621	19,629	90,250
OPEB outflows-retiree healthcare	14,875	9,902	24,777
Deferred charge on refunding	164,093	115,136	279,229
Total Deferred Outflows of Resources	1,284,768	418,436	1,703,204

Component
Unit
Lockhart EDC

\$	3,546,470
	236,398
	-
	-
	686
	<u>3,783,554</u>

	2,821,404
	2,139,252
	<u>4,960,656</u>
	<u>8,744,210</u>

	26,440
	-
	-
	-
	<u>26,440</u>

City of Lockhart, Texas
STATEMENT OF NET POSITION (Page 2 of 2)
September 30, 2022

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
<u>Liabilities</u>			
Accounts payable	567,091	1,210,175	1,777,266
Accrued liabilities	400,659	181,048	581,707
Due to other governments	20,664	-	20,664
Customer deposits	-	561,010	561,010
Compensated absences, current	500,262	74,395	574,657
Accrued interest payable	71,955	582,512	654,467
Long-term debt due in one year	1,405,189	1,477,545	2,882,734
Total Current Liabilities	2,965,820	4,086,685	7,052,505
Noncurrent liabilities:			
Net pension liability	1,461,396	386,495	1,847,891
OPEB liability-TMRS	448,078	124,546	572,624
OPEB liability-Retiree healthcare	287,319	94,840	382,159
Compensated absences	55,585	8,266	63,851
Long-term debt due in more than one year	11,956,122	56,678,422	68,634,544
Total Noncurrent Liabilities	14,208,500	57,292,569	71,501,069
Total Liabilities	17,174,320	61,379,254	78,553,574
<u>Deferred Inflows of Resources</u>			
Pension inflows	1,779,216	470,542	2,249,758
OPEB inflows-TMRS	34,610	9,620	44,230
OPEB inflows-Retiree Healthcare	34,538	1,815	36,353
Total Deferred Inflows of Resources	1,848,364	481,977	2,330,341
<u>Net Position</u>			
Net investment in capital assets	11,546,567	15,404,957	26,951,524
Restricted for:			
General government	436,359	-	436,359
Public safety	20,649	-	20,649
Municipal court	126,794	-	126,794
Tourism	130,191	-	130,191
Capital projects	2,648,602	2,626,781	5,275,383
Economic development	-	-	-
Unrestricted	7,463,394	6,709,920	14,173,314
Total Net Position	\$ 22,372,556	\$ 24,741,658	\$ 47,114,214

See Notes to Financial Statements.

Component	
Unit	
Lockhart	
EDC	
	6,253
	-
	-
	-
	-
	8,708
	133,067
	148,028
	37,327
	-
	-
	-
	2,961,713
	2,999,040
	3,147,068
	45,444
	-
	-
	45,444
	2,216,188
	-
	-
	-
	-
	-
	3,361,950
	-
\$	5,578,138

City of Lockhart, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 1,967,143	\$ -	\$ 1,850,386	\$ -
Public safety	6,168,414	208,287	354,674	211,854
Public works	2,684,964	664,402	-	-
Health and welfare	23,439	-	-	-
Culture and recreation	1,215,110	251,869	-	-
Community development	905,103	852,003	-	-
Interest and fiscal charges	390,198	-	-	-
Total Governmental Activities	13,354,371	1,976,561	2,205,060	211,854
Business-Type Activities				
Electric	9,978,485	12,608,272	-	-
Water	5,565,359	4,132,398	-	179,228
Wastewater	1,805,990	2,880,275	-	-
* Nonmajor enterprise	3,133,795	3,413,781	-	16,810
Total Business-Type Activities	20,483,629	23,034,726	-	196,038
Total Primary Government	\$ 33,838,000	\$ 25,011,287	\$ 2,205,060	\$ 407,892
Component Units				
Lockhart EDC	709,997	-	2,431	-
Total Component Units	\$ 709,997	\$ -	\$ 2,431	\$ -

General Revenues:

Taxes
 Property taxes
 Sales taxes
 Franchise and local taxes
 Investment income
 Other revenues
 Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position

Ending Net Position

See Notes to Financial Statements.

* Includes sanitation, airport, and EMS activities

Net (Expense) Revenue and Changes in Net Position

Primary Government			
Governmental Activities	Business-Type Activities	Total	Lockhart EDC
\$ (116,757)	\$ -	\$ (116,757)	\$ -
(5,393,599)	-	(5,393,599)	-
(2,020,562)	-	(2,020,562)	-
(23,439)	-	(23,439)	-
(963,241)	-	(963,241)	-
(53,100)	-	(53,100)	-
(390,198)	-	(390,198)	-
(8,960,896)	-	(8,960,896)	-
-	2,629,787	2,629,787	-
-	(1,253,733)	(1,253,733)	-
-	1,074,285	1,074,285	-
-	296,796	296,796	-
-	2,747,135	2,747,135	-
(8,960,896)	2,747,135	(6,213,761)	-
			(707,566)
			(707,566)
5,801,092	-	5,801,092	-
2,392,769	-	2,392,769	1,196,384
585,018	-	585,018	-
125,718	114,001	239,719	26,760
213,151	149,689	362,840	79,792
2,885,430	(2,885,430)	-	-
12,003,178	(2,621,740)	9,381,438	1,302,937
3,042,282	125,395	3,167,677	595,370
19,330,274	24,616,263	43,946,537	4,982,768
\$ 22,372,556	\$ 24,741,658	\$ 47,114,214	\$ 5,578,138

City of Lockhart, Texas

BALANCE SHEET GOVERNMENTAL FUNDS

September 30, 2022

	General	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets</u>			
Cash and cash equivalents	\$ 10,415,556	\$ 7,444,740	\$ 17,860,296
Accounts receivable, net	893,069	222,564	1,115,633
Due from other funds	640,123	-	640,123
Inventories	26,240	-	26,240
Prepays	31,193	-	31,193
Total Assets	\$ 12,006,181	\$ 7,667,304	\$ 19,673,485
<u>Liabilities</u>			
Accounts payable	\$ 299,159	\$ 267,932	\$ 567,091
Accrued liabilities	400,659	-	400,659
Due to other governments	20,664	-	20,664
Due to other funds	-	157,140	157,140
Total Liabilities	720,482	425,072	1,145,554
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	339,149	63,056	402,205
Unavailable revenue-fines	43,270	8,479	51,749
Unavailable revenue - notes receivable	23,765	-	23,765
Total Deferred Inflows of Resources	406,184	71,535	477,719
<u>Fund Balances</u>			
Nonspendable:			
Inventories	26,240	-	26,240
Prepaid items	31,193	-	31,193
Committed for:			
Sidewalks	53,085	-	53,085
Industrial park	258,864	-	258,864
Restricted for:			
General government	366,906	69,453	436,359
Public safety	-	20,649	20,649
Municipal court	-	126,794	126,794
Tourism	-	130,191	130,191
Capital projects	-	6,962,353	6,962,353
Unassigned	10,143,227	(138,743)	10,004,484
Total Fund Balances	10,879,515	7,170,697	18,050,212
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,006,181	\$ 7,667,304	\$ 19,673,485

See Notes to Financial Statements.

City of Lockhart, Texas

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS

September 30, 2022

Fund Balances - Total Governmental Funds \$ 18,050,212

Adjustments for the Statement of Net Position:

Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.

Capital assets - non-depreciable 1,858,617

Capital assets - net depreciable 18,735,510

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.

Property tax 402,205

Fines and fees 51,749

Other receivables 23,765

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 (revenues) until that time

Pension inflows (1,779,216)

OPEB inflows-TMRS (34,610)

OPEB inflows-Retiree Healthcare (34,538)

Deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expense/ expenditures) until then

Pension outflows 1,035,179

OPEB outflows-TMRS 70,621

OPEB outflows-Retiree Healthcare 14,875

Deferred charge on refunding 164,093

Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.

Accrued interest (71,955)

Deferred charges:

Bond premium (466,738)

Net pension liability (1,461,396)

OPEB liability-TMRS (448,078)

OPEB liability-Retiree healthcare (287,319)

Compensated absences (555,847)

Non-current liabilities due in one year (1,405,189)

Non-current liabilities due in more than one year (11,489,384)

Net Position of Governmental Activities \$ 22,372,556

See Notes to Financial Statements.

City of Lockhart, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

For the Year Ended September 30, 2022

	General	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues</u>			
Property tax	\$ 4,795,142	\$ 953,087	\$ 5,748,229
Sales tax	2,392,769	-	2,392,769
Franchise and local taxes	395,527	189,491	585,018
Fines and forfeitures	249,589	26,058	275,647
License and permits	422,933	429,070	852,003
Charges for services	251,869	664,402	916,271
Intergovernmental	428,420	1,950,814	2,379,234
Investment income	82,355	43,363	125,718
Other revenue	227,179	7,913	235,092
Total Revenues	9,245,783	4,264,198	13,509,981
<u>Expenditures</u>			
Current:			
General government	1,951,658	169,851	2,121,509
Public safety	6,498,281	271,086	6,769,367
Public works	1,256,222	6,893	1,263,115
Health and welfare	114,006	-	114,006
Culture and recreation	1,038,779	24	1,038,803
Community development	955,377	-	955,377
Debt Service:			
Principal	103,723	903,038	1,006,761
Interest and fiscal charges	8,576	384,894	393,470
Bond issuance costs	25,220	-	25,220
Capital outlay	-	1,057,780	1,057,780
Total Expenditures	11,951,842	2,793,566	14,745,408
Revenues Over (Under) Expenditures	(2,706,059)	1,470,632	(1,235,427)
<u>Other Financing Sources (Uses)</u>			
Bond issuance	2,330,000	-	2,330,000
Lease issuance	322,861	-	322,861
Transfers in	3,319,534	325,459	3,644,993
Transfers (out)	(65,459)	(694,104)	(759,563)
Total Other Financing Sources (Uses)	5,906,936	(368,645)	5,538,291
Net Change in Fund Balances	3,200,877	1,101,987	4,302,864
Beginning fund balances	7,678,638	6,068,710	13,747,348
Ending Fund Balances	\$ 10,879,515	\$ 7,170,697	\$ 18,050,212

See Notes to Financial Statements.

City of Lockhart, Texas

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2022

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

Net changes in fund balances - total governmental funds	\$ 4,302,864
---	--------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	2,189,333
Capital contributions from EDC	37,680
Depreciation expense	(2,269,119)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property tax	52,863
Fines and fees	(67,360)
Other receivables	(21,941)

Some expenses 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.

Compensated absences	28,094
Accrued interest	(9,577)
Pension expense	440,769
OPEB expense-TMRS	(35,789)
OPEB expense-retiree healthcare	2,496

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt issuance	(2,330,000)
Lease issuance	(322,861)
Amortization of deferred charge on refunding	(23,442)
Amortization of premium	61,511
Principal payments	1,006,761

Change in Net Position of Governmental Activities	\$ 3,042,282
--	---------------------

See Notes to Financial Statements.

City of Lockhart, Texas
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (Page 1 of 2)
September 30, 2022

		Business-Type Activities		
		Electric	Water	Wastewater
<u>Assets</u>				
<u>Current Assets</u>				
Cash and cash equivalents	\$	2,630,374	\$ 5,934,635	\$ 4,794,424
Accounts receivable, net		2,179,870	629,324	397,896
Inventories		612,196	-	-
Prepaid items		3,260	647	647
Total Current Assets		5,425,700	6,564,606	5,192,967
<u>Noncurrent Assets</u>				
Capital assets:				
Non-depreciable		8,894	241,312	140,828
Net depreciable capital assets		3,879,892	55,506,935	5,560,758
Total Noncurrent Assets		3,888,786	55,748,247	5,701,586
Total Assets		9,314,486	62,312,853	10,894,553
<u>Deferred Outflows of Resources</u>				
Pension outflows-TMRS		172,932	38,951	38,170
OPEB outflows-TMRS		11,706	3,167	2,392
OPEB outflows-retiree healthcare		6,226	1,350	1,122
Deferred loss on refunding		-	99,811	15,325
Total Deferred Outflows of Resources		190,864	143,279	57,009

See Notes to Financial Statements.

Business-Type Activities

Nonmajor Funds	Total
\$ 1,270,868	\$ 14,630,301
1,018,444	4,225,534
-	612,196
925	5,479
<u>2,290,237</u>	<u>19,473,510</u>

192,570	583,604
1,662,737	66,610,322
<u>1,855,307</u>	<u>67,193,926</u>
<u>4,145,544</u>	<u>86,667,436</u>

23,716	273,769
2,364	19,629
1,204	9,902
-	115,136
<u>27,284</u>	<u>418,436</u>

City of Lockhart, Texas
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (Page 2 of 2)
September 30, 2022

	Business-Type Activities		
	Electric	Water	Wastewater
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ 811,280	\$ 183,596	\$ 94,682
Accrued liabilities	174,183	-	-
Customer deposits	413,352	142,608	-
Compensated absences, current	48,136	10,298	8,372
Lease liabilities, current	20,132	15,079	15,192
Long-term debt, current	279,313	1,004,356	119,747
Due to other funds	-	482,983	-
Accrued interest	6,155	565,039	11,318
Total Current Liabilities	1,752,551	2,403,959	249,311
<u>Noncurrent Liabilities</u>			
Compensated absences, noncurrent	5,348	1,144	930
Lease liabilities, noncurrent	29,607	22,178	22,343
Long-term debt, noncurrent	802,340	53,061,653	2,713,594
Net pension liability	244,138	54,989	53,887
OPEB liability-TMRS	74,269	20,099	15,175
OPEB liability-retiree healthcare	59,630	12,931	10,746
Total Noncurrent Liabilities	1,215,332	53,172,994	2,816,675
Total Liabilities	2,967,883	55,576,953	3,065,986
<u>Deferred Inflows of Resources</u>			
Pension inflows-TMRS	297,227	66,947	65,606
OPEB inflows-TMRS	5,737	1,552	1,172
OPEB inflows-retiree healthcare	1,141	247	206
Total Deferred Inflows of Resources	304,105	68,746	66,984
<u>Net Position</u>			
Net investment in capital assets	3,157,394	6,079,125	4,363,564
Restricted for:			
Capital projects	167,997	1,316,043	1,142,741
Unrestricted	2,907,971	(584,735)	2,312,287
Total Net Position	\$ 6,233,362	\$ 6,810,433	\$ 7,818,592

See Notes to Financial Statements.

Business-Type Activities			
Nonmajor			
Funds		Total	
\$ 120,617		\$ 1,210,175	
6,865		181,048	
5,050		561,010	
7,590		74,395	
23,726		74,129	
-		1,403,416	
-		482,983	
-		582,512	
163,848		4,569,668	
843		8,266	
26,707		100,835	
-		56,577,587	
33,481		386,495	
15,003		124,546	
11,533		94,840	
87,567		57,292,569	
251,415		61,862,237	
40,762		470,542	
1,159		9,620	
221		1,815	
42,142		481,977	
1,804,874		15,404,957	
-		2,626,781	
2,074,397		6,709,920	
\$ 3,879,271		\$ 24,741,658	

City of Lockhart, Texas

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

For the Year Ended September 30, 2022

	Business-Type Activities		
	Electric	Water	Wastewater
<u>Operating Revenues</u>			
Charges for services	\$ 12,608,272	\$ 4,132,398	\$ 2,880,275
Other revenue	111,228	264	-
Total Operating Revenues	12,719,500	4,132,662	2,880,275
<u>Operating Expenses</u>			
Personnel services	1,317,733	285,573	314,098
Supplies	14,176	55,521	80,713
Maintenance and repairs	221,164	211,699	148,224
Contractual services	355,578	451,924	50,789
Power, water, and water treatment	7,493,896	956,129	866,241
Non-departmental	-	-	67,293
Miscellaneous	154,250	4,920	-
Depreciation and amortization	396,312	2,097,524	261,968
Total Operating Expenses	9,953,109	4,063,290	1,789,326
Operating Income (Loss)	2,766,391	69,372	1,090,949
<u>Nonoperating Revenues (Expenses)</u>			
Insurance recoveries	1,008	-	-
Investment earnings	18,282	50,406	32,021
Interest expense	(20,670)	(1,502,069)	(1,370)
Debt issuance costs	(4,706)	-	(15,294)
Total Nonoperating Revenues (Expenses)	(6,086)	(1,451,663)	15,357
Income (Loss) Before Capital Contributions and Transfers	2,760,305	(1,382,291)	1,106,306
<u>Capital Contributions and Transfers</u>			
Capital grants	-	179,228	-
Transfers in	-	534,474	-
Transfers (out)	(2,027,379)	(99,548)	(973,250)
Total Capital Contributions and Transfers	(2,027,379)	614,154	(973,250)
Change in Net Position	732,926	(768,137)	133,056
Beginning net position	5,500,436	7,578,570	7,685,536
Ending Net Position	\$ 6,233,362	\$ 6,810,433	\$ 7,818,592

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
\$ 3,413,781	\$ 23,034,726
37,189	148,681
<u>3,450,970</u>	<u>23,183,407</u>
179,918	2,097,322
1,302,622	1,453,032
1,402,639	1,983,726
79,979	938,270
-	9,316,266
-	67,293
12,513	171,683
155,378	2,911,182
<u>3,133,049</u>	<u>18,938,774</u>
<u>317,921</u>	<u>4,244,633</u>
-	1,008
13,292	114,001
(746)	(1,524,855)
-	(20,000)
<u>12,546</u>	<u>(1,429,846)</u>
330,467	2,814,787
16,810	196,038
-	534,474
(319,727)	(3,419,904)
<u>(302,917)</u>	<u>(2,689,392)</u>
27,550	125,395
<u>3,851,721</u>	<u>24,616,263</u>
<u>\$ 3,879,271</u>	<u>\$ 24,741,658</u>

City of Lockhart, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 1 of 2)
For the Year Ended September 30, 2022

	Business-Type Activities		
	Electric	Water	Wastewater
<u>Cash Flows from Operating Activities</u>			
Payments to employees	\$ (1,386,833)	\$ (320,884)	\$ (320,806)
Payments to suppliers	(8,235,773)	(1,239,263)	(1,229,714)
Receipts from customers	12,774,047	4,229,888	2,935,885
Net Cash Provided (Used) by Operating Activities	3,151,441	2,669,741	1,385,365
<u>Cash Flows from Noncapital Financing Activities</u>			
Transfers in	-	534,474	-
Transfers (out)	(2,027,379)	(99,548)	(973,250)
Net Cash Provided (Used) by Noncapital Financing	(2,027,379)	434,926	(973,250)
<u>Cash Flows from Capital and Related Financing Activities</u>			
Acquisition and construction of capital assets	(565,615)	(285,439)	(11,572)
Capital grants	-	179,228	-
Insurance recoveries	1,008	-	-
Debt issuance	404,706	-	1,315,294
Principal paid on capital debt	(72,832)	(925,307)	(130,375)
Debt issuance costs	(4,706)	-	(15,294)
Interest paid on capital debt	(20,670)	(1,386,709)	(2,609)
Net Cash Provided (Used) by Capital and Related Financing Activities	(258,109)	(2,418,227)	1,155,444
<u>Cash Flows from Investing Activities</u>			
Interest on investments	18,282	50,406	32,021
Net Cash Provided by Investing Activities	18,282	50,406	32,021
Net Increase (Decrease) in Cash and Cash Equivalents	884,235	736,846	1,599,580
Beginning cash and cash equivalents	1,746,139	5,197,789	3,194,844
Ending Cash and Cash Equivalents	\$ 2,630,374	\$ 5,934,635	\$ 4,794,424

See Notes to Financial Statements.

Business-Type Activities

Nonmajor Funds	Total
\$ (217,651)	\$ (2,246,174)
(2,925,971)	(13,630,721)
3,377,198	23,317,018
<u>233,576</u>	<u>7,440,123</u>
-	534,474
(319,727)	(3,419,904)
<u>(319,727)</u>	<u>(2,885,430)</u>
(332,132)	(1,194,758)
16,810	196,038
-	1,008
-	1,720,000
(23,442)	(1,151,956)
-	(20,000)
<u>(746)</u>	<u>(1,410,734)</u>
<u>(339,510)</u>	<u>(1,860,402)</u>
13,292	114,001
<u>13,292</u>	<u>114,001</u>
(412,369)	2,808,292
<u>1,683,237</u>	<u>11,822,009</u>
<u>\$ 1,270,868</u>	<u>\$ 14,630,301</u>

City of Lockhart, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 2 of 2)
For the Year Ended September 30, 2022

	Business-Type Activities		
	Electric	Water	Wastewater
<u>Reconciliation of Operating Income (Loss)</u>			
<u>to Net Cash Provided (Used) by Operating Activities</u>			
Operating Income (Loss)	\$ 2,766,391	\$ 69,372	\$ 1,090,949
Adjustments to reconcile operating income (loss) to net cash provided (used):			
Depreciation	396,312	2,097,524	261,968
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	(90,022)	65,676	55,610
Inventory	(124,532)	-	-
Prepaid items	(107)	155	155
Deferred outflows:			
Pension	(69,559)	(10,921)	(17,016)
OPEB	2,231	605	455
Increase (Decrease) in:			
Accounts payable and accrued liabilities	127,930	(42,208)	(16,609)
Customer deposits	144,569	31,550	-
Compensated absences	(5,153)	(1,056)	453
Due to other funds	-	482,983	-
Deferred inflows:			
Pension	182,382	35,807	42,105
OPEB	(483)	(132)	(99)
Net pension liability	(182,700)	(60,746)	(33,460)
OPEB Liability	4,182	1,132	854
Net Cash Provided (Used) by Operating Activities	\$ 3,151,441	\$ 2,669,741	\$ 1,385,365

Schedule of Non-Cash Capital and Related
Financing Activities

GBRA debt and intangible	\$ -	\$ 14,485,000	\$ -
--------------------------	------	---------------	------

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
\$ 317,921	\$ 4,244,633
155,378	2,911,182
(73,847)	(42,583)
-	(124,532)
(506)	(303)
(2,791)	(100,287)
452	3,743
(127,712)	(58,599)
75	176,194
(735)	(6,491)
-	482,983
17,515	277,809
(97)	(811)
(52,922)	(329,828)
845	7,013
<u>\$ 233,576</u>	<u>\$ 7,440,123</u>

\$ - \$ 14,485,000

City of Lockhart, Texas
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2022

	Private Purpose Trusts	Custodial Funds
<u>Assets</u>		
Cash and cash equivalents	\$ 557	\$ 32,810
Prepays	-	1,211
Total Assets	\$ 557	\$ 34,021
<u>Liabilities</u>		
Due to others	-	29,108
Total Liabilities	-	29,108
<u>Net Position</u>		
Restricted for various purposes:	\$ 557	\$ 4,913
Total Net Position	\$ 557	\$ 4,913

See Notes to Financial Statements.

City of Lockhart, Texas

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

For the Year Ended September 30, 2022

	Private Purpose Trusts	Custodial Funds
<u>Additions</u>		
Investment income	\$ 5	\$ 207
Other revenue	-	4,943
Total Additions	<u>5</u>	<u>5,150</u>
<u>Deductions</u>		
General government	-	1,188
Total Deductions	<u>-</u>	<u>1,188</u>
Net Change in Net Position	5	3,962
Beginning Net Position	552	951
Ending Net Position	<u><u>\$ 557</u></u>	<u><u>\$ 4,913</u></u>

See Notes to Financial Statements.

(This page intentionally left blank.)

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2022

I. 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.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) applicable to government units. The following is a summary of the more significant accounting policies.

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting Entity

For financial reporting purposes, management has considered all potential component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The criteria used are as follows:

Financial Accountability – The primary government is deemed to be financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government. Additionally, the primary government may be financially accountable if an organization is fiscally dependent on the primary government and there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government or a jointly appointed board.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Discretely Presented Component Unit

Lockhart Economic Development Corporation ("LEDC")

The 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. 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.

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, 2022.

This component unit is discretely presented in the financial statements. Complete financial statements of the individual component unit can be obtained from Pam Larison, Finance Director, at 308 W. San Antonio St. Lockhart, TX 78644.

C. Basis of Presentation - Government-Wide and Fund Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and the proprietary funds.

As discussed earlier, the government has one discretely presented component unit which is shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category;

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

General Fund

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, public works, health and welfare, culture and recreation, and community development.

The government reports the following major enterprise funds:

Electric Fund

The electric fund accounts for the activities of the City related to its provision of electricity. Activities of the fund include administration, operation and maintenance of the electric system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for electric debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the funds.

Water Fund

The water fund is used to account for the establishment and maintenance of water facilities within the municipal boundaries of the City. Activities of the fund include administration, operation and maintenance of the water system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the funds.

Wastewater Fund

The wastewater fund is used to account for the establishment and maintenance of sewage and drainage facilities within the municipal boundaries of the City. Activities of the fund include administration, operation and maintenance of the wastewater system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of,

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

long-term debt principal and interest for wastewater debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the funds.

Additionally, the government reports the following fund types:

Debt Service Funds

The City accounts for the accumulation of financial resources for the payments of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance is restricted exclusively for debt service expenditures.

Capital Project Funds

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

Special Revenue Funds

The City accounts for resources restricted to, or designated for, specific purposes in a special revenue fund. As of September 30, 2022, the City is maintaining eighteen special revenue funds.

Fiduciary Funds

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. These funds include the Glosserman Trust and Brock Cabin Trust fund.

Custodial 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 custodial funds include the confiscated property, unclaimed property, and bicycle helmet funds.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are 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. 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.

The 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 government 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary, pension and other postemployment benefit trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting its assets and liabilities.

E. Assets, Liabilities, Deferred Outflows/Inflows, and Fund Equity or Net Position

1. 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. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code.

In summary, the City is authorized to invest in the following:

Direct obligations of the U.S. Government
Fully collateralized certificates of deposit and money market accounts
Statewide investment pools
SEC registered, no load money market mutual funds

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

2. Fair Value

The City has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds are offset by a nonspendable fund balance account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Inventories and Prepaid Items

Inventory of the general fund and the electric fund consists of supplies held for the City's use and are carried at cost. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

5. Restricted Assets

Certain proceeds of re classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants or other restrictions.

6. Capital Assets

Capital assets, are tangible and intangible assets which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and rights to water access are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and capital items received in a service concession arrangement are reported at acquisition value. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

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

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years.

Asset Description	Estimated Useful Life
Building and improvements	10 to 50 years
Machinery and equipment	5 to 10 years
Public domain infrastructure	10 to 40 years
Utility system infrastructure	30 to 50 years
Intangible assets	15 to 40 years

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows / inflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government only has three items that qualify for reporting in this category. One example is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge 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.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, fines and forfeitures and ambulance fees. These amounts are deferred and

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumption used within the pension actuarial valuation model.

8. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable, pension and OPEB liabilities and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed when incurred.

The net pension liability is included within long term debt. This liability is valued using an actuarial model and represents the difference between the plan fiduciary net position and the net pension liability consistent with GASB statement no. 68. The portion of this liability presented as a current liability is based on actuarial calculations for estimated future payments of benefits and refunds over the twelve months following yearend.

Assets acquired under the terms of leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

9. 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.

10. Other Postemployment Benefits ("OPEB")

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. 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 on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

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

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

11. Leases

Lessee: The City and LEDC are lessees for noncancellable leases of building and equipment. The City and LEDC recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the full-accrual financial statements. The City and LEDC recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City and LEDC initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City and LEDC determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City and LEDC uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City and LEDC uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City and LEDC is reasonably certain to exercise.

The City and LEDC monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

12. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

13. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

14. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

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.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (Council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

15. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as 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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

3. 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

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

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.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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 utility fund, golf course fund, and storm water utility funds are charges to customers for sales and services. The utility fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the 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.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, "the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, debt service, three capital projects, various special revenue funds, and the enterprise funds. A budget was not adopted for the local municipal jury, the CARES Relief Act, the 2009 certificates of obligation, or the Maple Street park improvements funds. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the City Charter is the fund level. No funds can be transferred or added which affect the total fund expenditures without City Council approval. Appropriations lapse at the end of the year. One supplemental budget amendment was made during the year. All governmental funds with a legally adopted budget have been presented. The following funds exceeded appropriations at the level of control:

Hotel/Motel Tax	\$60,391
Radio System Maintenance	\$26,566

No other fund expenditures exceeded appropriations at the legal level of control.

A. Restricted Fund Balance

The City records restricted fund balance on amounts with externally imposed restrictions (e.g., through debt covenants or by grantors) or restrictions imposed by law through constitutional provisions or enabling legislation. Total restricted fund balance for governmental funds was \$7,676,346, of which, \$126,794 is restricted by enabling legislation.

B. Deficit Fund Equity

As of September 30, 2022, three nonmajor governmental funds, the debt service, court technology, and radio system maintenance, reported deficit fund balances of \$104,477, \$4,425, and \$29,841, respectively. The deficits will be replenished through interfund transfers and future operating surpluses.

C. Public Funds Investment & Collateral Acts

State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. As of September 30, 2022, the market values of pledged securities and FDIC exceeded bank balances. In addition, the City is required to adopt certain standards as it relates to the investment and maintenance of public funds. The City was in compliance with the requirement Public Funds Investment Act and the Public Funds Collateral Act.

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits - The City's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas Public Funds Investment Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the City's and the depository bank's agent bank. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of FDIC insurance. The City's deposits, as well as those of the City's component unit were fully insured or collateralized as required by the state statutes at September 30, 2022.

As of September 30, 2022, the primary government and component unit had the following investments:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	\$ 35,620,010	0.07
Total value	<u>\$ 35,620,010</u>	
Portfolio weighted average maturity		0.07

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

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 nonoperating funds to less than five years from the time of purchase. The weighted average maturity of investments of the City's operating funds cannot exceed one year from the time of purchase. The weighted average maturities of the investment pools did not exceed 60 days.

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. It

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

is LEDC policy to limit its investment 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, 2022, the investment pools were rated AAAM by Standard and Poor's.

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 and LEDC'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, 2022.

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 it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAM. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. At September 30, 2022, the fair value of the portion in TexPool approximates fair value of the shares. There were no limitations or restrictions on withdrawals.

TexSTAR

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract for services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. Board oversight of TexSTAR is maintained through daily, weekly, and monthly reporting requirements. TexSTAR is rated AAAm by Standard & Poor's. The City's fair value position is stated at the value of the position upon withdrawal. There were no limitations or restrictions on withdrawals.

Texas CLASS

MBIA is a participant of the Texas CLASS program. Texas CLASS has been established for governmental entities pursuant to the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Texas CLASS is supervised by a Board of Trustees who are elected by the Participants. The Board of Trustees supervises the Trust and its affairs and acts as the liaison between the Participants, the Custodian and the Program Administrator. The Board administers the affairs of the Trust and enters into contracts and agreements on behalf of the Trust in order to effectuate the terms of the Trust Agreement. It also selects consultants for Texas CLASS, including the Program Administrator and the Custodian. MBIA's Texas CLASS is rated AAA by Fitch. There were no limitations or restrictions on withdrawals.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

B. Receivables

The following comprise receivable balances of the primary government at year end:

Governmental Activities					
		Nonmajor			
	General	Governmental	Total		
Property taxes	\$ 402,252	\$ 63,055	\$ 465,307		
Sales tax	436,234	-	436,234		
Other taxes	49,857	44,642	94,499		
Fines and fees	420,407	83,576	503,983		
Accounts	-	31,291	31,291		
Other	201,244	-	201,244		
Allowance	(616,925)	-	(616,925)		
	<u>\$ 893,069</u>	<u>\$ 222,564</u>	<u>\$ 1,115,633</u>		

Business-Type Activities					
	Electric	Water	Wastewater	Nonmajor	Total
Accounts	\$ 2,350,208	\$ 671,369	\$ 427,206	\$ 312,581	\$ 3,761,364
EMS	-	-	-	4,404,835	4,404,835
Allowance	(170,338)	(42,045)	(29,310)	(3,698,972)	(3,940,665)
	<u>\$ 2,179,870</u>	<u>\$ 629,324</u>	<u>\$ 397,896</u>	<u>\$ 1,018,444</u>	<u>\$ 4,225,534</u>

The component unit receivables balance consisted entirely of sales tax.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

C. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 1,587,394	\$ -	\$ -	\$ 1,587,394
Construction in progress	421,490	937,691	(1,087,958)	271,223
Total capital assets not being depreciated	<u>2,008,884</u>	<u>937,691</u>	<u>(1,087,958)</u>	<u>1,858,617</u>
Capital assets, being depreciated:				
Machinery and equipment	7,687,550	757,249	(194,321)	8,250,478
Buildings and improvements	13,150,877	123,675	-	13,274,552
Infrastructure	77,768,483	85,537	1,087,958	78,941,978
Right to use assets	431,507	322,861	-	754,368
Total capital assets being depreciated	<u>99,038,417</u>	<u>1,289,322</u>	<u>893,637</u>	<u>101,221,376</u>
Less accumulated depreciation				
Machinery and equipment	6,179,769	424,795	(194,321)	6,410,243
Buildings and improvements	5,255,180	323,238	-	5,578,418
Infrastructure	68,906,606	1,372,932	-	70,279,538
Right to use assets	69,513	148,154	-	217,667
Total accumulated depreciation	<u>80,411,068</u>	<u>2,269,119</u>	<u>(194,321)</u>	<u>82,485,866</u>
Net capital assets being depreciated	<u>18,627,349</u>	<u>(979,797)</u>	<u>1,087,958</u>	<u>18,735,510</u>
Total Capital Assets	<u><u>\$ 20,636,233</u></u>	<u><u>\$ (42,106)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 20,594,127</u></u>

Depreciation was charged to governmental functions as follows:

General government	\$ 226,243
Public safety	390,873
Public works	1,429,546
Health and welfare	9,178
Culture and recreation	213,279
Total Governmental Activities Depreciation Expense	<u><u>\$ 2,269,119</u></u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

A summary of changes in business-type activities capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 574,710	\$ -	\$ -	\$ 574,710
Construction in progress	366,000	442,074	(799,180)	8,894
Total capital assets not being depreciated	<u>940,710</u>	<u>442,074</u>	<u>(799,180)</u>	<u>583,604</u>
Capital assets, being depreciated:				
Machinery and equipment	7,642,244	334,096	-	7,976,340
Buildings and improvements	4,500,538	-	-	4,500,538
Infrastructure	44,802,298	418,588	799,180	46,020,066
Intangibles	32,775,000	14,485,000	-	47,260,000
Total capital assets being depreciated	<u>89,720,080</u>	<u>15,237,684</u>	<u>799,180</u>	<u>105,756,944</u>
Less accumulated depreciation				
Machinery and equipment	6,257,963	299,651	-	6,557,614
Buildings and improvements	3,204,347	41,684	-	3,246,031
Infrastructure	22,677,818	984,027	-	23,661,845
Intangibles	4,095,312	1,585,820	-	5,681,132
Total accumulated depreciation	<u>36,235,440</u>	<u>2,911,182</u>	<u>-</u>	<u>39,146,622</u>
Net capital assets being depreciated	<u>53,484,640</u>	<u>12,326,502</u>	<u>799,180</u>	<u>66,610,322</u>
Total Capital Assets	<u><u>\$ 54,425,350</u></u>	<u><u>\$ 12,768,576</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 67,193,926</u></u>

Depreciation and amortization was charged to business-type activities as follows:

Electric	\$ 396,312
Water	2,097,524
Wastewater	261,968
EMS	77,817
Sanitation	22,609
Airport	54,952
Total Business-type Activities Depreciation Expense	<u><u>\$ 2,911,182</u></u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

A summary of changes in component unit (LEDC) capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 3,146,404	\$ -	\$ (325,000)	\$ 2,821,404
Construction in progress	380,917	1,257,344	(1,638,261)	-
Total capital assets not being depreciated	<u>3,527,321</u>	<u>1,257,344</u>	<u>(1,963,261)</u>	<u>2,821,404</u>
Capital assets, being depreciated:				
Buildings	612,000	-	1,638,261	2,250,261
Right to use assets	56,020	-	-	56,020
Total capital assets being depreciated	<u>668,020</u>	<u>-</u>	<u>1,638,261</u>	<u>2,306,281</u>
Less accumulated depreciation				
Buildings	122,400	28,623	-	151,023
Right to use assets	-	16,006	-	16,006
Total accumulated depreciation	<u>122,400</u>	<u>44,629</u>	<u>-</u>	<u>167,029</u>
Net capital assets being depreciated	<u>545,620</u>	<u>(44,629)</u>	<u>1,638,261</u>	<u>2,139,252</u>
Total Capital Assets	<u><u>\$ 4,072,941</u></u>	<u><u>\$ 1,212,715</u></u>	<u><u>\$ (325,000)</u></u>	<u><u>\$ 4,960,656</u></u>

Depreciation was charged to the following activities as follows:

Lockhart EDC	\$ 44,629
Total Depreciation Expense	<u><u>\$ 44,629</u></u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

D. Long-term Debt

The following is a summary of changes in the City's total long-term liabilities for the year ended September 30, 2022. In general, the City uses the general fund to liquidate governmental long-term liabilities.

	Beginning Balance	Additions	Retired	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, notes and other payables:					
General Obligation Bonds	\$ 4,224,718	\$ -	\$ (538,848)	\$ 3,685,870	\$ 565,042
Certificates of Obligation	6,691,415	-	(364,190)	6,327,225	382,630
Tax notes	-	2,330,000	-	2,330,000	304,914
Less deferred amounts:					
For premiums	528,249	-	(61,511)	466,738	-
Total Bonds Payable	11,444,382	2,330,000	(964,549)	12,809,833	1,252,586
Lease liabilities	332,340	322,861	(103,723)	551,478	152,603
Total Governmental Activities	\$ 11,776,722	\$ 2,652,861	\$ (1,068,272)	\$ 13,361,311	\$ 1,405,189
Long-term liabilities due in more than one year				\$ 11,956,122	
Business-Type Activities:					
General Obligation Bonds	\$ 1,420,278	\$ -	\$ (181,152)	\$ 1,239,126	\$ 189,958
Certificates of Obligation	7,823,585	-	(425,810)	7,397,775	447,370
Tax Notes	-	1,720,000	-	1,720,000	225,086
Less deferred amounts:					
For premiums	339,249	-	(32,261)	306,988	-
Total Bonds Payable	9,583,112	1,720,000	(639,223)	10,663,889	862,414
Lease liabilities	248,249	-	(73,285)	174,964	74,129
Notes payable	2,368,823	-	(171,709)	2,197,114	176,002
GBRA Obligations	30,935,000	14,485,000	(300,000)	45,120,000	365,000
Total Business-Type Activities	\$ 43,135,184	\$ 16,205,000	\$ (1,184,217)	\$ 58,155,967	\$ 1,477,545
Long-term liabilities due in more than one year				\$ 56,678,422	
Component Unit Activities (LEDC):					
Notes payable	\$ 464,426	\$ -	\$ (355,996)	\$ 108,430	\$ 22,311
Lease liabilities	56,020	-	(14,670)	41,350	15,756
Revenue bonds	1,540,000	-	(95,000)	1,445,000	95,000
County obligation	1,500,000	-	-	1,500,000	-
Total Component Unit Activities	\$ 3,560,446	\$ -	\$ (465,666)	\$ 3,094,780	\$ 133,067
Long-term liabilities due in more than one year				\$ 2,961,713	

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Long-term debt applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. The City intends to retire all of its general long-term liabilities, plus accrued interest, from property taxes and other current revenues from the debt service fund as has been done in prior years. The proprietary fund type long-term debt will be repaid, plus accrued interest, from operating revenues of the respective fund. The general fund has typically been used to liquidate the liability for compensated absences for governmental activities. Leases are secured by the underlying asset. In the event of default, the lender may demand immediate payment or take possession of the asset.

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, Texas 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, 2022, there was \$2,810,000 bonds outstanding.

Carrizo Groundwater Supply Project

The Guadalupe-Blanco River Authority (GBRA) has contracted with the City to assist with the financing for the development of the Carrizo Groundwater Supply Project. This groundwater development project will generate 15,000 acre-feet per year of groundwater which will be distributed to three customers that have contracts with GBRA – New Braunfels Utilities, City of Lockhart, and Goforth Special Utility District. The City is responsible for its proportional share of the contract revenue and board participation loans associated with the financing of the project. As of September 30, 2022, there was \$42,310,000 of obligations outstanding.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Primary government long-term debt at year end was comprised of the following debt issues:

	Governmental Activities	Business - Type Activities	Total
General Obligation Bonds:			
\$6,530,000 General Obligation Refunding Bond, Series 2016, due in annual installments through August 2028, interest at 3.6%	\$ 3,685,870	\$ 1,239,126	\$ 4,924,996
Total General Obligation Bonds	\$ 3,685,870	\$ 1,239,126	\$ 4,924,996
Certificates of Obligation:			
\$16,685,000 Certificates of Obligation, Series 2015, due in annual installments through August 2035 interest at 3.39%	\$ 6,327,225	\$ 7,397,775	\$ 13,725,000
Total Certificates of Obligation	\$ 6,327,225	\$ 7,397,775	\$ 13,725,000
Notes Payable:			
\$3,600,000 2013 State Infrastructure Bank Loan due in annual installments through June 2033, interest at 2.50%	\$ -	\$ 2,197,114	\$ 2,197,114
Total Notes Payable	\$ -	\$ 2,197,114	\$ 2,197,114
Tax Notes:			
\$4,050,000 Limited Tax Note, Series 2022, due in annual installments through 2029, interest at 2.61%	\$ 2,330,000	\$ 1,720,000	\$ 4,050,000
Total Tax Notes	\$ 2,330,000	\$ 1,720,000	\$ 4,050,000
GBRA Obligations:			
\$4,950,000 GBRA Revenue Bond, Series 2014, due in installments through 2030, interest at 3.45%	\$ -	\$ 2,810,000	\$ 2,810,000
\$7,095,000 2018 Board Participation Loan due in installments through 2053, interest at 4.24%	-	7,095,000	7,095,000
\$2,405,000 Contract Revenue Bond, Series 2018A, due in installments through 2048, interest at 3.96%	-	2,405,000	2,405,000
\$2,095,000 Contract Revenue Bond, Series 2018B, due in installments through 2048, interest at 3.23%	-	2,095,000	2,095,000
\$6,260,000 2019 Board Participation Loan due in installments through 2054, interest at 3.39%	-	6,260,000	6,260,000
\$1,720,000 Contract Revenue Bond, Series 2019, due in installments through 2049, interest at 2.47%	-	1,720,000	1,720,000
\$8,250,000 Contract Revenue Bond, Series 2020, due in installments through 2050, interest at 2.08%	-	8,250,000	8,250,000
\$14,485,000 Contract Revenue Bond, Series 2021, due in installments through 2050, interest at 2.75%	-	14,485,000	14,485,000
Total GBRA Obligations	\$ -	\$ 45,120,000	\$ 45,120,000

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

	Governmental Activities	Business - Type Activities	Total
Lease Liabilities:			
\$121,741 lease payable to Stryker Sales Corporation, due in annual installments of \$17,392 through 2024, interest at 3.5%	\$ -	\$ 34,783	\$ 34,783
\$322,861 lease payable for building, due in monthly installments of \$5,315 to \$6,218 through 2027, interest at 2.61%	313,626	-	313,626
\$610,998 lease payable to Enterprise Fleet, due in monthly installments of \$13,106 through 2025, interest at 1.5%	237,852	140,181	378,033
Total Lease Liabilities	\$ 551,478	\$ 174,964	\$ 726,442
Premiums	466,738	306,988	773,726
Total Debt	\$ 13,361,311	\$ 58,155,967	\$ 71,517,278

The component unit long-term debt at year end was comprised of the following debt issues:

	Lockhart EDC
Sales Tax Revenue Bonds:	
\$1,645,000 Sales Tax Revenue Bond, Series 2020, due in semi-annual installments through August 2035, interest at 2.47%	\$ 1,445,000
Total Sales Tax Reveue Bonds	\$ 1,445,000
County Obligations:	
\$1,500,000 County Obligation, due in annual installments of \$500,000, starting in 2026 through 2028, interst at 0%	\$ 1,500,000
Total County Obligations	\$ 1,500,000
Notes Payable:	
\$425,000 207 Economic Development Note Payable due in quarterly installments through 2027 interest at 4.25%	\$ 108,430
Total Notes Payable	\$ 108,430
Lease liabilities:	
\$76,144 lease payable for building, due in monthly installments of \$1,245-\$1,470 through March 2025, interest at 2.61%	\$ 41,350
Total Lease Liabilities	\$ 41,350
Total Debt	\$ 3,094,780

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

The annual requirements to amortize the City's long-term activities debt issues outstanding at year end were as follows:

Governmental Activities:

Year ending September 30,	2015 Tax & Rev CO		2016 GO Refunding		2022 Tax Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 382,630	\$ 216,388	\$ 565,042	\$ 131,821	\$ 304,914	\$ 62,071
2024	396,460	201,082	572,526	119,108	316,420	48,725
2025	412,595	185,224	594,978	101,932	325,049	40,354
2026	433,340	164,594	624,914	78,133	333,679	31,758
2027	447,170	151,594	647,366	53,136	339,432	22,974
2028 - 2032	2,523,975	542,482	681,044	27,242	710,506	18,656
2033 - 2035	1,731,055	120,407	-	-	-	-
	<u>\$ 6,327,225</u>	<u>\$ 1,581,771</u>	<u>\$ 3,685,870</u>	<u>\$ 511,372</u>	<u>\$ 2,330,000</u>	<u>\$ 224,538</u>

Year ending September 30,	Lease Liabilities	
	Principal	Interest
2023	\$ 152,603	\$ 10,425
2024	158,148	7,449
2025	109,665	4,533
2026	69,623	2,597
2027	61,439	737
	<u>\$ 551,478</u>	<u>\$ 25,741</u>

The City entered into leases to finance the use of building and equipment. The property is classified as right to use asset with a total carrying value as of yearend for governmental activities of \$536,701.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Business-Type Activities:

Year ending September 30,	2015 Tax & Rev CO		2016 GO Refunding		2022 Tax Note	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 447,370	\$ 253,000	\$ 189,958	\$ 44,316	\$ 225,086	\$ 45,820
2024	463,540	235,105	192,474	40,042	233,580	35,969
2025	482,405	216,563	200,022	34,268	239,951	29,789
2026	506,660	192,443	210,086	26,267	246,321	23,444
2027	522,830	177,243	217,634	17,864	250,568	16,959
2028 - 2032	2,951,025	634,268	228,952	9,158	524,494	13,773
2033 - 2035	2,023,945	140,780	-	-	-	-
	<u>\$ 7,397,775</u>	<u>\$ 1,849,403</u>	<u>\$ 1,239,126</u>	<u>171,915</u>	<u>\$ 1,720,000</u>	<u>\$ 165,754</u>

Year ending September 30,	State Infrastructure Loan		Lease Liabilities	
	Principal	Interest	Principal	Interest
2023	\$ 176,002	\$ 54,928	\$ 74,129	\$ 1,714
2024	180,402	50,528	74,986	857
2025	184,912	46,018	25,849	105
2026	189,535	41,395	-	-
2027	194,273	36,657	-	-
2028 - 2032	1,046,692	107,956	-	-
2033	225,299	5,632	-	-
	<u>\$ 2,197,114</u>	<u>\$ 343,113</u>	<u>\$ 174,964</u>	<u>\$ 2,675</u>

The City entered into leases to finance the use of equipment. The property is classified as right to use asset with a total carrying value as of yearend for business-type activities of \$192,097.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Year ending September 30,	Guadelupa-Blanco River Authority		
	Principal	Interest	Total
2023	\$ 365,000	\$ 848,444	\$ 1,213,444
2024	1,175,000	937,851	1,677,851
2025	1,200,000	911,666	1,676,666
2026	1,220,000	895,790	1,680,790
2027	1,235,000	878,995	1,678,995
2028	1,260,000	861,122	1,681,122
2029	1,280,000	842,354	1,682,354
2030	1,300,000	822,396	1,677,396
2031	915,000	808,454	1,273,454
2032	935,000	800,093	1,280,093
2033	945,000	790,529	1,275,529
2034	965,000	780,100	1,280,100
2035	985,000	768,927	1,278,927
2036	1,005,000	757,095	1,282,095
2037	1,025,000	744,556	1,279,556
2038	1,050,000	731,466	1,281,466
2039	1,425,000	717,534	1,632,534
2040	1,790,000	689,419	1,959,419
2041	1,840,000	649,348	1,959,348
2042	1,900,000	606,460	1,966,460
2043	1,955,000	561,920	1,961,920
2044	2,010,000	515,983	1,955,983
2045	2,080,000	466,500	1,961,500
2046	2,145,000	414,674	1,959,674
2047	2,210,000	360,515	1,955,515
2048	2,285,000	304,560	1,959,560
2049	2,085,000	246,389	1,686,389
2050	2,065,000	196,882	1,596,882
2051	1,720,000	147,244	1,187,244
2052	1,085,000	106,130	1,191,130
2053	1,135,000	63,234	1,198,234
2054	530,000	18,338	548,338
	<u>\$ 45,120,000</u>	<u>\$ 19,244,962</u>	<u>\$ 49,879,962</u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Lockhart Economic Development Corporation

Year ending September 30,	Lease Liabilities		Note Payable	
	Principal	Interest	Principal	Interest
2023	\$ 15,756	\$ 894	\$ 22,311	\$ 4,234
2024	16,840	470	23,283	3,262
2025	8,754	67	24,315	2,230
2026	-	-	25,384	1,161
2027	-	-	13,137	166
	<u>\$ 41,350</u>	<u>\$ 1,431</u>	<u>\$ 108,430</u>	<u>\$ 11,053</u>

The LEDC entered into a lease to finance the use of a building. The property is classified as right to use asset with a total carrying value as of yearend for component unit activities of \$40,014.

Year ending September 30,	2020 Sales Tax and Revenue Bonds		2020 Caldwell County Obligation	
	Principal	Interest	Principal	Interest
2023	\$ 95,000	\$ 35,692	\$ -	\$ -
2024	100,000	33,345	-	-
2025	100,000	30,875	-	-
2026	100,000	28,405	500,000	-
2027	105,000	25,935	500,000	-
2028-2032	570,000	89,167	500,000	-
2033-2035	375,000	18,772	-	-
	<u>\$ 1,445,000</u>	<u>\$ 262,191</u>	<u>\$ 1,500,000</u>	<u>\$ -</u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

G. Other Long-term Liabilities

The following is a summary of changes in the City's other long-term liabilities for the year ended. In general, the City uses the general fund and utility fund to liquidate compensated absences.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
Governmental Activities:					
Compensated absences	\$ 583,941	\$ 440,385	\$ (468,479)	\$ 555,847	\$ 500,262
Total Governmental Activities	<u>\$ 583,941</u>	<u>\$ 440,385</u>	<u>\$ (468,479)</u>	<u>\$ 555,847</u>	<u>\$ 500,262</u>
Other long-term liabilities due in more than one year				<u>\$ 55,585</u>	
Business-Type Activities:					
Compensated absences	\$ 89,152	\$ 86,169	\$ (92,660)	\$ 82,661	\$ 74,395
Total Business-Type Activities	<u>\$ 89,152</u>	<u>\$ 86,169</u>	<u>\$ (92,660)</u>	<u>\$ 82,661</u>	<u>\$ 74,395</u>
Other long-term liabilities due in more than one year				<u>\$ 8,266</u>	
EDC Activities:					
Compensated absences	\$ 4,206	\$ -	\$ (4,206)	\$ -	\$ -
Total Business-Type Activities	<u>\$ 4,206</u>	<u>\$ -</u>	<u>\$ (4,206)</u>	<u>\$ -</u>	<u>\$ -</u>
Other long-term liabilities due in more than one year				<u>\$ -</u>	

H. Deferred Charges on Refunding

Deferred charges resulting from the issuance of series 2016 GO revenue refunding bonds have been recorded as deferred outflows of resources and are being amortized to interest expense over the shorter of either the remaining term of the refunded debt or the refunding certificates of obligation. Current year balances for governmental and business-type activities totaled \$164,093 and \$115,136, respectively. Current year amortization expense for governmental and business-type activities totaled \$23,442 and \$16,447, respectively.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

I. Interfund Transactions

The compositions of interfund advances to/from balances as of the year ended September 30, 2022 were as follows:

Due to:	Due from:	
	General Fund	Total
Water Fund	\$ 482,983	482,983
Nonmajor govt.	157,140	157,140
Total	\$ 640,123	\$ 640,123

Interfund receivables and payables relate to various amounts used to cover operational and capital expenditures. All balances are expected to be resolved in the subsequent year.

Transfers between the primary government during the 2022 year were as follows:

Transfers In:	Transfers Out:						Total
	General	Electric	Water	Wastewater	Nonmajor governmental	Nonmajor enterprise	
General	\$ -	\$ 2,027,379	\$ 99,548	\$ 382,463	\$ 490,417	\$ 319,727	\$ 3,319,534
Nonmajor govt	65,459	-	-	160,000	100,000	-	325,459
Water	-	-	-	430,787	103,687	-	534,474
Total	\$ 65,459	\$ 2,027,379	\$ 99,548	\$ 973,250	\$ 694,104	\$ 319,727	\$ 4,179,467

The LEDC transferred \$55,000 to the general fund during the year. In addition, the LEDC provided \$173,802 of capital contributions to the water fund during the year. Transfers between funds were primarily to support debt service requirements and operation of funds.

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City participates in the Texas Municipal League Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool that retains the risk of loss beyond the City's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the City's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess of insurance coverage.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

B. Contingent Liabilities

The City is involved in lawsuits with other parties from time to time. While the ultimate result of these matters cannot be predicted with certainty, the City does not expect them to have a materially adverse effect on the basic financial statements.

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

C. Commitments

Water Purchase Commitment

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

D. Pension Plans

Texas Municipal Retirement Systems

Plan Description

The City of Lockhart, Texas participates as one of 920 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (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 System 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 annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

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

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

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 payments 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.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

Plan provisions for the City were as follows:

	<u>Plan Year 2021</u>	<u>Plan Year 2020</u>
Employee deposit rate	6%	6%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	70% of CPI repeating	70% of CPI repeating

Employees covered by benefit terms

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	88
Inactive employees entitled to but not yet receiving benefits	132
Active employees	142
Total	362

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

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 of Lockhart, Texas were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the City of Lockhart, Texas were 12.47% and 12.33% in calendar years 2021 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2022, were \$946,174, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2021, 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, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum 16 mortality rate is applied, for males and females respectively, to reflect the impairment for

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35.0%	7.55%
Core Fixed Income	6.0%	2.00%
Non-Core Fixed Income	20.0%	5.68%
Other Public/Private Markets	12.0%	7.22%
Real Estate	12.0%	6.85%
Hedge Funds	5.0%	5.35%
Private Equity	10.0%	10.00%
Total	100.0%	

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

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. Of the total pension liability, \$1,847,891 is related to the primary government, and \$37,327 is attributable to discretely presented component unit.

Changes in the Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net	Total Net Pension	Primary Government	Component Units
Balance at 12/31/20	\$ 37,698,879	\$ 34,334,280	\$ 3,364,599	\$ 3,293,269	\$ 71,330
Changes for the year:					
Service cost	1,005,010	-	1,005,010	985,141	19,869
Interest	2,527,075	-	2,527,075	2,477,115	49,960
Change in benefit terms	-	-	-	-	-
Difference between expected and actual experience	850,154	-	850,154	833,346	16,808
Changes of assumptions	-	-	-	-	-
Contributions – employer	-	950,147	(950,147)	(931,363)	(18,784)
Contributions – employee	-	457,169	(457,169)	(448,131)	(9,038)
Net investment income	-	4,474,872	(4,474,872)	(4,386,404)	(88,468)
Benefit payments, including refunds of emp. contributions	(1,526,480)	(1,526,480)	-	-	-
Administrative expense	-	(20,710)	20,710	20,301	409
Other changes	-	142	(142)	4,617	(4,759)
Net changes	2,855,759	4,335,140	(1,479,381)	(1,445,378)	(34,003)
Balance at 12/31/21	<u>\$ 40,554,638</u>	<u>\$ 38,669,420</u>	<u>\$ 1,885,218</u>	<u>\$ 1,847,891</u>	<u>\$ 37,327</u>

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

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:

Primary Government

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 7,623,575	\$ 1,847,891	\$ (2,848,065)

Component Unit

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 153,996	\$ 37,327	\$ (57,531)

Total

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 7,777,571	\$ 1,885,218	\$ (2,905,596)

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the internet at www.tmr.com.

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

For the year ended September 30, 2022, the City recognized pension expense of \$336,169. Of this amount, \$329,513 is related to the primary government and \$6,656 is attributable to the discretely presented component unit.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

At September 30, 2022, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Primary Government:		
Difference between projected and actual investment earnings	\$ -	\$ (2,249,758)
Change in assumptions	9,994	-
Differences between expected and actual economic experience	642,692	-
Contributions subsequent to the measurement date	656,262	-
Component Units:		
Difference between projected and actual investment earnings	-	(45,444)
Change in assumptions	202	-
Differences between expected and actual economic experience	12,982	-
Contributions subsequent to the measurement date	13,256	-
Total	\$ 1,335,388	\$ (2,295,202)

The primary government and component units reported \$656,262 and \$13,256, respectively, as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2023.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Primary Government	Discretely Presented Component Units	Total
Year ended December 31:			
2022	\$ (74,866)	\$ (1,512)	\$ (76,378)
2023	(675,605)	(13,647)	(689,252)
2024	(423,668)	(8,558)	(432,226)
2025	(422,933)	(8,543)	(431,476)
2026	-	-	-
Thereafter	-	-	-
	\$ (1,597,072)	\$ (32,260)	\$ (1,629,332)

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

E. Other Postemployment Benefits

Supplemental Death Benefits Fund

The City also participates in a defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The 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 1 of any year to be effective the following January 1.

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 SDBF covers both active and retiree benefits with no segregation of assets and, therefore, doesn't meet the definition of a trust under GASB No. 75, paragraph 4b, (i.e., no assets are accumulated for OPEB). As such, the SDBF is considered to be a single-employer unfunded OPEB plan (and not a cost sharing plan) with benefit payments treated as being equal to the employer's yearly contributions for retirees.

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 retiree term life insurance during employees' entire careers.

Employees covered by benefit terms

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	22
Active employees	142
Total	223

The City's contributions to the TMRS SDBF for the years ended 2022 and 2021 were \$10,386 and \$9,355, respectively, which equaled the required contributions each year.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Schedule of Contribution Rates
(RETIREE-only portion of the rate)

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2020	0.06%	0.06%	100.0%
2021	0.15%	0.15%	100.0%
2022	0.13%	0.13%	100.0%

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2021, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5%, including inflation per year
Discount rate	1.84%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

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 males 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.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 1.84%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

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

The following presents the total OPEB liability of the City, calculated using the discount rate of 1.84%, as well as what the City's total OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (0.84%) or 1-percentage-point higher (2.84%) than the current rate:

1% Decrease (0.84%)	Current Single Rate Assumption 1.84%	1% Increase (2.84%)
\$ 693,960	\$ 572,624	\$ 477,577

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/20	\$ 540,373
Changes for the year:	
Service Cost	28,954
Interest	10,983
Difference between expected and actual experience	(13,022)
Changes of assumptions	16,765
Benefit payments	(11,429)
Net changes	32,251
Balance at 12/31/21	\$ 572,624

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

For the year ended September 30, 2022, the City recognized OPEB expense of \$56,123.

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

At September 30, 2022, the City reported deferred outflows of resources related to the OPEB liability from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Difference between expected and actual experience	\$ -	\$ (44,230)
Changes in assumptions and other inputs	83,191	-
Contributions subsequent to measurement date	7,059	-
Total	<u><u>\$ 90,250</u></u>	<u><u>\$ (44,230)</u></u>

The City reported \$7,059 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2023.

Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:		
2022	\$	11,272
2023		17,086
2024		9,768
2025		727
2026		108
Thereafter		-
	<u><u>\$</u></u>	<u><u>38,961</u></u>

Retiree Health Benefit Plan

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

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

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

At the September 30, 2022 valuation, the following represents the active employees and retirees that are eligible to participate in the plan:

Employees covered by benefit terms

At the September 30, 2022 valuation date, the following employees were covered by the benefit terms:

<u>Status</u>	<u>Employee</u>	<u>Employee & Spouse</u>
Inactive employees or beneficiaries currently receiving benefits	5	0
Active employees	44	10
Total	49	10

Discount Rate

The discount rate used to measure the Total OPEB Liability was 4.77%. The discount rate was based on the Bond Buyer GO Bond 20 Year Index rate as of September 30, 2022, date of the actuarial valuation.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability of the City, calculated using the discount rate of 4.77%, as well as what the City's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.77%) or 1-percentage-point higher (5.77%) than the current rate:

<u>1% Decrease (3.77%)</u>	<u>Current Single Rate Assumption 4.77%</u>	<u>1% Increase (5.77%)</u>
\$ 412,464	\$ 382,159	\$ 354,665

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Healthcare Cost Trend

1% Decrease (3.5%)	Current Healthcare Cost Trend (4.5%)	1% Increase (5.5%)
\$ 350,437	\$ 382,159	\$ 418,618

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2021	\$ 426,848
Changes for the year:	
Service Cost	13,045
Interest	9,628
Difference between expected and actual experience	38,165
Changes of assumptions	(81,547)
Benefit payments	(23,980)
Net changes	(44,689)
Balance at 9/30/2022	\$ 382,159

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

For the year ended September 30, 2022, the City recognized OPEB expense of \$22,481.

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 24,777	\$ -
Change in assumptions	-	(36,353)
Total	\$ 24,777	\$ (36,353)

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:		
2023	\$	(192)
2024		(2,781)
2025		(6,833)
2026		(1,770)
2027		-
Thereafter		-
	\$	<u>(11,576)</u>

Funding Status and Funding Progress

Actuarial valuations of an ongoing program involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Program and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of Program, assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The current valuation dated September 30, 2022 and measured as of September 30, 2022 uses the mortality table: RPH 2014 Total Table with Projection MP-2021 and turnover: rates varying based on genera, age, and select and ultimate at 9 years. Rates based on the TMRS actuarial assumptions from the 2017 retirement plan valuation report.

Actuarial Methods and Assumptions

There have been no substantive changes in the retiree plan since the last full valuation. Therefore, the interim-year projection study is based on the census information, benefit schedules and costs for the fiscal year 2020 actuarial valuation for the development of the GASB 75 disclosures related to OPEB benefits for the year ended September 30, 2022.

Projections of benefits for financial reporting purposes are based on the substantive program (the program as understood by the employer and the Program members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Program members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

The following is a summary of the actuarial assumptions:

Actuarial Cost Method	Entry Age Normal Cost
Amortization Method	Level Percent-of-Payroll
Asset Valuation Method	N/A
Discount Rate	4.77%
Inflation Rate	2.5%
Salary Growth	3.5%
Healthcare Cost Trend Rate (Initial/Ultimate)	4.5% for medical

F. Tax Abatement Disclosures

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. The City has tax abatement/rebate agreements with three entities as of September 30, 2022:

\$6,983 of real property and personal property taxes was rebated to a manufacturing company that commercializes fiber reactor technology to enhance and improve manufacturing environments by increasing the efficiency of existing refining operations utilizing two-phase chemistry.

The City has not made any commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other governmental entities. The City has chosen to disclose information about its tax abatement agreements individually. It established a quantitative threshold of 100% percent of the total dollar amount of taxes abated during the year.

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

G. Restatement

Due to the implementation of GASB Statement No. 87, *Leases*, the LEDC restated capital assets and long-term liabilities for component unit activities as follows:

	Component Unit
	Activities
Prior year ending net position, as reported	\$ 4,982,768
Adoption of GASB 87 (lessee) - right-to-use assets	56,020
Adoption of GASB 87 (lessee) - lease liabilities	(56,020)
Restated beginning net position	<u>\$ 4,982,768</u>

H. New Accounting Pronouncements

The City has adopted the provision of Governmental Accounting Standard Board (GASB) Statement No. 87, entitled *Leases*. Due to the implementation of GASB 87 in the current year, the City recorded right to use assets and lease liabilities.

I. Subsequent Events

There were no subsequent events through March 21, 2023, the date the financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND (Page 1 of 2)

For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Property tax	\$ 4,917,565	\$ 4,917,565	\$ 4,795,142	\$ (122,423)
Sales tax	2,068,800	2,068,800	2,392,769	323,969
Franchise and local taxes	321,500	321,500	395,527	74,027
License and permits	293,500	293,500	422,933	129,433
Charges for services	82,300	82,300	251,869	169,569
Intergovernmental	894,069	894,069	428,420	(465,649)
Fines and forfeitures	275,500	275,500	249,589	(25,911)
Investment income	11,000	11,000	82,355	71,355
Other revenue	98,060	98,060	227,179	129,119
Total Revenues	8,962,294	8,962,294	9,245,783	283,489
<u>Expenditures</u>				
Current:				
General government	2,229,224	2,229,224	1,951,658	277,566
Public safety	6,263,125	6,885,445	6,498,281	387,164
Public works	2,421,075	2,421,075	1,256,222	1,164,853
Health and welfare	17,960	10,160	114,006	(103,846)
Culture and recreation	1,178,622	1,186,422	1,038,779	147,643
Community development	984,237	984,237	955,377	28,860
Debt Service:				
Principal	-	-	103,723	(103,723)
Interest and fiscal charges	-	-	8,576	(8,576)
Bond issuance cost	-	-	25,220	(25,220)
Total Expenditures	13,094,243	13,716,563	11,951,842	1,764,721
Revenues Over (Under)				
Expenditures	(4,131,949)	(4,754,269)	(2,706,059)	2,048,210

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND (Page 2 of 2)

For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Other Financing Sources (Uses)</u>				
Bond issuance	\$ -	\$ -	\$ 2,330,000	\$ 2,330,000
Lease issuance	-	-	322,861	322,861
Transfers in	3,602,832	3,602,832	3,319,534	(283,298)
Transfers (out)	(65,000)	(65,000)	(65,459)	(459)
Total Other Financing Sources (Uses)	3,537,832	3,537,832	5,906,936	2,369,104
Net Change in Fund Balance	\$ (594,117)	\$ (1,216,437)	3,200,877	\$ 4,417,314
Beginning fund balance			7,678,638	
Ending Fund Balance			\$ 10,879,515	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

City of Lockhart, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Years Ended:

	12/31/2021	12/31/2020	12/31/2019
Total pension liability			
Service cost	\$ 1,005,010	\$ 961,008	\$ 908,475
Interest	2,527,075	2,392,058	2,267,377
Differences between expected and actual experience	850,154	193,047	(28,525)
Changes of assumptions	-	-	94,975
Benefit payments, including refunds of participant contributions	(1,526,480)	(1,609,242)	(1,233,643)
Net change in total pension liability	2,855,759	1,936,871	2,008,659
Total pension liability - beginning	37,698,879	35,762,008	33,753,349
Total pension liability - ending (a)	40,554,638	37,698,879	35,762,008
Plan fiduciary net position			
Contributions - employer	\$ 950,147	\$ 933,321	\$ 884,655
Contributions - members	457,169	437,153	408,304
Net investment income	4,474,872	2,439,599	4,299,655
Benefit payments, including refunds of participant contributions	(1,526,480)	(1,609,242)	(1,233,643)
Administrative expenses	(20,710)	(15,791)	(24,299)
Other	142	(616)	(730)
Net change in plan fiduciary net position	4,335,140	2,184,424	4,333,942
Plan fiduciary net position - beginning	34,334,280	32,149,856	27,815,914
Plan fiduciary net position - ending (b)	\$ 38,669,420	\$ 34,334,280	\$ 32,149,856
Fund's net pension liability - ending (a) - (b)	\$ 1,885,218	\$ 3,364,599	\$ 3,612,152
Plan fiduciary net position as a percentage of the total pension liability	95.35%	91.08%	89.90%
Covered payroll	\$ 7,619,481	\$ 7,285,883	\$ 6,805,058
Fund's pension liability as a percentage of covered payroll	24.74%	46.18%	53.08%

Notes to schedule:

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>	¹
\$ 861,176	\$ 803,650	\$ 809,909	\$ 755,292	\$ 659,622	
2,158,275	2,050,665	1,924,544	1,840,606	1,759,695	
(144,312)	(95,374)	213,804	541,546	(275,265)	
-	-	-	143,888	-	
(1,331,302)	(1,055,658)	(1,097,681)	(1,084,811)	(987,219)	
1,543,837	1,703,283	1,850,576	2,196,521	1,156,833	
32,209,512	30,506,229	28,655,653	26,459,132	25,302,299	
33,753,349	32,209,512	30,506,229	28,655,653	26,459,132	
\$ 848,460	\$ 779,767	\$ 708,591	\$ 721,903	\$ 662,456	
385,314	358,239	358,731	352,824	321,581	
(862,453)	3,497,425	1,599,743	34,935	1,282,369	
(1,331,302)	(1,055,658)	(1,097,681)	(1,084,811)	(987,219)	
(16,669)	(18,124)	(18,076)	(21,283)	(13,388)	
(872)	(918)	(974)	(1,051)	(1,101)	
(977,522)	3,560,731	1,550,334	2,517	1,264,698	
28,793,436	25,232,705	23,682,371	23,679,854	22,415,156	
\$ 27,815,914	\$ 28,793,436	\$ 25,232,705	\$ 23,682,371	\$ 23,679,854	
\$ 5,937,435	\$ 3,416,076	\$ 5,273,524	\$ 4,973,282	\$ 2,779,278	
82.41%	89.39%	82.71%	82.64%	89.50%	
\$ 6,421,896	\$ 5,970,653	\$ 5,937,749	\$ 5,730,595	\$ 5,359,686	
92.46%	57.21%	88.81%	86.78%	51.86%	

City of Lockhart, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended:

	9/30/2022	9/30/2021	9/30/2020
Actuarially determined employer contributions	\$ 946,174	\$ 941,155	\$ 896,545
Contributions in relation to the actuarially determined contribution	\$ 946,174	\$ 941,155	\$ 896,545
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Annual covered payroll	\$ 7,648,561	\$ 7,490,384	\$ 6,972,445
Employer contributions as a percentage of covered payroll	12.37%	12.56%	12.86%

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Valuation Date:

Notes 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	24 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.5%, 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 2019 valuation pursuant to an experience study of the period 2014 - 2018

Mortality Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.

Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes There were no benefit changes during the year.

<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u> ¹
\$ 872,807	\$ 829,948	\$ 754,327	\$ 734,637	\$ 692,664
<u>\$ 872,807</u>	<u>\$ 829,948</u>	<u>\$ 754,327</u>	<u>\$ 734,637</u>	<u>\$ 692,664</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,687,118	\$ 6,300,160	\$ 5,911,532	\$ 6,129,529	\$ 5,617,224
13.05%	13.17%	12.76%	11.99%	12.33%

City of Lockhart, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM SUPPLEMENTAL DEATH BENEFITS PLAN

Years Ended:

	¹ 12/31/2021	12/31/2020	12/31/2019	12/31/2018
Total OPEB liability				
Service cost	\$ 28,954	\$ 23,315	\$ 17,693	\$ 19,266
Interest	10,983	13,308	14,621	13,571
Differences between expected and actual experience	(13,022)	(36,363)	(18,892)	(17,158)
Changes of assumptions	16,765	70,035	77,468	(27,464)
Benefit payments	(11,429)	(4,372)	(3,403)	(3,211)
Net changes	<u>32,251</u>	<u>65,923</u>	<u>87,487</u>	<u>(14,996)</u>
Total OPEB liability - beginning	<u>540,373</u>	<u>474,450</u>	<u>386,963</u>	<u>401,959</u>
Total OPEB liability - ending	² \$ <u>572,624</u>	\$ <u>540,373</u>	\$ <u>474,450</u>	\$ <u>386,963</u>
 Covered employee payroll	 \$ 7,619,481	 \$ 7,285,883	 \$ 6,805,058	 \$ 6,421,896
Fund's net position as a percentage of covered employee payroll	7.52%	7.42%	6.97%	6.03%

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

<u>12/31/2017</u>	
\$	15,524
	13,276
	-
	31,482
	(3,582)
	<u>56,700</u>
	<u>345,259</u>
\$	<u><u>401,959</u></u>
\$	5,970,653
	6.73%

City of Lockhart, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) LIABILITY AND RELATED RATIOS RETIREE HEALTHCARE

Years Ended:

	¹	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>
Total OPEB liability					
Service cost	\$ \$	13,045	\$ \$ 13,045	\$ \$ 11,786	\$ \$ 11,786
Interest		9,628	9,754	15,971	15,460
Differences between expected and actual experience		38,165.0	-	(9,846)	-
Changes of assumptions		(81,547.0)	-	53,744	-
Benefit payments		(23,980)	(32,804)	(32,804)	(20,086)
Net changes		<u>(44,689)</u>	<u>(10,005)</u>	<u>38,851</u>	<u>7,160</u>
Total OPEB liability - beginning		<u>426,848</u>	<u>436,853</u>	<u>398,002</u>	<u>390,842</u>
Total OPEB liability - ending	² \$	<u><u>382,159</u></u>	<u><u>\$ 426,848</u></u>	<u><u>\$ 436,853</u></u>	² \$ <u><u>398,002</u></u>
Covered employee payroll	\$	3,307,156	\$ 3,307,156	\$ 3,307,156	\$ 3,778,438
Fund's net position as a percentage of covered employee payroll		11.56%	12.91%	13.21%	10.53%

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

9/30/2018

\$ 11,326
15,641

-

-

(20,086)

6,881

383,961

² \$ 390,842

\$ 3,778,438

10.34%

(This page intentionally left blank.)

***COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES***

City of Lockhart, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2022

	Debt Service Fund	Special Revenue Funds	Capital Project Funds	Total
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 5,367,146	\$ 2,077,594	\$ 7,444,740
Accounts receivable	63,055	159,509	-	222,564
Total Assets	\$ 63,055	\$ 5,526,655	\$ 2,077,594	\$ 7,667,304
<u>Liabilities</u>				
Accounts payable	\$ -	\$ 10,090	\$ 257,842	\$ 267,932
Due to other funds	104,476	52,664	-	157,140
Total Liabilities	104,476	62,754	257,842	425,072
<u>Deferred Inflows/Outflows</u>				
Unavailable revenue-tax	63,056	-	-	63,056
Unavailable revenue-fines	-	8,479	-	8,479
Total Deferred Inflows	63,056	8,479	-	71,535
<u>Fund Balances</u>				
Restricted for:				
General government	-	69,453	-	69,453
Public safety	-	20,649	-	20,649
Municipal court	-	126,794	-	126,794
Tourism	-	130,191	-	130,191
Capital projects	-	5,142,601	1,819,752	6,962,353
Unassigned	(104,477)	(34,266)	-	(138,743)
Total Fund Balances	(104,477)	5,455,422	1,819,752	7,170,697
Total Liabilities, Deferred Inflows and Fund Balances	\$ 63,055	\$ 5,526,655	\$ 2,077,594	\$ 7,667,304

See Notes to Financial Statements.

City of Lockhart, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2022

	Debt Service Fund	Special Revenue Funds	Capital Project Funds	Total
<u>Revenues</u>				
Property tax	\$ 953,087	\$ -	\$ -	\$ 953,087
Hotel occupancy tax	-	189,491	-	189,491
Fines and forfeitures	-	26,058	-	26,058
License and permits	-	429,070	-	429,070
Charges for services	-	664,402	-	664,402
Intergovernmental	12,484	1,938,330	-	1,950,814
Other revenue	-	7,913	-	7,913
Investment income	3,566	20,223	19,574	43,363
Total Revenues	<u>969,137</u>	<u>3,275,487</u>	<u>19,574</u>	<u>4,264,198</u>
<u>Expenditures</u>				
General government	-	169,851	-	169,851
Public safety	-	271,086	-	271,086
Public works	-	6,893	-	6,893
Culture and recreation	-	24	-	24
Debt service:				
Principal	903,038	-	-	903,038
Interest	384,894	-	-	384,894
Capital outlay	-	7,205	1,050,575	1,057,780
Total Expenditures	<u>1,287,932</u>	<u>455,059</u>	<u>1,050,575</u>	<u>2,793,566</u>
Revenues Over (Under)				
Expenditures	<u>(318,795)</u>	<u>2,820,428</u>	<u>(1,031,001)</u>	<u>1,470,632</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	260,000	65,459	-	325,459
Transfers (out)	-	(694,104)	-	(694,104)
Total Other Financing Sources				
(Uses)	<u>260,000</u>	<u>(628,645)</u>	<u>-</u>	<u>(368,645)</u>
Net Change in Fund Balances	(58,795)	2,191,783	(1,031,001)	1,101,987
Beginning fund balances	(45,682)	3,263,639	2,850,753	6,068,710
Ending Fund Balances	<u>\$ (104,477)</u>	<u>\$ 5,455,422</u>	<u>\$ 1,819,752</u>	<u>\$ 7,170,697</u>

See Notes to Financial Statements.

City of Lockhart, Texas
COMBINING BALANCE SHEET (Page 1 of 2)
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2022

	Radio Tower Equipment Replacement	Forfeited Property	Hotel/ Motel Tax	LEOSE Fund
<u>Assets</u>				
Cash and cash equivalents	\$ 3,921	\$ 9,680	\$ 99,628	\$ 10,969
Accounts receivable	-	-	44,642	-
Total Assets	\$ 3,921	\$ 9,680	\$ 144,270	\$ 10,969
<u>Liabilities</u>				
Accounts payable and accrued liab.	\$ -	\$ -	\$ 6,500	\$ -
Due to other funds	-	-	7,579	-
Total Liabilities	-	-	14,079	-
<u>Deferred Inflows</u>				
Unavailable revenue-fines and fees	-	-	-	-
Total Deferred Inflows	-	-	-	-
<u>Fund Balances</u>				
Restricted for:				
General government	-	-	-	-
Public safety	-	9,680	-	10,969
Municipal court	-	-	-	-
Tourism	-	-	130,191	-
Capital projects	3,921	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3,921	9,680	130,191	10,969
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 3,921	\$ 9,680	\$ 144,270	\$ 10,969

See Notes to Financial Statements.

Road Impact Fees #1	Road Impact Fees #2	Court Technology	Radio System Maintenance	Court Security
\$ 896,983	\$ 774,583	\$ -	\$ -	\$ 12,897
-	-	1,708	-	1,947
<u>\$ 896,983</u>	<u>\$ 774,583</u>	<u>\$ 1,708</u>	<u>\$ -</u>	<u>\$ 14,844</u>
\$ -	\$ -	\$ 84	\$ -	\$ -
-	-	4,341	29,841	-
-	-	4,425	29,841	-
-	-	1,708	-	1,947
-	-	1,708	-	1,947
-	-	-	-	-
-	-	-	-	-
-	-	-	-	12,897
-	-	-	-	-
896,983	774,583	-	-	-
-	-	(4,425)	(29,841)	-
<u>896,983</u>	<u>774,583</u>	<u>(4,425)</u>	<u>(29,841)</u>	<u>12,897</u>
<u>\$ 896,983</u>	<u>\$ 774,583</u>	<u>\$ 1,708</u>	<u>\$ -</u>	<u>\$ 14,844</u>

City of Lockhart, Texas
COMBINING BALANCE SHEET (Page 2 of 2)
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2022

	Child Safety	Court Efficiency	Juvenile Case Manager	Truancy Court
<u>Assets</u>				
Cash and cash equivalents	\$ 43,476	\$ 10,055	\$ 52,259	\$ 7,819
Accounts receivable	810	1,726	2,132	121
Total Assets	\$ 44,286	\$ 11,781	\$ 54,391	\$ 7,940
<u>Liabilities</u>				
Accounts payable and accrued liab.	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
<u>Deferred Inflows</u>				
Unavailable revenue-fines and fees	810	1,726	2,132	121
Total Deferred Inflows	810	1,726	2,132	121
<u>Fund Balances</u>				
Restricted for:				
General government	-	-	-	-
Public safety	-	-	-	-
Municipal court	43,476	10,055	52,259	7,819
Tourism	-	-	-	-
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	43,476	10,055	52,259	7,819
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 44,286	\$ 11,781	\$ 54,391	\$ 7,940

See Notes to Financial Statements.

Local Municipal Jury	Cable Education	Transportation	Drainage	CARES Relief Act	Total Special Revenue Funds
\$ 288	\$ 62,775	\$ 200,671	\$ 56,417	\$ 3,124,725	\$ 5,367,146
35	6,678	68,419	31,291	-	159,509
<u>\$ 323</u>	<u>\$ 69,453</u>	<u>\$ 269,090</u>	<u>\$ 87,708</u>	<u>\$ 3,124,725</u>	<u>\$ 5,526,655</u>
\$ -	\$ -	\$ -	\$ -	\$ 3,506	\$ 10,090
-	-	-	10,903	-	52,664
-	-	-	10,903	3,506	62,754
35	-	-	-	-	8,479
<u>35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,479</u>
-	69,453	-	-	-	69,453
-	-	-	-	-	20,649
288	-	-	-	-	126,794
-	-	-	-	-	130,191
-	-	269,090	76,805	3,121,219	5,142,601
-	-	-	-	-	(34,266)
<u>288</u>	<u>69,453</u>	<u>269,090</u>	<u>76,805</u>	<u>3,121,219</u>	<u>5,455,422</u>
<u>\$ 323</u>	<u>\$ 69,453</u>	<u>\$ 269,090</u>	<u>\$ 87,708</u>	<u>\$ 3,124,725</u>	<u>\$ 5,526,655</u>

City of Lockhart, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Page 1 of 2) NONMAJOR SPECIAL REVENUE FUNDS For the Year Ended September 30, 2022

	Radio Tower Equipment Replacement	Forfeited Property	Hotel/ Motel Tax	LEOSE Fund
<u>Revenues</u>				
Hotel occupancy tax	\$ -	\$ -	\$ 160,799	\$ -
Fines and forfeitures	-	424	-	-
License and permits	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	1,751
Investment income	38	86	1,122	99
Other revenue	-	-	7,913	-
Total Revenues	38	510	169,834	1,850
<u>Expenditures</u>				
General government	-	-	137,817	-
Public safety	1,487	-	-	705
Public works	-	-	-	-
Culture and recreation	-	-	24	-
Capital outlay	-	-	-	-
Total Expenditures	1,487	-	137,841	705
Revenues Over (Under) Expenditures	(1,449)	510	31,993	1,145
<u>Other Financing Sources (Uses)</u>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(1,449)	510	31,993	1,145
Beginning fund balances	5,370	9,170	98,198	9,824
Ending Fund Balances	\$ 3,921	\$ 9,680	\$ 130,191	\$ 10,969

See Notes to Financial Statements.

Road Impact Fees #1	Road Impact Fees #2	Court Technology	Radio System Maintenance	Court Security
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	5,303	-	6,276
242,607	186,463	-	-	-
-	-	-	-	-
-	-	-	174,174	-
8,742	6,355	-	-	111
-	-	-	-	-
251,349	192,818	5,303	174,174	6,387
-	-	3,315	-	5,548
8,446	8,446	-	234,138	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,446	8,446	3,315	234,138	5,548
242,903	184,372	1,988	(59,964)	839
-	-	-	65,459	-
-	-	-	-	-
-	-	-	65,459	-
242,903	184,372	1,988	5,495	839
654,080	590,211	(6,413)	(35,336)	12,058
\$ 896,983	\$ 774,583	\$ (4,425)	\$ (29,841)	\$ 12,897

City of Lockhart, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Page 2 of 2) NONMAJOR SPECIAL REVENUE FUNDS For the Year Ended September 30, 2022

	Child Safety	Court Efficiency	Juvenile Case Manager	Truancy Court
<u>Revenues</u>				
Franchise and local taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	1,656	5,215	6,684	379
License and permits	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	393	82	464	70
Other revenue	-	-	-	-
Total Revenues	2,049	5,297	7,148	449
<u>Expenditures</u>				
General government	-	-	-	-
Public safety	-	-	410	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	7,205	-	-
Total Expenditures	-	7,205	410	-
Revenues Over (Under) Expenditures	2,049	(1,908)	6,738	449
<u>Other Financing Sources (Uses)</u>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	2,049	(1,908)	6,738	449
Beginning fund balances	41,427	11,963	45,521	7,370
Ending Fund Balances	\$ 43,476	\$ 10,055	\$ 52,259	\$ 7,819

See Notes to Financial Statements.

Local Municipal Jury	Cable Education	Transportation	Drainage	CARES Relief Act	Total Special Revenue Funds
\$ -	\$ 28,692	\$ -	\$ -	\$ -	\$ 189,491
121	-	-	-	-	26,058
-	-	-	-	-	429,070
-	-	456,506	207,896	-	664,402
-	-	-	-	1,762,405	1,938,330
-	772	1,584	305	-	20,223
-	-	-	-	-	7,913
121	29,464	458,090	208,201	1,762,405	3,275,487
-	23,171	-	-	-	169,851
-	-	-	-	17,454	271,086
-	-	2,923	3,970	-	6,893
-	-	-	-	-	24
-	-	-	-	-	7,205
-	23,171	2,923	3,970	17,454	455,059
121	6,293	455,167	204,231	1,744,951	2,820,428
-	-	-	-	-	65,459
-	-	(400,000)	(190,417)	(103,687)	(694,104)
-	-	(400,000)	(190,417)	(103,687)	(628,645)
121	6,293	55,167	13,814	1,641,264	2,191,783
167	63,160	213,923	62,991	1,479,955	3,263,639
\$ 288	\$ 69,453	\$ 269,090	\$ 76,805	\$ 3,121,219	\$ 5,455,422

City of Lockhart, Texas
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
September 30, 2022

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2009 Certificates of Obligation
<u>Assets</u>			
Cash and cash equivalents	\$ 33,623	\$ 15,000	\$ -
Total Assets	\$ 33,623	\$ 15,000	\$ -
<u>Liabilities</u>			
Accounts payable	\$ -	\$ -	\$ -
Total Liabilities	-	-	-
<u>Fund Balances</u>			
Restricted for:			
Capital projects	33,623	15,000	-
Total Fund Balances	33,623	15,000	-
Total Liabilities and Fund Balances	\$ 33,623	\$ 15,000	\$ -

See Notes to Financial Statements.

2015 Certificates of Obligation	Maple Street Park Improvements	Total
\$ 2,008,971	\$ 20,000	\$ 2,077,594
\$ 2,008,971	\$ 20,000	\$ 2,077,594
\$ 257,842	\$ -	\$ 257,842
257,842	-	257,842
1,751,129	20,000	1,819,752
1,751,129	20,000	1,819,752
\$ 2,008,971	\$ 20,000	\$ 2,077,594

City of Lockhart, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECT FUNDS For the Year Ended September 30, 2022

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2009 Certificates of Obligation
<u>Revenues</u>			
Investment income	\$ 363	\$ -	\$ 169
Total Revenues	363	-	169
<u>Expenditures</u>			
Capital outlay	-	-	271,365
Total Expenditures	-	-	271,365
Net Change in Fund Balances	363	-	(271,196)
Beginning fund balances	33,260	15,000	271,196
Ending Fund Balances	\$ 33,623	\$ 15,000	\$ -

See Notes to Financial Statements.

2015 Certificates of Obligation	Maple Street Park Improvements	Total
\$ 19,042	\$ -	\$ 19,574
19,042	-	19,574
779,210	-	1,050,575
779,210	-	1,050,575
(760,168)	-	(1,031,001)
2,511,297	20,000	2,850,753
\$ 1,751,129	\$ 20,000	\$ 1,819,752

(This page intentionally left blank.)

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL RADIO TOWER EQUIPMENT REPLACEMENT For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Investment income	\$ 120	\$ 38	\$ (82)
Total Revenues	<u>120</u>	<u>38</u>	<u>(82)</u>
<u>Expenditures</u>			
Public safety	9,885	1,487	8,398
Total Expenditures	<u>9,885</u>	<u>1,487</u>	<u>8,398</u>
Net Change in Fund Balances	<u>\$ (9,765)</u>	<u>(1,449)</u>	<u>\$ 8,316</u>
Beginning fund balances		5,370	
Ending Fund Balances		<u>\$ 3,921</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORFEITED PROPERTY

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 70	\$ 424	\$ 354
Investment income	-	86	86
Total Revenues	<u>70</u>	<u>510</u>	<u>440</u>
<u>Expenditures</u>			
General government	10,807	-	10,807
Total Expenditures	<u>10,807</u>	<u>-</u>	<u>10,807</u>
Revenues Over (Under) Expenditures	<u>(10,737)</u>	<u>510</u>	<u>11,247</u>
Net Change in Fund Balances	<u>\$ (10,737)</u>	<u>510</u>	<u>\$ 11,247</u>
Beginning fund balances		9,170	
Ending Fund Balances		<u>\$ 9,680</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX
For the Year Ended September 30, 2022

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>			
Hotel occupancy tax	\$ 126,420	\$ 160,799	\$ 34,379
Other revenue	-	7,913	7,913
Investment income	-	1,122	1,122
Total Revenues	<u>126,420</u>	<u>169,834</u>	<u>43,414</u>
<u>Expenditures</u>			
General government	77,450	137,817	(60,367)
Culture and recreation	-	24	(24)
Total Expenditures	<u>77,450</u>	<u>137,841</u>	<u>(60,391) *</u>
Net Change in Fund Balances	<u>\$ 48,970</u>	<u>31,993</u>	<u>\$ (16,977)</u>
Beginning fund balances		<u>98,198</u>	
Ending Fund Balances		<u>\$ 130,191</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

* Expenditures exceeded appropriations at the legal level of control.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

ROAD IMPACT FEES #1

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
License and permits	\$ 24,000	\$ 242,607	\$ 218,607
Investment income	-	8,742	8,742
Total Revenues	24,000	251,349	227,349
<u>Expenditures</u>			
General government	-	8,446	(8,446)
Capital outlay	666,532	-	666,532
Total Expenditures	666,532	8,446	658,086
Revenues Over (Under) Expenditures	(642,532)	242,903	885,435
Net Change in Fund Balances	\$ (642,532)	242,903	\$ 885,435
Beginning fund balances		654,080	
Ending Fund Balances		\$ 896,983	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

ROAD IMPACT FEES #2

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
License and permits	\$ 35,000	\$ 186,463	\$ 151,463
Investment income	-	6,355	6,355
Total Revenues	35,000	192,818	157,818
<u>Expenditures</u>			
Public safety	-	8,446	(8,446)
Capital outlay	285,977	-	285,977
Total Expenditures	285,977	8,446	277,531
Revenues Over (Under) Expenditures	(250,977)	184,372	435,349
Net Change in Fund Balances	\$ (250,977)	184,372	\$ 435,349
Beginning fund balances		590,211	
Ending Fund Balances		\$ 774,583	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COURT TECHNOLOGY
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 3,200	\$ 5,303	\$ 2,103
Total Revenues	<u>3,200</u>	<u>5,303</u>	<u>2,103</u>
<u>Expenditures</u>			
General government	11,389	3,315	8,074
Total Expenditures	<u>11,389</u>	<u>3,315</u>	<u>8,074</u>
Revenues Over (Under) Expenditures	<u>(8,189)</u>	<u>1,988</u>	<u>10,177</u>
Net Change in Fund Balances	<u><u>\$ (8,189)</u></u>	<u>1,988</u>	<u><u>\$ 10,177</u></u>
Beginning fund balances		(6,413)	
Ending Fund Balances		<u><u>\$ (4,425)</u></u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL RADIO SYSTEM MAINTENANCE For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Intergovernmental	\$ 185,440	\$ 174,174	\$ (11,266)
Total Revenues	185,440	174,174	(11,266)
<u>Expenditures</u>			
Public safety	207,572	234,138	(26,566)
Total Expenditures	207,572	234,138	(26,566) *
Revenues Over (Under) Expenditures	(22,132)	(59,964)	(37,832)
<u>Other Financing Sources (Uses)</u>			
Transfers in	-	65,459	65,459
Total Other Financing Sources (Uses)	-	65,459	65,459
Net Change in Fund Balances	\$ (22,132)	5,495	\$ 27,627
Beginning fund balances		(35,336)	
Ending Fund Balances		\$ (29,841)	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

* Expenditures exceeded appropriations at the legal level of control.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COURT SECURITY
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 100	\$ 6,276	\$ 6,176
Investment income	-	111	111
Total Revenues	100	6,387	6,287
<u>Expenditures</u>			
General government	11,393	5,548	5,845
Total Expenditures	11,393	5,548	5,845
Revenues Over (Under) Expenditures	(11,293)	839	12,132
Net Change in Fund Balances	\$ (11,293)	839	\$ 12,132
Beginning fund balances		12,058	
Ending Fund Balances		\$ 12,897	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CHILD SAFETY
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 320	\$ 1,656	\$ 1,336
Investment income	-	393	393
Total Revenues	320	2,049	1,729
<u>Expenditures</u>			
General government	30,523	-	30,523
Total Expenditures	30,523	-	30,523
Revenues Over (Under) Expenditures	(30,203)	2,049	32,252
Net Change in Fund Balances	\$ (30,203)	2,049	\$ 32,252
Beginning fund balances		41,427	
Ending Fund Balances		\$ 43,476	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COURT EFFICIENCY
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 200	\$ 5,215	\$ 5,015
Investment income	-	82	82
Total Revenues	200	5,297	5,097
<u>Expenditures</u>			
Capital outlay	16,178	7,205	8,973
Total Expenditures	16,178	7,205	8,973
Revenues Over (Under) Expenditures	(15,978)	(1,908)	14,070
Net Change in Fund Balances	\$ (15,978)	(1,908)	\$ 14,070
Beginning fund balances		11,963	
Ending Fund Balances		\$ 10,055	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL JUVENILE CASE MANAGER

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 1,200	\$ 6,684	\$ 5,484
Investment income	-	464	464
Total Revenues	1,200	7,148	5,948
<u>Expenditures</u>			
General government	39,620	-	39,620
Public safety	-	410	(410)
Total Expenditures	39,620	410	39,210
Net Change in Fund Balances	\$ (38,420)	6,738	\$ 45,158
Beginning fund balances		45,521	
Ending Fund Balances		\$ 52,259	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TRUANCY COURT
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 325	\$ 379	\$ 54
Investment income	-	70	70
Total Revenues	<u>325</u>	<u>449</u>	<u>124</u>
<u>Expenditures</u>			
General government	7,283	-	7,283
Total Expenditures	<u>7,283</u>	<u>-</u>	<u>7,283</u>
Net Change in Fund Balances	<u>\$ (6,958)</u>	449	<u>\$ 7,407</u>
Beginning fund balances		7,370	
Ending Fund Balances		<u>\$ 7,819</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CABLE EDUCATION
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Hotel occupancy tax	\$ 1,600	\$ 28,692	\$ 27,092
Investment income	-	772	772
Total Revenues	<u>1,600</u>	<u>29,464</u>	<u>27,864</u>
<u>Expenditures</u>			
General government	61,373	23,171	38,202
Total Expenditures	<u>61,373</u>	<u>23,171</u>	<u>38,202</u>
Revenues Over (Under) Expenditures	<u>(59,773)</u>	<u>6,293</u>	<u>66,066</u>
Net Change in Fund Balances	<u><u>\$ (59,773)</u></u>	<u>6,293</u>	<u><u>\$ 66,066</u></u>
Beginning fund balances		63,160	
Ending Fund Balances		<u><u>\$ 69,453</u></u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL TRANSPORTATION

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Charges for services	\$ 360,000	\$ 456,506	\$ 96,506
Investment income	-	1,584	1,584
Total Revenues	<u>360,000</u>	<u>458,090</u>	<u>98,090</u>
<u>Expenditures</u>			
Public works	130,333	2,923	127,410
Total Expenditures	<u>130,333</u>	<u>2,923</u>	<u>127,410</u>
Revenues Over (Under) Expenditures	<u>229,667</u>	<u>455,167</u>	<u>225,500</u>
<u>Other Financing Sources (Uses)</u>			
Transfers (out)	(400,000)	(400,000)	-
Total Other Financing Sources (Uses)	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (170,333)</u>	<u>55,167</u>	<u>\$ 225,500</u>
Beginning fund balances		213,923	
Ending Fund Balances		<u>\$ 269,090</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DRAINAGE

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Charges for services	\$ 180,000	\$ 207,896	\$ 27,896
Investment income	-	305	305
Total Revenues	<u>180,000</u>	<u>208,201</u>	<u>28,201</u>
<u>Expenditures</u>			
Public works	69,803	3,970	65,833
Total Expenditures	<u>69,803</u>	<u>3,970</u>	<u>65,833</u>
Revenues Over (Under) Expenditures	<u>110,197</u>	<u>204,231</u>	<u>94,034</u>
<u>Other Financing Sources (Uses)</u>			
Transfers (out)	(190,417)	(190,417)	-
Total Other Financing Sources (Uses)	<u>(190,417)</u>	<u>(190,417)</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (80,220)</u>	13,814	<u>\$ 94,034</u>
Beginning fund balances		62,991	
Ending Fund Balances		<u>\$ 76,805</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL LEOSE

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Intergovernmental	\$ 1,000	\$ 1,751	\$ 751
Investment income	-	99	99
Total Revenues	<u>1,000</u>	<u>1,850</u>	<u>850</u>
<u>Expenditures</u>			
Public safety	11,512	705	10,807
Total Expenditures	<u>11,512</u>	<u>705</u>	<u>10,807</u>
Revenues Over (Under) Expenditures	<u>(10,512)</u>	<u>1,145</u>	<u>11,657</u>
Net Change in Fund Balances	<u>\$ (10,512)</u>	<u>1,145</u>	<u>\$ 11,657</u>
Beginning fund balances		9,824	
Ending Fund Balances		<u>\$ 10,969</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CLEARFORK SECTION 1 SIDEWALK
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Investment income	\$ 120	\$ 363	\$ 243
Total Revenues	120	363	243
<u>Expenditures</u>			
Capital outlay	33,326	-	33,326
Total Expenditures	33,326	-	33,326
Net Change in Fund Balances	\$ (33,206)	363	\$ 33,569
Beginning fund balances		33,260	
Ending Fund Balances		\$ 33,623	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
MAPLE 2201 TRAIL PROJECT
For the Year Ended September 30, 2022

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Expenditures</u>			
Capital outlay	15,000	-	15,000
Total Expenditures	<u>15,000</u>	<u>-</u>	<u>15,000</u>
 Net Change in Fund Balances	 <u><u>\$ (15,000)</u></u>	 <u>-</u>	 <u><u>\$ 15,000</u></u>
Beginning fund balances		15,000	
Ending Fund Balances		<u><u>\$ 15,000</u></u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
2015 CERTIFICATES OF OBLIGATION
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Investment income	\$ 8,000	\$ 19,042	\$ 11,042
Total Revenues	8,000	19,042	11,042
<u>Expenditures</u>			
Capital outlay	2,603,679	779,210	1,824,469
Total Expenditures	2,603,679	779,210	1,824,469
Net Change in Fund Balances	\$ (2,595,679)	(760,168)	\$ 1,835,511
Beginning fund balances		2,511,297	
Ending Fund Balances		\$ 1,751,129	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

(This page intentionally left blank.)

***COMBINING NONMAJOR
ENTERPRISE FUNDS***

City of Lockhart, Texas
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (Page 1 of 2)
September 30, 2022

		Business-Type Activities		
		Sanitation	Airport	EMS
<u>Assets</u>				
<u>Current Assets</u>				
Cash and cash equivalents	\$	814,355	\$ 341,288	\$ 115,225
Accounts receivable, net		287,205	500	730,739
Prepaid items		925	-	-
Total Current Assets		1,102,485	341,788	845,964
<u>Noncurrent Assets</u>				
Capital assets:				
Non-depreciable		120,409	72,161	-
Net depreciable capital assets		78,642	1,220,490	363,605
Total Noncurrent Assets		199,051	1,292,651	363,605
Total Assets		1,301,536	1,634,439	1,209,569
<u>Deferred Outflows of Resources</u>				
Pension outflows-TMRS		23,716	-	-
OPEB outflows-TMRS		2,364	-	-
OPEB outflows-retiree healthcare		1,204	-	-
Total Deferred Outflows of Resources		27,284	-	-

See Notes to Financial Statements.

Business-Type Activities
Total

\$	1,270,868
	1,018,444
	925
	<u>2,290,237</u>

	192,570
	<u>1,662,737</u>
	<u>1,855,307</u>
	<u>4,145,544</u>

	23,716
	2,364
	<u>1,204</u>
	<u>27,284</u>

City of Lockhart, Texas
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (Page 2 of 2)
September 30, 2022

	Business-Type Activities		
	Sanitation	Airport	EMS
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ 119,719	\$ 393	\$ 505
Accrued liabilities	6,220	645	-
Customer deposits	100	4,950	-
Compensated absences, current	6,632	958	-
Lease payable, current	6,334	-	17,392
Total Current Liabilities	139,005	6,946	17,897
<u>Noncurrent Liabilities</u>			
Compensated absences, noncurrent	737	106	-
Leases payable, noncurrent	9,316	-	17,391
Net pension liability	33,481	-	-
OPEB liability-TMRS	15,003	-	-
OPEB liability-Retiree healthcare	11,533	-	-
Total Noncurrent Liabilities	70,070	106	17,391
Total Liabilities	209,075	7,052	35,288
<u>Deferred Inflows of Resources</u>			
Pension inflows-TMRS	40,762	-	-
OPEB inflows-TMRS	1,159	-	-
OPEB inflows-retiree healthcare	221	-	-
Total Deferred Inflows of Resources	42,142	-	-
<u>Net Position</u>			
Net investment in capital assets	183,401	1,292,651	328,822
Unrestricted	894,202	334,736	845,459
Total Net Position	\$ 1,077,603	\$ 1,627,387	\$ 1,174,281

See Notes to Financial Statements.

Business-Type	
Activities	
Total	

\$	120,617
	6,865
	5,050
	7,590
	23,726
	<u>163,848</u>

	843
	26,707
	33,481
	15,003
	11,533
	<u>87,567</u>
	<u>251,415</u>

	40,762
	1,159
	221
	<u>42,142</u>

	1,804,874
	2,074,397
\$	<u><u>3,879,271</u></u>

City of Lockhart, Texas

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

For the Year Ended September 30, 2022

	Business-Type Activities		
	Sanitation	Airport	EMS
<u>Operating Revenues</u>			
Charges for services	\$ 1,906,522	\$ 92,532	\$ 1,414,727
Other revenue	30,483	-	6,706
Total Operating Revenues	1,937,005	92,532	1,421,433
<u>Operating Expenses</u>			
Personnel services	168,965	10,953	-
Supplies	8,251	-	1,294,371
Maintenance and repairs	1,393,568	8,968	103
Contractual services	13,667	18,270	48,042
Miscellaneous	7,758	-	4,755
Depreciation	22,609	54,952	77,817
Total Operating Expenses	1,614,818	93,143	1,425,088
Operating Income (Loss)	322,187	(611)	(3,655)
<u>Nonoperating Revenues (Expenses)</u>			
Investment earnings	7,940	2,914	2,438
Interest expense	(746)	-	-
Total Nonoperating Revenues (Expenses)	7,194	2,914	2,438
Income (Loss) Before Capital Contributions and Transfers	329,381	2,303	(1,217)
<u>Capital Contributions and Transfers</u>			
Capital grants	3,489	13,321	-
Transfers (out)	(319,727)	-	-
Total Capital Contributions and Transfers	(316,238)	13,321	-
Change in Net Position	13,143	15,624	(1,217)
Beginning net position	1,064,460	1,611,763	1,175,498
Ending Net Position	\$ 1,077,603	\$ 1,627,387	\$ 1,174,281

See Notes to Financial Statements.

**Business-Type
Activities**

Total	
\$	3,413,781
	37,189
	<u>3,450,970</u>

	179,918
	1,302,622
	1,402,639
	79,979
	12,513
	155,378
	<u>3,133,049</u>

	<u>317,921</u>
--	----------------

	13,292
	(746)
	<u>12,546</u>

	330,467
--	---------

	16,810
	(319,727)
	<u>(302,917)</u>

	27,550
	<u>3,851,721</u>
\$	<u><u>3,879,271</u></u>

City of Lockhart, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 1 of 2)
For the Year Ended September 30, 2022

	Business-Type Activities		
	Sanitation	Airport	EMS
<u>Cash Flows from Operating Activities</u>			
Payments to employees	\$ (206,901)	\$ (10,750)	\$ -
Payments to suppliers	(1,418,957)	(28,990)	(1,478,024)
Receipts from customers	1,948,926	92,557	1,335,715
Net Cash Provided (Used) by Operating Activities	323,068	52,817	(142,309)
<u>Cash Flows from Noncapital Financing Activities</u>			
Transfers (out)	(319,727)	-	-
Net Cash Provided (Used) by Noncapital Financing	(319,727)	-	-
<u>Cash Flows from Capital and Related Financing Activities</u>			
Acquisition and construction of capital assets	-	(27,206)	(304,926)
Capital contributions	3,489	13,321	-
Principal paid on capital debt	(6,050)	-	(17,392)
Interest paid on capital debt	(746)	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,307)	(13,885)	(322,318)
<u>Cash Flows from Investing Activities</u>			
Interest on investments	7,940	2,914	2,438
Net Cash Provided by Investing Activities	7,940	2,914	2,438
Net Increase (Decrease) in Cash and Cash	7,974	41,846	(462,189)
Beginning cash and cash equivalents	806,381	299,442	577,414
Ending Cash and Cash Equivalents	\$ 814,355	\$ 341,288	\$ 115,225

See Notes to Financial Statements.

**Business-Type
Activities**

Total

\$ (217,651)

(2,925,971)

3,377,198

233,576

(319,727)

(319,727)

(332,132)

16,810

(23,442)

(746)

(339,510)

13,292

13,292

(412,369)

1,683,237

\$ 1,270,868

City of Lockhart, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 2 of 2)
For the Year Ended September 30, 2022

	Business-Type Activities		
	Sanitation	Airport	EMS
<u>Reconciliation of Operating Income (Loss)</u>			
<u>to Net Cash Provided (Used) by Operating Activities</u>			
Operating Income (Loss)	\$ 322,187	\$ (611)	\$ (3,655)
Adjustments to reconcile operating income (loss) to net cash provided (used):			
Depreciation	22,609	54,952	77,817
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	11,871	-	(85,718)
Prepaid items	(506)	-	-
Deferred outflows:			
Pension	(2,791)	-	-
OPEB	452	-	-
Increase (Decrease) in:			
Accounts payable and accrued liabilities	4,793	(1,752)	(130,753)
Customer deposits	50	25	-
Compensated absences	(938)	203	-
Deferred inflows:			
Pension	17,515	-	-
OPEB	(97)	-	-
Net pension liability	(52,922)	-	-
OPEB liability	845	-	-
Net Cash Provided (Used) by Operating Activities	\$ 323,068	\$ 52,817	\$ (142,309)

See Notes to Financial Statements.

**Business-Type
Activities**

Total

\$ 317,921

155,378

(73,847)

(506)

(2,791)

452

(127,712)

75

(735)

17,515

(97)

(52,922)

845

\$ 233,576

(This page intentionally left blank.)

***COMBINING STATEMENTS
FIDUCIARY FUNDS***

City of Lockhart, Texas
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUSTS
September 30, 2022

	Glosserman Trust	Brock Cabin Trust	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 545	\$ 12	\$ 557
Total Assets	\$ 545	\$ 12	\$ 557
<u>Net Position</u>			
Restricted for:			
Various purposes	545	12	557
Total Net Position	\$ 545	\$ 12	\$ 557

See Notes to Financial Statements.

City of Lockhart, Texas
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUSTS
For the Year Ended September 30, 2022

	Glosserman Trust	Brock Cabin Trust	Total
<u>Additions</u>			
Investment income	\$ 5	\$ -	\$ 5
Total Additions	<u>5</u>	<u>-</u>	<u>5</u>
Net Change in Net Position	5	-	5
Beginning Net Position	540	12	552
Ending Net Position	<u><u>\$ 545</u></u>	<u><u>\$ 12</u></u>	<u><u>\$ 557</u></u>

See Notes to Financial Statements.

City of Lockhart, Texas
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
September 30, 2022

	<u>Confiscated Property</u>	<u>Unclaimed Property</u>	<u>Bicycle Helmet</u>	<u>Total</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 22,147	\$ 9,534	\$ 1,129	\$ 32,810
Prepays	-	1,211	-	1,211
Total Assets	<u><u>\$ 22,147</u></u>	<u><u>\$ 10,745</u></u>	<u><u>\$ 1,129</u></u>	<u><u>\$ 34,021</u></u>
<u>Liabilities</u>				
Due to other funds	17,447	10,544	1,117	29,108
Total Liabilities	<u>17,447</u>	<u>10,544</u>	<u>1,117</u>	<u>29,108</u>
<u>Net Position</u>				
Restricted for:				
Various purposes	4,700	201	12	4,913
Total Net Position	<u><u>\$ 4,700</u></u>	<u><u>\$ 201</u></u>	<u><u>\$ 12</u></u>	<u><u>\$ 4,913</u></u>

See Notes to Financial Statements.

City of Lockhart, Texas
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2022

	Confiscated Property	Unclaimed Property	Bicycle Helmet	Total
<u>Additions</u>				
Investment income	\$ 197	\$ -	\$ 10	\$ 207
Other revenue	4,939	4	-	4,943
Total Additions	5,136	4	10	5,150
<u>Deductions</u>				
General government	1,188	-	-	1,188
Total Deductions	1,188	-	-	1,188
Net Change in Net Position	3,948	4	10	3,962
Beginning Net Position	752	197	2	951
Ending Net Position	\$ 4,700	\$ 201	\$ 12	\$ 4,913

See Notes to Financial Statements.

(This page intentionally left blank.)

STATISTICAL SECTION

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

Contents	Page
Financial Trends	166
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	177
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.</i>	
Debt Capacity	196
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	201
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	204
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

City of Lockhart, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ 18,393,579	\$ 16,591,140	\$ 16,376,825	\$ 15,001,030
Restricted	1,162,143	2,123,629	1,211,989	1,093,907
Unrestricted	2,880,516	2,859,520	1,328,814	2,137,425
Total governmental activities				
net position	<u>\$ 22,436,238</u>	<u>\$ 21,574,289</u>	<u>\$ 18,917,628</u>	<u>\$ 18,232,362</u>
Business-type activities				
Net investment in capital assets	\$ 10,349,284	\$ 10,193,932	\$ 15,283,769	\$ 15,074,665
Restricted	3,449,423	2,924,473	1,023,082	1,071,089
Unrestricted	7,243,346	8,125,881	5,315,836	7,979,875
Total business-type activities				
net position	<u>\$ 21,042,053</u>	<u>\$ 21,244,286</u>	<u>\$ 21,622,687</u>	<u>\$ 24,125,629</u>
Primary government				
Net investment in capital assets	\$ 28,742,863	\$ 26,785,072	\$ 31,660,594	\$ 30,075,695
Restricted	4,611,566	5,048,102	2,235,071	2,164,996
Unrestricted	10,123,862	10,985,401	6,644,650	10,117,300
	<u>\$ 43,478,291</u>	<u>\$ 42,818,575</u>	<u>\$ 40,540,315</u>	<u>\$ 42,357,991</u>

(1) Accrual basis of accounting

NOTES:

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

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

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 14,162,688	\$ 13,774,228	\$ 12,648,711	\$ 12,104,249	\$ 11,816,033	\$ 11,546,567
1,141,195	1,396,101	1,571,133	1,603,237	3,598,451	3,362,595
<u>1,886,148</u>	<u>1,823,314</u>	<u>1,972,882</u>	<u>3,557,222</u>	<u>3,915,790</u>	<u>7,463,394</u>
<u><u>\$ 17,190,031</u></u>	<u><u>\$ 16,993,643</u></u>	<u><u>\$ 16,192,726</u></u>	<u><u>\$ 17,264,708</u></u>	<u><u>\$ 19,330,274</u></u>	<u><u>\$ 22,372,556</u></u>
\$ 16,507,663	\$ 16,961,238	\$ 17,492,757	\$ 16,579,735	\$ 15,721,677	\$ 15,404,957
1,163,687	1,421,535	1,661,480	2,034,582	2,008,737	2,626,781
<u>7,489,601</u>	<u>8,791,362</u>	<u>9,434,557</u>	<u>8,506,993</u>	<u>6,885,849</u>	<u>6,709,920</u>
<u><u>\$ 25,160,951</u></u>	<u><u>\$ 27,174,135</u></u>	<u><u>\$ 28,588,794</u></u>	<u><u>\$ 27,121,310</u></u>	<u><u>\$ 24,616,263</u></u>	<u><u>\$ 24,741,658</u></u>
\$ 30,670,351	\$ 30,735,466	\$ 30,141,468	\$ 28,683,984	\$ 27,537,710	\$ 26,951,524
2,304,882	2,817,636	3,232,613	3,637,819	5,607,188	5,989,376
<u>9,375,749</u>	<u>10,614,676</u>	<u>11,407,439</u>	<u>12,064,215</u>	<u>10,801,639</u>	<u>14,173,314</u>
<u><u>\$ 42,350,982</u></u>	<u><u>\$ 44,167,778</u></u>	<u><u>\$ 44,781,520</u></u>	<u><u>\$ 44,386,018</u></u>	<u><u>\$ 43,946,537</u></u>	<u><u>\$ 47,114,214</u></u>

City of Lockhart, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2013	2014	2015	2016
Governmental activities				
Expenses				
General government	\$ 1,952,419	\$ 2,096,530	\$ 2,476,203	\$ 1,879,383
Public safety	5,550,020	5,584,295	5,626,336	5,230,470
Public works	2,509,328	2,507,776	2,448,572	2,586,206
Health and welfare	26,528	6,091	13,489	17,068
Community development	-	-	-	-
Culture and recreation	783,053	771,470	964,757	933,135
Interest on long-term debt	416,095	383,683	612,529	621,121
Total governmental activities expenses	11,237,443	11,349,845	12,141,886	11,267,383
Program revenues				
Charges for services				
General government	517,628	608,232	1,131,977	191,100
Public safety	1,180,320	1,362,136	1,531,653	330,826
Public works	-	-	-	723,832
Health and welfare	-	-	-	-
Culture and recreation	32,437	27,773	28,878	33,926
Community development	-	-	-	-
Operating grants and contributions	935,161	432,581	391,200	615,542
Capital grants and contributions	157,320	103,808	-	-
Total program revenues	2,822,866	2,534,530	3,083,708	1,895,226
Total governmental activities net program expense	\$ (8,414,577)	\$ (8,815,315)	\$ (9,058,178)	\$ (9,372,157)
General Revenues and Other Changes in Net Position				
Taxes				
Property taxes, general	2,843,226	2,933,089	2,975,409	3,016,649
Property taxes, debt service	538,316	555,028	561,588	687,845
Sales taxes	1,296,151	1,381,748	1,484,020	1,478,065
Franchise taxes	308,180	319,982	325,911	316,353
Other taxes	81,614	93,825	106,712	132,234
Unrestricted investment earnings	22,967	18,355	23,881	59,851
Gain on sale of capital assets	-	-	-	-
Miscellaneous	162,186	505,461	493,852	239,590
Transfers	2,588,969	2,595,561	2,356,889	2,448,575
Total general revenues and other changes net position	7,841,609	8,403,049	8,328,262	8,379,162
Total governmental activities change in net position	\$ (572,968)	\$ (412,266)	\$ (729,916)	\$ (992,995)

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 2,083,166	\$ 2,045,364	\$ 2,232,343	\$ 2,455,580	\$ 1,931,497	\$ 1,967,143
5,086,371	5,401,024	5,799,256	5,703,143	6,202,140	6,168,414
2,644,292	3,084,192	3,552,691	3,153,763	2,970,230	2,684,964
22,137	16,326	18,250	144,615	26,352	23,439
-	-	-	-	1,189,072	905,103
1,006,038	1,077,697	1,041,842	1,052,444	683,483	1,215,110
459,629	441,769	415,242	391,300	371,174	390,198
<u>11,301,633</u>	<u>12,066,372</u>	<u>13,059,624</u>	<u>12,900,845</u>	<u>13,373,948</u>	<u>13,354,371</u>
181,313	223,254	601,870	730,384	-	-
334,769	1,005,749	295,192	355,773	366,887	208,287
549,097	423,575	291,604	358,837	649,986	664,402
-	-	-	-	-	-
32,699	37,991	29,589	8,943	88,883	251,869
-	-	-	-	650,521	852,003
202,393	566,039	579,539	1,037,366	2,485,671	2,205,060
-	278,000	96,263	257,055	177,865	211,854
<u>1,300,271</u>	<u>2,534,608</u>	<u>1,894,057</u>	<u>2,748,358</u>	<u>4,419,813</u>	<u>4,393,475</u>
<u>\$ (10,001,362)</u>	<u>\$ (9,531,764)</u>	<u>\$ (11,165,567)</u>	<u>\$ (10,152,487)</u>	<u>\$ (8,954,135)</u>	<u>\$ (8,960,896)</u>
3,217,538	3,620,758	3,914,885	4,276,918	4,555,926	4,848,005
692,161	704,442	697,336	714,253	694,121	953,087
1,549,695	1,650,931	1,767,048	1,992,939	2,143,239	2,392,769
312,433	357,278	360,589	349,849	398,205	395,527
96,529	106,756	111,841	102,063	113,504	189,491
99,353	190,320	283,700	119,746	20,739	125,718
-	-	-	-	2,110	-
289,291	192,281	184,509	233,319	100,720	213,151
<u>2,896,410</u>	<u>3,094,654</u>	<u>3,044,742</u>	<u>3,145,528</u>	<u>2,991,137</u>	<u>2,885,430</u>
<u>9,153,410</u>	<u>9,917,420</u>	<u>10,364,650</u>	<u>10,934,615</u>	<u>11,019,701</u>	<u>12,003,178</u>
<u>\$ (847,952)</u>	<u>\$ 385,656</u>	<u>\$ (800,917)</u>	<u>\$ 782,128</u>	<u>\$ 2,065,566</u>	<u>\$ 3,042,282</u>

City of Lockhart, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2013	2014	2015	2016
Business-type activities				
Expenses				
Electric	\$ 8,722,855	\$ 9,725,877	\$ 9,753,464	\$ 8,664,234
Water	2,874,616	2,685,091	3,258,446	3,257,979
Wastewater	1,836,078	1,936,142	1,849,338	2,089,407
EMS	-	-	-	1,230,254
Sanitation	1,090,003	1,077,505	1,166,275	1,215,636
Airport	76,188	79,443	82,646	69,911
Total business-type expenses	<u>14,599,740</u>	<u>15,504,058</u>	<u>16,110,169</u>	<u>16,527,421</u>
Program revenues				
Charges for services				
Electric	10,388,956	11,521,734	12,039,498	10,974,720
Water	3,050,522	3,100,358	3,090,312	3,100,239
Wastewater	2,108,828	2,188,454	2,195,102	2,265,298
EMS	-	-	-	2,007,847
Sanitation	1,349,400	1,332,323	1,402,428	1,464,121
Airport	67,799	69,035	68,520	68,927
Operating grants and contributions	34,606	-	11,821	-
Capital grants and contributions	942,271	37,035	-	1,042,796
Total business-type program revenues	<u>17,942,382</u>	<u>18,248,939</u>	<u>18,807,681</u>	<u>20,923,948</u>
Total business-type activities net program expense	<u>\$ 3,342,642</u>	<u>\$ 2,744,881</u>	<u>\$ 2,697,512</u>	<u>\$ 4,396,527</u>
General revenues and other changes in net position				
Impact fees	37,846	218,458	255,462	263,817
Unrestricted investment earnings	15,294	14,881	21,733	61,357
Miscellaneous	-	-	6,858	-
Transfers	(2,588,969)	(2,595,561)	(2,356,889)	(2,448,575)
Total general revenues and other changes in net position	<u>(2,535,829)</u>	<u>(2,362,222)</u>	<u>(2,072,836)</u>	<u>(2,123,401)</u>
Total business-type activities change in net position	<u>\$ 806,813</u>	<u>\$ 382,659</u>	<u>\$ 624,676</u>	<u>\$ 2,273,126</u>
Total primary government change in net position	<u>\$ 233,845</u>	<u>\$ (29,607)</u>	<u>\$ (105,240)</u>	<u>\$ 1,280,131</u>

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 8,722,211	\$ 9,132,038	\$ 9,242,068	\$ 8,564,816	\$ 11,350,044	\$ 9,978,485
3,545,084	3,428,101	3,224,639	3,908,621	5,066,674	5,565,359
1,824,111	1,281,066	1,370,942	1,444,482	1,635,537	1,805,990
1,289,014	1,334,506	1,383,128	1,407,549	1,408,385	1,425,088
1,345,466	1,461,111	1,553,603	1,592,412	1,690,298	1,615,564
76,438	100,130	78,258	80,607	76,546	93,143
<u>16,802,324</u>	<u>16,736,952</u>	<u>16,852,638</u>	<u>16,998,487</u>	<u>21,227,484</u>	<u>20,483,629</u>
11,444,388	12,238,369	12,193,929	11,039,153	11,560,085	12,608,272
3,287,603	3,336,689	3,267,558	3,555,391	3,758,322	4,132,398
2,578,386	2,339,875	2,278,003	2,277,346	2,478,077	2,880,275
1,354,810	1,438,174	978,097	1,071,931	1,136,903	1,414,727
1,593,359	1,708,812	1,872,719	1,981,863	2,040,494	1,906,522
71,489	71,433	89,059	82,809	85,953	92,532
7,016	24,925	68,272	44,680	-	-
195,261	-	-	23,750	432,657	196,038
<u>20,532,312</u>	<u>21,158,277</u>	<u>20,747,637</u>	<u>20,076,923</u>	<u>21,492,491</u>	<u>23,230,764</u>
\$ 3,729,988	\$ 4,421,325	\$ 3,894,999	\$ 3,078,436	\$ 265,007	\$ 2,747,135
83,585	244,561	195,808	296,093	-	-
118,159	236,101	368,594	164,183	21,947	114,001
-	23,598	-	8,552	199,136	149,689
<u>(2,896,410)</u>	<u>(3,094,654)</u>	<u>(3,044,742)</u>	<u>(3,145,528)</u>	<u>(2,991,137)</u>	<u>(2,885,430)</u>
<u>(2,694,666)</u>	<u>(2,590,394)</u>	<u>(2,480,340)</u>	<u>(2,676,700)</u>	<u>(2,770,054)</u>	<u>(2,621,740)</u>
\$ 1,035,322	\$ 1,830,931	\$ 1,414,659	\$ 401,736	\$ (2,505,047)	\$ 125,395
\$ 187,370	\$ 2,216,587	\$ 613,742	\$ 1,183,864	\$ (439,481)	\$ 3,167,677

City of Lockhart, Texas
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Nonspendable				
Prepaid items	\$ 20,452	\$ 19,116	\$ 23,103	\$ 15,728
Inventory	32,669	19,327	14,578	13,699
Restricted	92,510	166,141	91,955	-
Committed	745,659	742,680	602,435	604,252
Unassigned	2,456,454	2,655,076	3,196,967	3,423,228
Total general fund	<u>\$ 3,347,744</u>	<u>\$ 3,602,340</u>	<u>\$ 3,929,038</u>	<u>\$ 4,056,907</u>
All Other Governmental Funds				
Nonspendable				
Prepaid items	\$ -	\$ 10,373	\$ 2,673	\$ 4,512
Restricted				
Retirement of long-term debt	515,468	429,226	362,919	278,089
Special revenue funds	590,589	690,237	757,115	-
General government	-	-	-	627,417
Tourism	-	-	-	8,248
Municipal court	-	-	-	-
Public safety	-	-	-	180,153
Public works	-	-	-	-
Various capital projects	2,122,420	838,025	8,386,106	6,792,536
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 3,228,477</u>	<u>\$ 1,967,861</u>	<u>\$ 9,508,813</u>	<u>\$ 7,890,955</u>

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 23,642	\$ 37,870	\$ 30,627	\$ 27,327	\$ 610,955	\$ 31,193
11,272	11,563	13,572	9,350	17,718	26,240
-	-	-	-	234,613	366,906
609,054	553,877	574,446	308,539	309,050	311,949
3,897,547	4,451,131	5,103,853	6,673,086	6,506,302	10,143,227
<u>\$ 4,541,515</u>	<u>\$ 5,054,441</u>	<u>\$ 5,722,498</u>	<u>\$ 7,018,302</u>	<u>\$ 7,678,638</u>	<u>\$ 10,879,515</u>
\$ 680	\$ 2,765	\$ -	\$ -	\$ -	\$ -
285,621	240,674	203,016	115,835	-	-
-	-	-	-	-	-
664,319	35,067	46,502	59,773	63,160	69,453
8,485	2,721	6,637	64,016	98,198	130,191
-	-	-	-	118,506	126,794
206,068	227,044	206,600	179,496	18,994	20,649
-	903,976	1,073,692	1,063,841	-	-
5,160,201	4,531,457	3,437,195	2,914,631	5,857,283	6,962,353
-	-	(3,523)	(323,955)	(87,431)	(138,743)
<u>\$ 6,325,374</u>	<u>\$ 5,943,704</u>	<u>\$ 4,970,119</u>	<u>\$ 4,073,637</u>	<u>\$ 6,068,710</u>	<u>\$ 7,170,697</u>

City of Lockhart, Texas

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)

	2013	2014	2015	2016
Revenues				
Property taxes	\$ 3,381,542	\$ 3,488,117	\$ 3,531,590	\$ 3,757,254
Sales and other taxes	1,697,976	1,795,555	1,916,643	1,921,425
Franchise and local taxes				
Fines, fees and forfeitures	1,099,975	824,213	1,021,043	1,115,233
Licenses and permits	63,152	147,923	288,438	173,641
Charges for services	812,579	1,103,401	1,383,027	-
Intergovernmental and grants	544,888	381,406	391,200	184,438
Investment	23,005	18,355	23,881	59,851
Miscellaneous	739,044	502,274	493,852	550,390
Total revenues	8,362,161	8,261,244	9,049,674	7,762,232
Expenditures				
Current				
General government	1,947,463	1,955,191	1,946,091	1,853,485
Public safety	5,425,960	5,639,925	5,767,328	4,680,022
Public works	974,409	1,006,216	930,794	1,069,441
Health and welfare	26,176	5,739	11,970	12,138
Culture and recreation	782,139	737,113	880,443	834,815
Community development	-	-	-	-
Capital outlay	1,088,877	1,334,223	665,475	1,589,287
Debt service				
Principal retirement	945,374	795,796	358,092	855,322
Interest and fiscal charges	420,448	388,222	825,385	566,342
Paying agent and issue costs	400	400	132,458	151,889
Total expenditures	11,611,246	11,862,825	11,518,036	11,612,741
Excess (deficiency) of revenues over expenditures	(3,249,085)	(3,601,581)	(2,468,362)	(3,850,509)
Other financing sources (uses)				
Debt issued	-	-	7,700,735	4,887,402
Premium on issuance of bonds	-	-	278,388	593,157
Payment to escrow	-	-	-	(5,455,484)
Gain on sale of capital assets	-	-	-	-
Transfers in	3,393,219	3,143,246	2,958,448	3,451,810
Transfers out	(804,250)	(547,685)	(601,559)	(1,003,235)
Total other financing sources (uses)	2,588,969	2,595,561	10,336,012	2,473,650
Change in fund balances	\$ (660,116)	\$ (1,006,020)	\$ 7,867,650	\$ (1,376,859)
Debt service as a percentage of noncapital expenditures	13.58%	11.90%	10.91%	14.68%

2017	2018	2019	2020	2021	2022
\$ 3,971,301	\$ 4,352,825	\$ 4,676,453	\$ 5,028,375	\$ 5,274,506	\$ 5,748,229
1,990,221	2,114,965	2,239,478	2,444,852	2,143,239	2,392,769
				511,709	585,018
927,273	1,227,557	1,127,998	1,190,406	414,578	275,647
125,761	192,622	142,721	243,196	650,521	852,003
-	-	2,200	2,200	738,869	916,271
202,393	458,624	554,354	866,355	3,061,756	2,379,234
99,353	190,320	283,700	119,746	20,739	125,718
288,003	323,296	275,443	223,199	186,781	235,092
7,604,305	8,860,209	9,302,347	10,118,329	13,002,698	13,509,981
1,847,858	1,933,687	2,107,937	2,333,952	1,777,924	2,121,509
4,751,069	5,212,519	5,631,506	5,579,302	6,052,616	6,066,612
1,168,180	1,727,405	1,601,001	1,948,586	1,571,151	913,011
17,207	11,396	13,320	139,685	20,539	35,312
890,047	949,731	912,739	1,150,716	1,022,863	1,038,803
-	-	-	-	707,075	955,377
1,818,019	828,872	1,238,106	551,827	1,442,886	2,189,333
587,160	601,470	690,799	727,163	797,305	1,006,761
500,948	483,207	456,409	432,504	413,447	393,470
1,200	1,000	800	800	-	25,220
11,581,688	11,749,287	12,652,617	12,864,535	13,805,806	14,745,408
(3,977,383)	(2,889,078)	(3,350,270)	(2,746,206)	(803,108)	(1,235,427)
-	-	-	-	383,923	2,652,861
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	251,942	-
3,440,098	3,688,600	3,796,267	4,360,894	3,793,615	3,644,993
(543,688)	(593,946)	(751,525)	(1,215,366)	(802,478)	(759,563)
2,896,410	3,094,654	3,044,742	3,145,528	3,627,002	5,538,291
\$ (1,080,973)	\$ 205,576	\$ (305,528)	\$ 399,322	\$ 2,823,894	\$ 4,302,864

11.64%

10.42%

10.23%

10.14%

9.78%

10.51%

(This page intentionally left blank.)

City of Lockhart, Texas
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
Last Ten fiscal years

Fiscal Year	Ad Valorem	Penalty and Interest	Sales	Franchise	Hotel/Motel	Other	Total
2013	\$ 3,333,978	\$ 47,564	\$ 1,293,019	\$ 308,180	\$ 81,614	\$ 15,163	\$ 5,079,518
2014	3,441,616	46,232	1,381,748	319,982	83,831	10,263	5,283,672
2015	3,487,044	44,546	1,479,056	325,911	100,522	11,154	5,448,233
2016	3,704,494	43,744	1,478,065	339,459	90,542	22,375	5,678,679
2017	3,909,699	58,868	1,549,695	336,068	87,766	19,426	5,961,522
2018	4,304,798	48,027	1,650,931	357,278	82,180	24,576	6,467,790
2019	4,620,916	55,537	1,767,048	360,589	87,078	24,763	6,915,931
2020	4,959,883	68,493	1,992,939	349,849	78,696	23,367	7,473,227
2021	5,214,552	59,954	2,143,239	335,952	101,455	34,957	7,890,109
2022	5,702,530	45,699	2,392,769	379,331	160,799	44,888	8,726,016

City of Lockhart, Texas
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE
Last Ten fiscal years

Fiscal Year	Tax Roll	Real Property		Personal Property	Minerals	Less:	Total Taxable Assessed Value Before Freeze
		Residential Property	Non-Residential Property			Tax Exempt Real Property	
2013	2012	\$ 416,425,765	\$ 129,671,339	\$ 46,217,410	\$ 14,400	\$ 114,848,768	\$ 477,480,146
2014	2013	427,236,194	131,330,390	53,978,110	14,400	118,025,207	494,533,887
2015	2014	449,920,448	132,450,610	53,836,070	5,040	139,636,140	496,576,028
2016	2015	469,313,930	135,525,093	55,579,530	7,091	141,581,487	518,844,157
2017	2016	482,454,757	141,155,970	53,621,290	7,091	144,119,120	533,119,988
2018	2017	544,551,915	189,973,297	54,203,240	11,626	178,676,169	610,063,909
2019	2018	574,119,621	214,527,344	57,249,280	10,524	175,188,050	670,718,719
2020	2019	553,623,275	326,454,397	58,419,990	10,732	206,639,213	731,869,181
2021	2020	500,446,323	515,158,254	59,064,726	21,096	227,088,388	847,602,011
2022	2021	511,111,983	616,467,277	65,657,280	17,930	245,069,989	948,184,481

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

SOURCE: Caldwell County Appraisal District

Total Freeze Taxable	Freeze Adjusted Taxable	Total Direct Tax Rate	Estimated Tax Levy Before Freeze Ceiling	Freeze Ceiling	Estimated Tax Levy Including Freeze Ceiling	Assessed Value as a Percentage of Actual Value
\$ (64,845,430)	\$ 412,634,716	\$ 0.7227	\$ 2,982,111	\$ 394,028	\$ 3,376,139	100.00%
(68,854,298)	425,679,589	0.7227	3,076,386	431,018	3,507,404	100.00%
(74,867,624)	421,708,404	0.7227	3,047,687	480,236	3,527,923	100.00%
(73,449,458)	445,394,699	0.7333	3,266,079	466,371	3,732,450	100.00%
(82,590,348)	450,529,640	0.7333	3,303,734	536,304	3,840,038	100.00%
(99,921,193)	510,142,716	0.7260	3,703,636	604,104	4,307,740	100.00%
(102,926,905)	567,791,814	0.7107	4,035,296	593,298	4,628,594	100.00%
(118,099,443)	613,769,738	0.6842	4,199,413	839,333	5,038,746	100.00%
(141,846,213)	705,755,798	0.63540	4,484,372	700,459	5,184,831	100.00%
(160,899,077)	787,285,404	0.63540	5,002,411	763,355	5,765,766	100.00%

City of Lockhart, Texas
DIRECT AND OVERLAPPING PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUE
Last Ten tax years

City Direct Rates				Overlapping Rates					
Tax Year	Debt Service	General Fund	Total	Lockhart ISD	Plum Creek Underground Water	Plum Creek Conservation District	Caldwell County	Farm to Market Rd	Total
2013	0.1150	0.6078	0.7228	1.1882	0.0200	0.0200	0.6908	0.0001	1.9191
2014	0.1150	0.6077	0.7227	1.1868	0.0210	0.0210	0.6907	0.0001	1.9196
2015	0.1150	0.6077	0.7227	1.1795	0.0220	0.0220	0.6906	0.0001	1.9142
2016	0.1150	0.6077	0.7227	1.4291	0.0220	0.0220	0.6905	0.0001	2.1637
2017	0.1366	0.5967	0.7333	1.3305	0.0215	0.0225	0.7174	0.0001	2.0920
2018	0.1300	0.6033	0.7333	1.3324	0.0215	0.0230	0.7752	0.0001	2.1522
2019	0.1183	0.6077	0.7260	1.3324	0.0214	0.0232	0.7752	0.0001	2.1523
2020	0.1076	0.6031	0.7107	1.3324	0.0214	0.0232	0.7752	0.0001	2.1523
2021	0.0980	0.5862	0.6842	1.2624	0.0207	0.0225	0.7430	0.0001	2.0487
2022	0.0833	0.5521	0.6354	1.1297	0.0208	0.0205	0.6718	0.0001	1.8429

SOURCE: Caldwell County Tax Office

City of Lockhart, Texas
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago (Unaudited)

2022		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Wal-Mart Stores Texas	\$ 10,773,590	0.86%
Economy Realty, LTD	10,227,905	0.82%
Stanton XT VRH Holdings	10,213,068	0.82%
H.E.B. Grocery	9,717,930	0.78%
LCRA Transmission Group	7,216,740	0.58%
KB Home Lone Star LP	7,195,000	0.58%
Lockhart DMA Housing LLC	6,868,140	0.55%
Lockhart Village Partners	6,799,747	0.55%
Wal-Mart Properties, Inc.	6,774,260	0.54%
Green Acres Housing LLC	4,957,583	0.40%
	\$ 80,743,963	6.48%

2012*		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Dormae Products, Inc.	\$ 4,532,380	0.95%
Lockhart DMA Housing LLC	3,936,238	0.83%
LCRA Transmission Svc. Corp	3,834,820	0.80%
H.E.B. Grocery	3,672,380	0.77%
Wal-Mart Properties, Inc.	3,247,970	0.68%
Economy Reality	2,854,670	0.60%
Tri-State Facilities Lockhart, LLC	2,787,830	0.58%
First Lockhart National Bank	2,414,950	0.51%
Fred W. Hoskins	2,156,490	0.45%
Hazelett Drilling	2,150,000	0.45%
	\$ 31,587,728	6.62%

SOURCE: Municipal Advisory Council (MAC)

* 2013 information was not available. 2012 comparative information has been presented.

City of Lockhart, Texas
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten fiscal years

Fiscal Year	Taxes Levied for the Fiscal Year			Total Adjusted Levy	Collections within the Fiscal Year of the Levy	
	(Original Levy)	Adjustments			Amount	Percentage of Levy
2013	\$ 3,358,263	\$ (12,722)	\$	3,345,541	\$ 3,254,196	97.27%
2014	3,441,841	(11,181)		3,430,660	3,350,075	97.65%
2015	3,511,080	(3,381)		3,507,699	3,412,941	97.30%
2016	3,712,656	(4,330)		3,708,326	3,620,368	97.63%
2017	3,896,845	(18,278)		3,878,567	3,798,713	97.94%
2018	4,295,180	38,534		4,333,714	4,226,010	97.51%
2019	4,608,371	(7,833)		4,600,538	4,515,714	98.16%
2020	5,013,498	(10,968)		5,002,530	4,881,568	97.58%
2021	5,196,719	7,716		5,204,435	5,094,484	97.89%
2022	5,752,038	(4,250)		5,747,788	5,620,206	97.78%

NOTES: Collections do not include penalty and interest.

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

SOURCE: Caldwell County Tax Office

Collections in Subsequent Years		Total Collections to Date		Uncollected Balance
		Amount	Percentage of Levy	
\$	82,453	\$ 3,336,649	99.73%	\$ 8,892
	70,069	3,420,144	99.69%	10,516
	80,980	3,493,921	99.61%	13,778
	73,929	3,694,297	99.62%	14,029
	61,693	3,860,406	99.53%	18,161
	86,388	4,312,398	99.51%	21,316
	55,767	4,571,481	99.37%	29,057
	66,958	4,948,526	98.92%	54,004
	24,937	5,119,421	98.37%	85,014
	-	5,620,206	97.78%	127,582

(This page intentionally left blank.)

City of Lockhart, Texas
ELECTRIC PURCHASED AND CONSUMED
Last Ten fiscal years

Fiscal Year	KWH		KWH		Average Percent Unbilled	Total Direct Rate			
	Electric Purchased		Electric Consumed			Electric			
						Base Rate	Usage Rate		
2013	\$	108,361,349	\$	98,539,092	\$	9,822,257	9%	10.82	0.0202
2014		111,416,750		103,167,845		8,248,905	7%	10.82	0.0202
2015		113,918,033		104,171,535		9,746,498	9%	10.82	0.0202
2016		112,447,919		101,868,831		10,579,088	9%	11.32	0.0190
2017		114,910,305		104,995,443		9,914,862	9%	22.20	0.0190
2018		122,944,319		114,446,577		8,497,742	7%	22.60	0.0216
2019		122,837,459		114,115,638		8,721,821	7%	23.10	0.0216
2020		120,845,231		112,276,873		8,568,358	7%	23.10	0.0216
2021		115,850,641		107,243,944		8,606,697	7%	23.10	0.0216
2022		124,320,000		111,940,848		12,379,152	10%	23.10	0.0216

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

City of Lockhart, Texas

ELECTRIC RATES

Last Ten fiscal years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Electric Rates (per KWH)					
Base Rate	\$ 10.82	\$ 10.82	\$ 10.82	\$ 11.32	\$ 22.20
Electric Usage Rate					
0 - 1,200 kwh	0.02020	0.02020	0.02020	0.01896	0.01896
1,201 +	0.02910	0.02910	0.02910	0.03250	0.03250
+ all kwh	-	-	-	0.00225	0.00225

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

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 22.60	\$ 23.10	\$ 23.10	\$ 23.10	\$ 23.10
0.02156	0.02156	0.02156	0.02156	0.02156
0.03510	0.03510	0.03510	0.03510	0.03510
0.00225	0.00225	0.00225	0.00225	0.00225

(This page intentionally left blank.)

City of Lockhart, Texas
TEN LARGEST ELECTRIC CUSTOMERS
Current Year and Nine Years Ago

2022

Customer	Type of Business	12-Month Electric Consumption per kWh	Percent of Total Billed
MTC/Lockhart Correctional Facility	Private Public Safety	3,636,720	3.25%
H.E.B. Stores	Retail	2,552,000	2.28%
Pure Castings	Retail	1,744,500	1.56%
Apple, Inc.	Manufacturer	1,188,500	1.06%
Lockhart High School - S. Medina	Public School	1,176,000	1.05%
G.B.R.A.	Service	1,175,160	1.05%
Livingood Feeds	Retail	1,056,000	0.94%
Lockhart High School - Center St.	Public School	1,030,500	0.92%
Bluebonnet Elementary	Public School	1,005,300	0.90%
Dormae/Serta Products	Production	777,600	0.69%

2012

Customer	Type of Business	12-Month Electric Consumption per kWh	Percent of Total Billed
H.E.B. Stores	Retail	2,574,900	2.56%
Dormae/Serta Products	Production	1,423,800	1.41%
Caldwell County Jail	Government	1,401,000	1.39%
G.B.R.A.	Service	1,213,800	1.21%
Livingood Feeds	Retail	1,149,300	1.14%
Lockhart High School	Public School	1,033,200	1.03%
Pinnacle Health	Healthcare	999,840	0.99%
Henderson Controls	Retail	828,000	0.82%
Bluebonnet Elementary	Public School	654,300	0.65%
Kinlock, LLC DBA McDonalds	Service	590,040	0.59%

Source: City records.

* 2013 information was not available. 2012 comparative information has been presented.

City of Lockhart, Texas
WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED
Last Ten fiscal years

Fiscal Year	Gallons of Water Produced	Gallons of Water Consumed	Gallons of Water Unbilled	Average Percent Unbilled	Gallons of Wastewater Treated
2013	546	465	81	15%	398
2014	534	478	56	11%	414
2015	522	476	46	9%	482
2016	545	461	84	15%	487
2017	544	466	77	14%	451
2018	575	481	95	16%	399
2019	526	460	66	13%	367
2020	553	452	101	18%	373
2021	473	449	24	5%	412
2022	520	506	14	3%	381

NOTES: Water and sewer usage rates shown are for 2,001-6,000 gallon usage range.
Gallons produced and consumed are represented in million gallons.
Full detail of rate information can be found on schedule titled "Water and Sewer Rates".

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

(This page intentionally left blank.)

City of Lockhart, Texas
TEN LARGEST WATER CUSTOMERS
Current Year and Nine Years Ago (Unaudited)

2022

Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
MTC/Lockhart Correctional Facility	Private Public Safety	48,702	10.24%
Caldwell County Jail	Government	3,781	0.79%
City of Lockhart Airport	Government	3,510	0.74%
Federal Housing - Landing	Government	4,696	0.99%
Wal-Mart Store	Retail	3,622	0.76%
Brite & Shiny Carwash	Retail	3,711	0.78%
Meadow Park Village	Housing	2,600	0.55%
Diversicare Corp. of America	Healthcare	3,048	0.64%
Tx Lo Silent MHP	Housing	6,474	1.36%
Arco Murray Construction	Construction	4,189	0.88%

2013

Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
Caldwell County Jail	Government	7,931	4.78%
Lockhart High School Track	Public School	6,437	3.88%
Lockhart ISD	Public School	4,811	2.90%
Pinnacle Health Facility	Healthcare	4,765	2.87%
Diversicare Corporation	Healthcare	2,026	1.22%
Federal Housing - Landing	Government	1,879	1.13%
JAADI Corporation	Hospitality	1,689	1.02%
G&G Laundromat	Service	1,612	0.97%
TXI Operations, LP	Service	1,555	0.94%
Brite & Shiny Carwash	Service	1,523	0.92%

City of Lockhart, Texas

WATER AND SEWER RATES

Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Water Rates (per 2,000 gallons)					
Base Rate	\$ 22.10	\$ 22.10	\$ 22.10	\$ 22.10	\$ 22.10
Water Usage Rate					
2,001-6,000	3.90	3.90	3.90	3.90	3.90
6,001-8,000	4.15	4.15	4.15	4.15	4.15
8,001-10,000	4.40	4.40	4.40	4.40	4.40
>10,001	5.15	5.15	5.15	5.15	5.15
Sewer Rates (per 2,000 gallons)					
Base Rate	15.51	15.51	15.51	15.51	15.51
Sewer Usage Rate					
>2,000	4.67	4.67	4.67	4.67	4.67

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

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

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 22.60	\$ 23.10	\$ 23.60	23.60	23.60
4.50	4.80	4.80	4.80	4.80
4.75	5.05	5.05	5.05	5.05
5.00	5.30	5.30	5.30	5.30
5.75	6.05	6.05	6.05	6.05
15.51	15.51	15.51	15.51	15.51
4.67	4.67	4.67	4.67	4.67

City of Lockhart, Texas
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-type Activities	
	Certificates of Obligation	General Obligation Bonds	Tax Notes	Lease Liabilities	Plus: Issuance Premiums	Certificates of Obligation	General Obligation Bonds
2013	\$ 7,889,937	\$ 1,382,225	\$ -	\$ -	\$ -	\$ 250,061	\$ 3,927,775
2014	7,539,595	936,771	-	-	-	180,404	3,253,229
2015	14,875,686	476,031	-	-	278,388	9,089,313	2,553,969
2016	9,381,395	4,887,402	-	-	835,806	9,073,608	1,877,593
2017	8,794,235	4,887,052	-	-	774,293	8,850,765	1,762,948
2018	8,192,765	4,887,052	-	-	712,782	8,607,235	1,642,948
2019	7,707,775	4,681,243	-	-	651,271	8,352,225	1,573,757
2020	7,208,875	4,452,980	-	-	589,760	8,091,125	1,497,018
2021	6,691,415	4,224,718	-	332,340	528,249	7,823,585	1,420,278
2022	6,327,225	3,685,870	2,330,000	551,478	466,738	7,397,775	1,239,126

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

Business-type Activities							
Lease Liabilities	State Infrastructure Loan	Contractual Obligations	Tax Notes	Plus: Issuance Premiums	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 1,766,382	\$ 3,600,000	\$ -	\$ -	\$ 2,036	\$ 18,818,416	4.7%	1,483
1,420,920	3,459,070	3,400,000	-	1,018	20,191,007	5.1%	1,591
1,045,473	3,314,617	3,400,000	-	324,792	35,358,269	8.9%	2,787
643,534	3,166,553	3,400,000	-	500,572	33,766,463	8.4%	2,661
219,939	3,014,787	3,400,000	-	468,308	32,172,327	7.7%	2,535
104,350	2,859,227	3,400,000	-	436,047	30,842,406	6.7%	2,215
86,958	2,699,779	14,995,000	-	403,786	41,151,794	9.0%	2,955
69,566	2,536,344	22,975,000	-	371,510	47,792,178	16.3%	3,432
248,249	2,368,823	30,935,000	-	339,249	54,911,906	15.2%	3,819
174,964	2,197,114	45,120,000	1,720,000	306,988	71,517,278	18.3%	4,974

City of Lockhart, Texas
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding					Debt Service Monies Available	Net Bonded Debt
	Certificates of Obligation	General Obligation Bonds	Tax Notes	Plus: Issuance Premiums	Total		
2013	\$ 7,889,937	\$ 1,382,225	\$ -	\$ -	\$ 9,272,162	\$ 515,468	\$ 8,756,694
2014	7,539,595	936,771	-	-	8,476,366	429,226	8,047,140
2015	14,875,686	476,031	-	-	15,351,717	362,919	14,988,798
2016	9,381,395	4,887,402	-	-	14,268,797	278,089	13,990,708
2017	8,794,235	4,887,052	-	-	13,681,287	285,621	13,395,666
2018	8,192,765	4,887,052	-	-	13,079,817	240,674	12,839,143
2019	7,707,775	4,681,243	-	-	12,389,018	203,016	12,186,002
2020	7,208,875	4,452,980	-	-	11,661,855	115,835	11,546,020
2021	6,691,415	4,224,718	-	332,340	11,248,473	-	11,248,473
2022	6,327,225	3,685,870	2,330,000	551,478	10,564,573	-	10,564,573

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

Percentage of Actual Taxable Value of Property	Per Capita
1.77%	690
1.62%	634
2.89%	1,181
2.62%	1,103
2.20%	1,056
2.10%	922
1.82%	875
1.58%	829
1.33%	782
1.11%	735

City of Lockhart, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2022 (Unaudited)

	Gross Debt Outstanding		Percentage	Amount
	Date	Amount	Applicable to City	Applicable to City
Direct Debt:				
City of Lockhart	9/30/2022	\$ 13,361,311	100.00%	\$ 13,361,311
Overlapping Debt:				
Caldwell County	9/30/2021 *	17,585,000	30.08%	5,289,568
Lockhart Independent School District	6/30/2022	70,940,521	45.25%	32,100,586
Total Overlapping Debt		88,525,521		37,390,154
Total		\$ 101,886,832		\$ 50,751,465

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

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

SOURCE: Municipal Advisory Council of Texas

* 9/30/2022 not available.

City of Lockhart, Texas
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years (Unaudited)

Fiscal Year	(1) Population	Personal Income	(2) Per Capita Personal Income	(3) School Enrollment	(4) Unemployment Rate
2013	12,689	398,637,624	31,416	5,130	5.3%
2014	12,689	398,637,624	31,416	5,366	4.2%
2015	12,689	398,637,624	31,416	5,393	4.0%
2016	12,689	404,131,961	31,849	5,699	4.0%
2017	12,689	417,328,521	32,889	5,910	3.4%
2018	13,924	457,946,436	32,889	6,120	3.4%
2019	13,924	457,946,436	32,889	6,160	3.2%
2020	13,924	292,974,884	21,041	6,160	3.2%
2021	14,379	360,711,594	25,086	6,167	6.0%
2022	14,379	391,137,558	27,202	6,465	6.5%

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

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

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

(This page intentionally left blank.)

City of Lockhart, Texas

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2022

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

2012*

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

SOURCE: Municipal Advisory Council of Texas

* 2013 information was not available. 2012 comparative information has been presented.

City of Lockhart, Texas

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

Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Function/Program					
General government					
City manager	3.0	3.0	3.0	4.0	4.0
City secretary	1.0	1.0	1.0	1.0	1.0
Finance	5.0	5.0	5.0	5.0	5.0
Municipal court	5.0	5.0	5.0	5.0	4.0
Library	9.0	9.0	9.0	10.0	9.0
Parks and recreation	7.0	6.0	7.0	7.0	7.0
Code enforcement	3.0	2.0	2.0	3.0	3.0
Planning and development	3.0	4.0	4.0	4.0	4.0
Public safety					
Police	26.0	25.0	25.0	25.0	28.0
Communications	11.0	10.0	8.0	9.0	9.0
Fire	19.0	19.0	16.0	18.0	15.0
Public works					
Public works	3.0	3.0	3.0	3.0	3.0
Animal control	6.0	6.0	5.0	8.0	8.0
Garage	3.0	3.0	3.0	3.0	3.0
Streets	12.0	10.0	14.0	13.0	12.0
Electric					
Utility billing	6.0	6.0	6.0	6.0	5.0
Utility distribution	8.0	7.0	9.0	9.0	9.0
Water/wastewater					
Water operations	6.0	6.0	5.0	5.0	5.0
Sewer operations	1.0	2.0	2.0	3.0	3.0
Sanitation					
Operations	2.0	1.0	1.0	2.0	2.0
Recycle					
Economic Development	2.0	1.0	2.0	1.0	2.0
EMS	-	-	-	-	-
Total	<u>141</u>	<u>134</u>	<u>135</u>	<u>144</u>	<u>141</u>

2018	2019	2020	2021	2022
5.0	5.0	5.0	4.0	4.0
1.0	1.0	1.0	1.0	1.0
4.0	5.0	5.0	5.0	5.0
4.0	4.0	4.0	4.0	3.0
9.0	9.0	9.0	6.0	6.0
7.0	8.0	8.0	8.0	9.0
3.0	3.0	3.0	3.0	3.0
4.0	4.0	4.0	4.0	4.0
30.0	29.0	27.0	29.0	31.0
10.0	9.0	9.0	10.0	10.0
14.0	14.0	13.0	13.0	15.0
2.0	2.0	2.0	2.0	2.0
8.0	7.0	6.0	6.0	7.0
3.0	3.0	3.0	4.0	4.0
12.0	12.0	12.0	12.0	12.0
6.0	6.0	6.0	6.0	6.0
8.0	9.0	9.0	9.0	10.0
5.0	6.0	6.0	6.0	5.0
4.0	3.0	3.0	4.0	4.0
2.0	2.0	2.0	2.0	2.0
			1.0	1.0
2.0	2.0	2.0	2.0	2.0
-	-	-	-	-
143	143	139	141	146

City of Lockhart, Texas
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016
General government				
Building permits issued	345	681	604	647
Building inspections conducted	1,934	2,433	1,784	1,613
Public safety				
Police				
Physical arrests	652	417	398	628
Traffic violations	3,396	3,372	1,701	2,149
Fire				
Fire calls	1,918	2,111	1,564	1,386
Public works				
Streets (miles)	65	65	65	65
Culture and recreation				
Parks and recreation				
Park rental	114	106	75	91
Swimming pool				
Single admissions	7,624	5,304	7,529	8,554
Party rentals	49	47	35	50
Electric				
New connections	10	18	7	9
Average daily consumption (kwh)	269,970	282,652	285,401	279,093
Water and wastewater				
Water				
New connections/taps	21	149	62	139
Average daily consumption	1.27 mgd	1.31 mgd	1.30 mgd	1.26 mgd
Peak daily consumption	2.220 mgd	2.360 mgd	2.192 mgd	2.075 mgd
Wastewater				
Average daily sewage treatment	1.09 mgd	1.13 mgd	1.32 mgd	1.34 mgd
EMS				
Ambulance loads	2,670	2,772	2,867	2,989

NOTES: * EMS Ambulance loads not available 2011-2012; EMS was operated by Seton Health Care

Increase in building permits issued in 2020 due to new subdivisions and apartments.

2017	2018	2019	2020	2021	2022
495	444	542	839	1,339	2,296
1,716	2,179	2,282	1,703	2,845	4,959
596	934	862	451	469	455
3,251	5,708	6,281	4,041	4,480	4,091
1,501	1,356	1,406	1,361	1,388	1,652
65	65	66	100	124.5	124.5
107	73	85	32	58	85
8,289	6,883	6,596	-	8,279	8,973
34	32	33	-	30	46
11	18	23	49	125	616
287,659	313,552	312,646	307,607	297,326	306,687
56	78	61	50	111	144
1.18 mgd	1.32 mgd	1.26 mgd	1.305 mgd	1.296 mgd	1.425 mgd
2.118 mgd	2.263 mgd	2.160 mgd	2.200 mgd	2.500 mgd	2.100 mgd
1.24 mgd	1.09 mgd	1.00 mgd	1.02 mgd	1.13 mgd	1.04 mgd
3,106	3,207	3,199	3,188	3,479	3,350

City of Lockhart, Texas

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	2013	2014	2015	2016
Function/Program				
Public safety				
Police				
Stations	1	1	1	1
Patrol units	22	22	22	22
Fire stations	1	1	1	1
Highways and streets				
Streets (miles)	64.7	64.7	64.7	64.7
Streetlights	1,810	1,824	1,825	1,838
School zone flashers	2	2	2	2
Culture and recreation				
Acreage	115	115	115	115
Parks	10	10	10	10
Baseball/softball diamonds	6	6	6	6
Soccer fields	8	8	8	8
Swimming pools	1	1	1	1
Electric				
Electric lines (miles)	76	77	77	77
Number of distribution stations	1	1	2	2
Capacity sold (MwH)	98,539	103,168	104,172	101,869
Water and wastewater				
Water				
Water mains (miles)	87.1	87.4	87.4	87.4
Fire hydrants	640	650	660	675
Storage capacity	1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd
Wastewater				
Sanitary sewers (miles)	76	76	76	76
Storm sewers (miles)	0	0	0	0
Treatment capacity	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd

2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
26	28	29	26	31	31
1	1	2	2	2	2
65.2	65.2	65.9	100.0	124.5	124.5
1,838	1,844	1,856	1,856	1,856	1,872
2	2	2	2	2	2
115	115	115	115	115	115
10	10	10	10	10	10
6	6	6	6	6	6
8	8	8	8	8	8
1	1	1	1	1	1
77	80	80	80	82	82
2	2	2	2	2	2
104,995	114,447	114,116	112,276	107,243	111,941
92.1	92.1	93.7	100.0	100.5	100.5
685	700	729	721	721	721
1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd	1.55 mgd	1.55 mgd
76	78	79	80.6	80.8	80.8
0	0	0	0	0	0
2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion regarding an appeal by Caroline Keifer-Bell, on behalf of Robert Mendez, to the Historical Preservation Commission's denial of CFA-23-04, an application for a Certificate for Alteration to allow an existing, temporary mural, originally approved through application CFA-22-14, to become permanent within the Courthouse Square Historic District on Part of Lot 3, Block 14, Original Town of Lockhart, zoned CCB, Commercial Central Business District and located at 200 East Market Street.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: On October 5, 2022, the Planning and Zoning Commission granted a Certificate for Alteration for a mural that was requested in conjunction with the Texas Monthly Barbecue Festival, to be held in November, 2022. At the time of the request, the Historical Preservation Commission had recently recommended revisions to Chapter 28, Historic Districts and Landmarks, Chapter 46, Sign Ordinance, that when combined would prohibit new murals within the Courthouse Square Historic District. Knowing that there was a strong possibility that City Council would adopt the Commission's recommendations (which it did on October 18, 2022), Texas Monthly and the building owner requested the approval be granted for a period of 90 days, after which the mural would be covered matching the paint color of the rest of the wall on which it had been painted. The Historic Commission granted the CFA for the temporary mural, which was completed during the Barbecue Festival.

As the deadline to remove the mural approached, building owners and the applicant contacted the City regarding the possibility of making the mural permanent. After city staff had initially directed the applicant to apply for a variance, the City Attorney issued a legal opinion that the Historic Commission should hear the request as a Certificate for Alteration application. On February 15, 2023, the Historic Preservation Commission heard the request and voted to issue a denial on the basis that the Sign Ordinance prohibits murals within the Historic District. City staff had also informed the Commission of their option to revise the Original certificate for Alteration to make the terms of the approval permanent. The Commission did not exercise this option, instead voting to deny the request, knowing that the applicant would likely file an appeal. The Historic Preservation Commission meeting was well-attended, with many attendees in support of the mural remaining in place. The applicant filed an appeal to the Commission's denial within the required 30-day period.

PROJECT SCHEDULE (if applicable): None

AMOUNT & SOURCE OF FUNDING:

Funds Required:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

Account Number:

Funds Available:

Account Name:

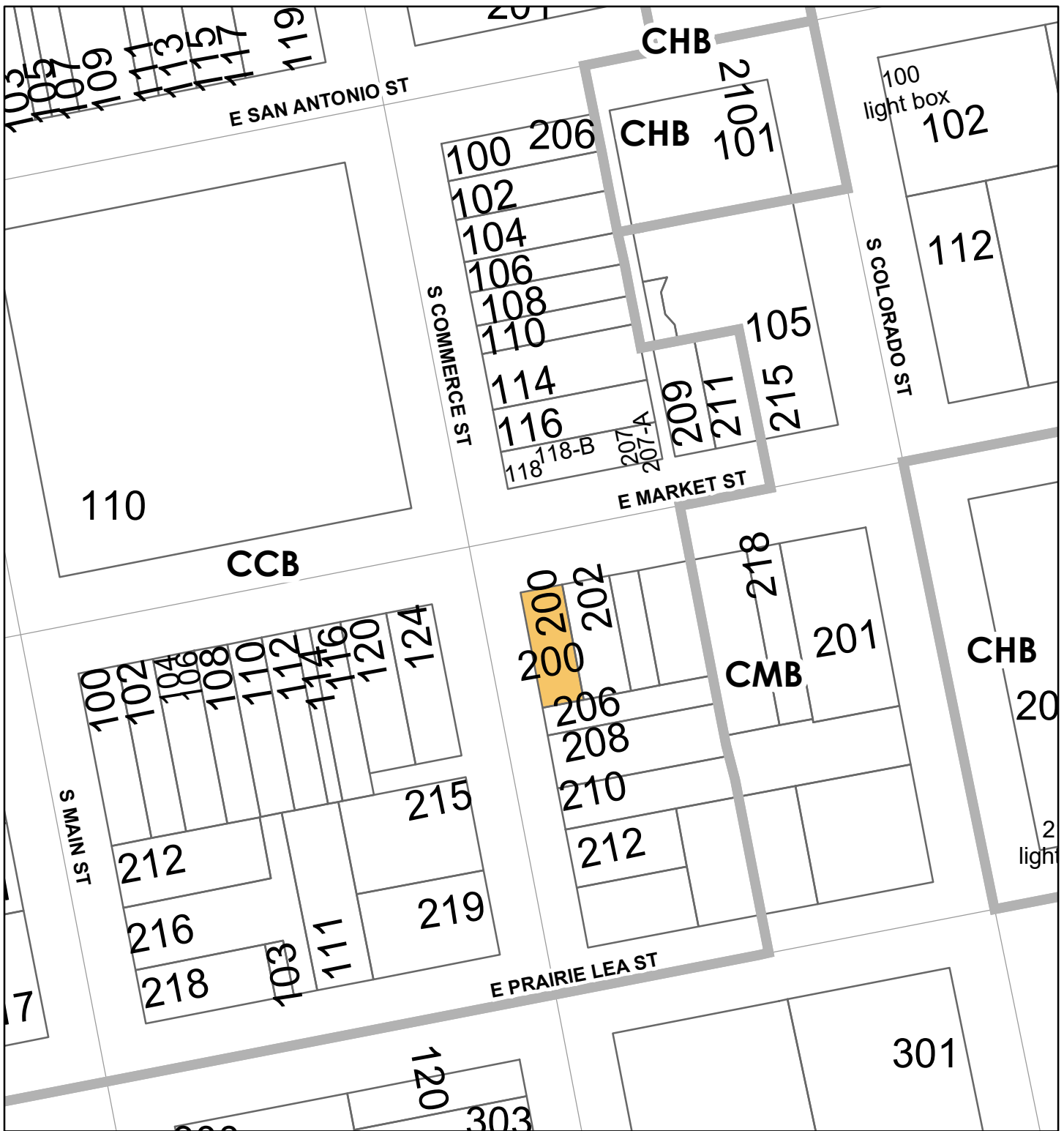
FISCAL NOTE (if applicable): None.

PREVIOUS COUNCIL ACTION: None.

COMMITTEE/BOARD/COMMISSION ACTION: On February 15, 2023, the Historical Preservation Commission denied CFA-23-04, which had requested a Certificate for Alteration to allow the mural, which had been approved for a 90 day period, to become permanent. The Commission had previously approved a temporary mural at that location, with the condition the mural be removed within 90 days.

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends DENIAL of the appeal request, due to the fact that the Historical Preservation Commission acted appropriately to deny the permit, since murals cannot be permitted within the Courthouse Square Historic District. However, since Section 28-12 (g) specifies that applicants who are "dissatisfied" with the action of the Commission may file an appeal, the applicant is within the right to appeal the Commission's action. Unlike the Historic Preservation Commission, City Council could possibly take the extenuating circumstances of the mural's initial approval into account when considering the merits of the appeal..

LIST OF SUPPORTING DOCUMENTS: CFA2304, IMG_6365, CFA 23-04 Appeal letter, CFA-23-04 Denial Letter to Kiefer-Bell, CFA-23-04 Staff Report (Kiefer-Bell), 02-15-2023 LHPC Minutes



CFA-23-04

200 E MARKET ST



Subject Property



Zoning Boundary

ALLOW AN EXISTING TEMPORARY
MURAL TO BECOME PERMANENT IN
THE COURTHOUSE SQUARE HISTORIC DISTRICT

scale 1" = 100'



Dear Lockhart City Council,

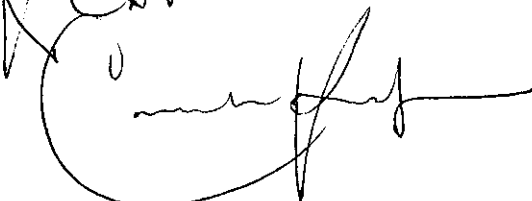
I would like to appeal the Historic Preservation Committee's recent decision to deny reconsideration of permanence in regards to the "Lockhart BBQ" mural located at 200 E. Market St.

In addition, I am also asking the City Council to reconsider the ordinance that serves as a prohibition of murals in the Historic District. In place of this ordinance, I am asking for a stronger review process for murals and anything that could potentially disrupt or be incongruent with all protected structures, features and aesthetics within the historic district.

I understand that when the Historic Preservation committee initially allowed this mural located at 200 E. Market St. It was proposed as "temporary". Being that as it may, there are five reasons why we, as a community, believe that the initial plan should be given permission for reconsideration and that this mural should become part of the Lockhart Historic District's permanent collection of murals.

1. This Mural is becoming beloved by the community, countless visiting travelers and is undoubtedly boosting commerce as an effect of people coming here to visit, taking photos with the mural, turning around and advertising this action and causing that cycle to repeat itself.
2. People who are coming to Lockhart to add a photo of themselves with this Mural to their own collection are turning this mural into an **Icon** for what defines the Lockhart experience.
3. This Mural, which is now becoming a part of our history, deserves to be protected, and has unanimous support from the community to remain in Lockhart's permanent collection.
4. The review process for this mural did still serve as a review process, although under temporary permission. I am attempting to formally and respectfully ask for reconsideration of those parameters.
5. Any mural that did not undergo a review process and could have caused a mural prohibition ordinance to take effect, should be a mural in question.

In conclusion I would like to say that taking this mural down at this point in time would be a massive disservice to our community and the portrayal of BBQ History in Lockhart. Let's work together to implement a stronger review process for art, design and aesthetics that will impact our town. I greatly appreciate your consideration. Let's work together to fortify the process of reviewing art proposed to enrich the experience of Lockhart Texas.

KAROLINE RIEFER
 3/1/2023

February 16, 2023

Caroline Kiefer-Bell
196 Kellogg Ct.
Dale, TX 78616
carolinekiefer2020@gmail.com

Dear Ms. Kiefer-Bell:

On February 15, 2023, the Lockhart Historical Preservation Commission **denied** your requested Certificate for Alteration (CFA-23-04) to allow an existing, temporary mural originally approved by the Commission on October 5, 2022 through CFA-22-14 to become permanent within the Courthouse Square Historic District, on property zoned CCB (Commercial Central Business), located at 200 East Market Street.

If you wish to appeal the decision of the Commission, a written request for appeal must be submitted to the City Council within 30 days of the date of this letter. The decision of the City Council is final (Historic Districts and Landmarks Ordinance Section 28-12(g)).

If you have any questions, I may be contacted by phone at (512) 398-3461, Ext. 2400, or by email at kwaller@lockhart-tx.org.

Sincerely,

Kevin Waller
Senior Planner

Cc: Richard Mendez (jrmendez21@yahoo.com)
Melissa Reese, Texas Monthly (mreese@texasmonthly.com)
David Fowler, Planning Director
Kelly Stilwell, Building Official
Steven Lewis, City Manager
Monte Akers, City Attorney

CASE SUMMARY

STAFF: Kevin Waller, Senior Planner

CASE NUMBER: CFA-23-04

REPORT DATE: February 10, 2023

MEETING DATE: February 15, 2023

APPLICANT'S REQUEST: Conversion of an existing mural from temporary to permanent status

STAFF RECOMMENDATION: **Denial** (*see Alternatives section below*)

BACKGROUND DATA

APPLICANT: Caroline Kiefer-Bell

OWNER: Robert Mendez Sr.

SITE LOCATION: 200 E. Market St.

LEGAL DESCRIPTION: Part of Lot 3, Block 14, Original Town of Lockhart

EXISTING USE OF PROPERTY: Commercial

PROPOSED USE OF PROPERTY: Same

ZONING CLASSIFICATION: CCB (Commercial Central Business)

ANALYSIS OF ISSUES

PROJECT DESCRIPTION: On October 5, 2022, the Commission approved a temporary wall mural, which was painted onto the west wall of the building located at 200 East Market Street in the days leading up to the Texas Monthly BBQ Fest on November 5, and completed that day. The mural is located on a previously painted wall that is visible to pedestrian and vehicular traffic along South Commerce, East Market, East Prairie Lea, and East San Antonio Streets. Measuring approximately 35 feet wide by 9 feet tall, or 315 square feet, the mural reads "Lockhart", with "BBQ Capital of Texas" beneath, in an all-caps font. The mural features a man in a cowboy hat eating a rib and holding a bottle of Coca-Cola®, as depicted in the attached illustration. Since the Coca-Cola® bottle and logo are a small, incidental part of the mural, the mural is not be classified as a sign for the purposes of commercial advertising. The Commission's approval was based upon the condition that the mural be removed no later than 90 days after its completion, or February 3, 2023. Following the BBQ Fest event and before the mural's expiration, the property owner approached the City about keeping the mural as a permanent fixture, which he explains has become popular with tourists and locals alike. However, murals were prohibited within the Historic District shortly after the Commission's approval of this mural by amendment of the Sign Ordinance that was passed by the City Council. Accordingly, Staff directed the applicant to submit a Sign Variance application for review by the Zoning Board of Adjustment in order to apply to keep the mural, which would be a variance to waive the prohibition of the mural in the Historic District set forth in Sign Ordinance Section 46-10(j)(1). However, in later consultation with the City Attorney, it was determined that the proposal to keep the mural should instead go back before the Historical Preservation Commission for consideration as a permanent mural, since the Commission had originally approved the mural, prior to the mural prohibition in the Historic District. The applicant then submitted the current Certificate for Alteration application on February 2, one day prior to the mural's 90-day expiration date.

COMPATIBILITY: The mural is in character with the State Legislature’s designation of Lockhart as the “Barbecue Capital of Texas” (House Resolution No. 1024, 76th Legislature, Regular Session (1999)), and does not appear to detract from the character of the Courthouse Square. One other, barbecue-themed mural is located downtown, at the corner of South Main and West Market Streets on the north wall façade of the State Farm building. As noted previously, however, murals are now prohibited within the Historic District.

COMPLIANCE WITH STANDARDS: Since murals are prohibited within the Historic District through Sign Ordinance Section 46-10(j)(1), Staff cannot support the proposal to retain it as a permanent fixture, and recommends that this application be **denied**. See the Alternatives section below for a possible solution.

ALTERNATIVES: After further consultation with the City Attorney, Staff has concluded that the Certificate for Alteration issued on September 27, 2022 could be revised by the Commission to allow a permanent mural in place of the temporary mural for which the Certificate for Alteration was issued. This would be due to the application being originally submitted prior to the prohibition of murals in the Historic District. The original application form is attached for review.

City of Lockhart
Historical Preservation Commission
February 15, 2023

MINUTES

Members Present: Christine Ohlendorf, Ronda Reagan, Michel Royal (5:31pm), John Lairsen, Ron Faulstich, Ray Ramsey, Kevin Thuerwaechter

Members Absent: None

Staff Present: Kevin Waller, David Fowler, Kelly Stilwell, Yvette Aguado

Public Present: Caroline Kiefer-Bell (applicant, Agenda Item 4), Sandy Dosier, Lee Valgarett

1. Call meeting to order. Chair Lairsen called the meeting to order at 5:30 p.m.
2. Citizen comments not related to an agenda item. None
3. Consider the minutes of the February 9, 2023, meeting.

This item was tabled to the next meeting by consensus, as the minutes were not yet ready for review.

4. CFA-23-04. Consider a request by Caroline Kiefer-Bell, on behalf of Robert Mendez, for approval of a Certificate for Alteration to allow an existing, temporary mural originally approved by the Commission on October 5, 2022 through CFA-22-14 to become permanent within the Courthouse Square Historic District on Part of Lot 3, Block 14, Original Town of Lockhart, zoned CCB (Commercial Central Business) and located at 200 East Market Street.

Planning Staff Kevin Waller provided a brief overview of the proposal via PowerPoint presentation. He gave a summary of the October 5, 2022 Commission decision to approve a temporary wall mural, which was painted onto the west wall of the building located at 200 East Market Street in the days leading up to the Texas Monthly BBQ Fest on November 5, and completed that day. The Commission's approval was based upon the condition that the mural be removed no later than 90 days after its completion, or February 3, 2023. Murals were prohibited within the Historic District shortly after the Commission's approval of this mural by amendment of the Sign Ordinance that was passed by the City Council. It was determined that the proposal to keep the mural should go back before the Historical Preservation Commission for consideration as a permanent mural, since the Commission had originally approved the mural prior to the mural prohibition in the Historic District.

Commissioner Faulstich read a statement that explained the mural was approved by the Lockhart Historical Preservation Commission as a temporary mural. Texas Monthly and the building owner also knew that the mural was to be temporary. Mr. Faulstich added that he wasn't sure if Texas Monthly notified the artist that it was to be a temporary mural. The new request to make the mural permanent violates two City ordinances. He recommended that the City Council should be the deciding factor, since they requested that the Commission draw up a City code on murals

citywide. The Commission decided it was in the best interest to prohibit murals in the Historic District, and the City Council approved the ordinance. Faulstich made the motion to send CFA-23-04 to City Council for consideration.

Chair Lairsen seconded the motion and asked for discussion.

Commissioner Ramsey stated that he also agreed that it would be best to send the proposal to City Council, and reminded all that this was an agreement for a temporary mural. He added that the mural is now a violation of the Ordinance, since murals are now prohibited in the Historic District.

Vice-Chair Reagan agreed to send the proposal to City Council, since murals are now prohibited in the Historic District due to the ordinance amendments. She reiterated that the mural was only to be temporary and to be painted over within 90 days as stated on the application submitted for approval, and that it was for an advertising gimmick to get people to attend the BBQ Fest.

Chair Lairsen agreed that the Sign Ordinance is being violated by this request for a permanent mural. Should the mural go before the City Council for consideration, the Council could either amend the ordinance in favor of the mural, or vote against the mural. Mr. Lairsen felt that his position on the Commission was not to override the City Ordinance, and that the matter should be left to the City Council.

Commissioner Ohlendorf explained that the mural was initially presented one way, which has now changed significantly. She agreed with the recommendation to send the proposal to City Council for approval, to make sure it stays in compliance with the Ordinances that currently exist.

Commissioner Royal stated that she agreed that the City Council should make the final decision. She expressed that the mural was presented as temporary, and that the owner would be repainting their building in a few months. Mrs. Royal explained that the Commission is not against the mural by any means, but it is on a building located in the Historic District which is what they as the Commission are responsible for.

Commissioner Thuerwaechter said he concurred and didn't have anything else to add, but was happy to see so many people passionate about the mural and the city of Lockhart. He added that this is why we're on the Historic Commission, and agreed that it needs to go before the City Council.

Planning Staff David Fowler explained that in order to send the proposal to City Council, the process would be to make the motion to deny the application, and then the applicant would need to apply for an appeal to Council.

Applicant Caroline Kiefer-Bell, 196 Kellogg Ct., Lockhart, shared her thoughts about why she felt the mural should remain. She mentioned her support for art in the community, as they give the locals and patrons opportunity to identify with the history. Ms. Kiefer-Bell stated that murals are a part of Lockhart's history. She recommended that the Commission revisit the policy that prohibits new murals, as murals play an important role in commerce and tourism.

Sandy Dosier, 1207 Maple St., asked if the mural would be able to remain while it is reviewed by the City Council.

Commissioner Ohlendorf stated that the Commission is a representation to the community, and that the proposal was initially presented as a temporary mural. She added that the Commission was appointed to preserve the Historic aspect of the downtown area, and that they are not against art, as they too take pride in the community. The mural was an advertisement for a community event.

Lee Valgarett, 400 W. Prairie Lea, asked if there were standards for the approval of murals. He also asked if they could repaint the existing murals.

Chair Lairsen responded that murals were prohibited in the Historic District but not in any other areas of the community.

Commissioner Faulstich moved to deny the application for CFA-23-04 and send to City Council for consideration. Chair Lairsen seconded, and the motion passed by a vote of 7-0.

5. CFA-23-05. Consider a request by Teresa Charnichart for approval of a Certificate for Alteration for a hanging sign of the non-pre-approved variety on Part of Lot 1, Block 13, Original Town of Lockhart, zoned CCB (Commercial Central Business) and located at 200 East Market Street.

Mr. Waller explained that the applicant proposes a wooden hanging wall sign, to be hung by chains on the existing hooks above the front window. He added that since the sign is not of a shape that can be considered "Pre-Approved", nor does it contain a border, the sign is to be considered by the Commission through the Certificate for Alteration review procedures. He provided a brief overview of the proposal via PowerPoint presentation. Staff recommends approval.

Chair Lairsen asked for Commission discussion. Hearing none, he asked for a motion.

Vice-Chair Reagan moved to approve CFA-23-05 as presented. Chair Lairsen seconded, and the motion passed by a vote of 7-0.

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

Mr. Waller stated that the next regularly scheduled meeting would be held March 1, with five applications submitted.

7. Adjournment.

Vice-Chair Reagan moved to adjourn the meeting, and Commissioner Royal seconded. The motion passed by a vote of 7-0, and the meeting adjourned at 6:06 p.m.

Approved: _____
(date)

Yvette Aguado, Recording Secretary

John Lairsen, Chairman

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discuss Ordinance 2023-06 amending Section II, Subsection 2-1 of the City's Personnel Policies Manual to provide for a residency requirement for certain City employees involved in public health and safety services during emergencies.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Julie Bowermon

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: In 2012 the City adopted current Ordinance 2012-08 regarding response time from residence for certain employees. Requiring a response time from a residence is permitted by law, however requiring employees to reside within the City limits is not. Since 2012, technology and communications have improved, enabling some management positions to respond to situations and direct employees efficiently without being within a 25 minute response time. These positions are not the first responding staff members on a scene.

Proposed Ordinance 2023-06 removes those positions from the 25 minute response time. This will provide greater latitude in the recruiting of qualified employees for management positions while still maintaining a high level of service to the community during emergencies.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): N/A

PREVIOUS COUNCIL ACTION: 2010: Ordinance adopted establishing a 15 minute response requirement; 2012: Ordinance adopted amending the 15 minute requirement to 25 minutes.

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully requests approval of Ordinance 2023-06.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Ordinance 2023-06

ORDINANCE No.: 2023-06

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS AMENDING SECTION II, SUBSECTION 2-1 OF THE CITY'S PERSONNEL POLICIES MANUAL TO PROVIDE FOR A RESIDENCY REQUIREMENT FOR CERTAIN CITY EMPLOYEES INVOLVED IN PUBLIC HEALTH AND SAFETY SERVICES DURING EMERGENCIES; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, by Ordinance No. 2012-08, the City of Lockhart amended Section II, Subsection 2-1(9) of the City's personnel policy manual to provide response time requirements for city employees who respond to civil emergency situations and conditions; and

WHEREAS, certain city employees are involved in public health and safety services in the City that require the employees to immediately respond to civil emergency situations and conditions in order to preserve health, safety and welfare within the City; and

WHEREAS, the City Council has determined that it serves a public purpose to require such personnel to reside within 25 minutes of the city limits or service area in order to protect and maintain the health, safety and welfare of the community and the public at large; and

WHEREAS, the City Council has determined that the Subsection should be amended to revise the functions of such employees;

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

I. The recitals set forth in the preamble are hereby found to be true and are incorporated herein for all purposes.

II. Section II, Subsection 2-1 of the City's personnel policy manual, paragraph number 9 shall be amended to read as follows:

(9) The following employees of the city must be able to respond from their residences to the Lockhart city limits or service area within twenty-five (25) minutes of notice by the City of Lockhart: Public Works Director; Water and Wastewater Superintendents, Supervisors and Personnel; Electric Distribution Superintendents, Supervisors and Personnel; and Street/Drainage Superintendents, Supervisors and Personnel.

III. No Retroactivity and Effective Time Period: Paragraph 9 as hereby adopted shall not be imposed retroactively on any person in the employ of the city at the time that Paragraph 9 is adopted but shall be applicable to all new employees as within 60 days of hire or as extended and approved by the City Manager.

IV. Repealer: All other ordinances and personnel policies, sections, or parts of ordinances and personnel policies 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. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid or unenforceable, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council that no portion, provision, or regulation contained herein shall be inoperative or fail by way of reason of unconstitutionality or invalidity of any other portion, provision, or regulation.

VI. Effective Date. This ordinance shall become effective and be in full force from the date of its passage.

PASSED AND ADOPTED on this the 21st day of March, 2023.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Deputy City Secretary

Monte Akers, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discuss confirmation of the City Manager's appointment of Mr. Gary Williamson as Lockhart Police Chief.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Steven Lewis

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Following the retirement of Police Chief Ernest Pedraza, the City received 21 applications from candidates interested in serving as the next Lockhart Police Chief. Of these 21 applicants, 5 semi-finalists participated in a structured interview panel lead by the consulting firm, Public Safety Solutions. Two finalists were then invited to participate in a community meet and greet event, as well as an opportunity for City Councilmembers to engage with the finalists.

To fill the position of Police Chief, the City Charter requires that the City Council confirm the City Manager's appointment of a Police Chief.

Based upon the results of the structured interview panel, interview with the City Manager, input from the community, stakeholders, and employees, Mr. Williamson is wholeheartedly recommended for this position. It is anticipated Mr. Williamson will assume his new position as Lockhart Police Chief on April 10, 2023.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): N/A

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully requests that the City Council confirm the City Manager's appointment of Mr. Gary Williamson as Lockhart Police Chief.

City of Lockhart, Texas

Council Agenda Item

Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Gary Williamson Resume

GARY WILLIAMSON

Dedicated, reliable and organized professional with 24 years in the Public Safety Sector. Possesses excellent time-management and computer skills. Relocating to the Central Texas area.

NOVEMBER 2020 - PRESENT

CHIEF OF POLICE, EL CAMPO POLICE DEPARTMENT

- Provide vision, goals, and objectives for department to enhance public safety in the community.
- Manage \$3.8 million budget for 43-person department.
- Build relationships and collaborate with community partners to find solutions to issues affecting the community.
- Successfully achieved third accreditation through the Texas Police Chiefs Association Best Practices Program to ensure updated policies and practices to limit risk and liability.
- Establish and maintain policy and standard operating procedures for department.
- Manage memorandums of understanding (MOU) and interlocal agreements with law enforcement partners.
- Prioritized leadership training for supervisory personnel and development of all ranks and positions.
- Increased engagement with the community through emphasis on community-oriented policing and collaboration with community partners.
- Added technology to increase department efficiency, officer situational awareness and maximize officer time in the field, i.e., in-car report writing, GPS in vehicles, scheduling app.
- Implementing Data-Driven Approaches to Crime and Traffic Safety (DDACTS) to reduce crime and traffic crashes.
- Secured grant funding for equipment and K-9 to implement an Interdiction Unit to combat illegal narcotics and human trafficking along with other equipment for the department.

OCTOBER 2010 – NOVEMBER 2020

ASSISTANT CHIEF OF POLICE, EL CAMPO POLICE DEPARTMENT

- Planned, directed, coordinated, and supervised all divisions of the police department.
- Served as Training Coordinator, Range Master, Grant Writer, Public Information Officer, Quartermaster and Special Response Team Commander.

MAY 2012 – OCTOBER 2020

EMERGENCY MANAGEMENT COORDINATOR (PART-TIME), CITY OF EL CAMPO

- Planned and directed disaster response and crisis management activities.
- Provided disaster response presentations to the public and city workers.
- Solicited, evaluated, awarded, and maintained Debris Removal and Debris Removal Monitoring agreements.
- Collaborated with community partners to ensure community preparedness.
- Secured grant funding to equip Emergency Operations Center and Mobile Command Vehicle.

SEPTEMBER 2004 – JUNE 2014

INSTRUCTOR (PART-TIME), WHARTON COUNTY JUNIOR COLLEGE POLICE ACADEMY

- Taught law enforcement classes at Basic Police Academy.

EDUCATION

WILDLIFE & FISHERIES SCIENCE (B.S.)

TEXAS A&M UNIVERSITY, COLLEGE STATION, TX

FBI NATIONAL ACADEMY, SESSION #230

QUANTICO, VA

CERTIFICATIONS

- Master Peace Officer Certification
- Basic Police Instructor

PROFESSIONAL AND CIVIC AFFILIATIONS

- Texas Police Chiefs Association
2010 to Present
 - Accreditation Program Assessor
2018 - Present
- FBI National Academy Associates
2007 to Present
- Texas Police Association
2005 to Present
- Texas Municipal Police Association
1998 to Present
- Rotary International
2012 to Present
- Knights of Columbus
1996 to Present
- Emergency Management Association of Texas
2012-2020

SKILLS

- Operate Office Equipment
 - Computers, copiers, fax machines, telephones

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discuss Resolution 2023-03, setting a date for the public hearing regarding the 2023 water/wastewater and roads impact fee reports, including land use assumptions, capital projects, and fee adjustments.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: This resolution would schedule a public hearing to potentially adopt the final reports for road and water/wastewater impact fee updates. The previous update of the City's impact fees was adopted in April 2017. The draft impact fee updates have been reviewed by City staff and the Impact Fee Advisory Committee. Under the new calculations, road impact fees would increase from \$1,304 per vehicle mile for roads to \$1,501 in service area 1 and \$1,806 in service area 2. Water and wastewater fees would be a total of \$10,035 per living unit equivalent, up from their current combined total of \$3,045.94.

Upon adoption of the resolution, public notice of the public hearing would be advertised in the Lockhart Post-Register and on the City website. Copies of the two reports will be available for review on the city website, and a physical copy of each report will be available for review at City Hall. The resolution schedules the hearing for May 2nd, with adoption possible either on that date or the following meeting without needing to advertise for a new hearing.

The presentations originally shown at the February 8, 2023 Impact Fee Advisory Committee are attached. These show the proposed facilities and cost assumptions used to arrive at the proposed impact fee amounts.

PROJECT SCHEDULE (if applicable): The Resolution would schedule the public hearing for May 2, 2023 at 7:30 PM. Prior to the hearing, public notice shall be published at least 30 days in advance of the hearing and the drafts for both the water/wastewater and road impact fee documents must be made available to the public by Mar 31st. May 16th would be the last date Council could adopt the ordinance without having to schedule a new public hearing.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): The draft impact fee updates would raise the total impact fees from \$4,349.94 to \$11,536 or \$11,841 per living unit equivalent/vehicle mile, depending upon

City of Lockhart, Texas

Council Agenda Item Cover Sheet

road service area. These figures are both using the current approach of assessing impact fees at 50 percent of the cost of impact per service unit. Adoption of the resolution does not adopt the new impact fees, rather it sets the date at which the new fees could be reviewed and potentially adopted.

PREVIOUS COUNCIL ACTION: The previous update of the City's impact fees was adopted through Ordinance 2017-08, which was approved April 4, 2017.

COMMITTEE/BOARD/COMMISSION ACTION: The Impact Fee Advisory Committee has met three times with consultants to review land use assumptions, capital projects, and proposed impact fee amounts. The Committee is expected to make their final recommendation to City Council regarding the final reports on water/wastewater and roads impact fees on April 12th.

STAFF RECOMMENDATION/REQUESTED MOTION: APPROVAL of Resolution 2023-03 setting the date for the impact fee public hearing for May 2, 2023.

LIST OF SUPPORTING DOCUMENTS: Lockhart_IFAC_#3_CostPerSU_02-22-2023_vFin, LockhartSchedule_3-8-2023, Lockhart Water Wastewater Impact Fee Meeting Slides, Lockhart System UPDATE PH resolution Mar 21 2023



Impact Fee Advisory Committee (IFAC) Meeting #3

Cost per Service Unit & Fee Benchmarking

February 22, 2023





AGENDA

1. Impact Fee Process & Methodology Overview
2. Roadway Cost per Service Unit Calculations
3. Fee Benchmarking
4. Discussion of Collection Rates

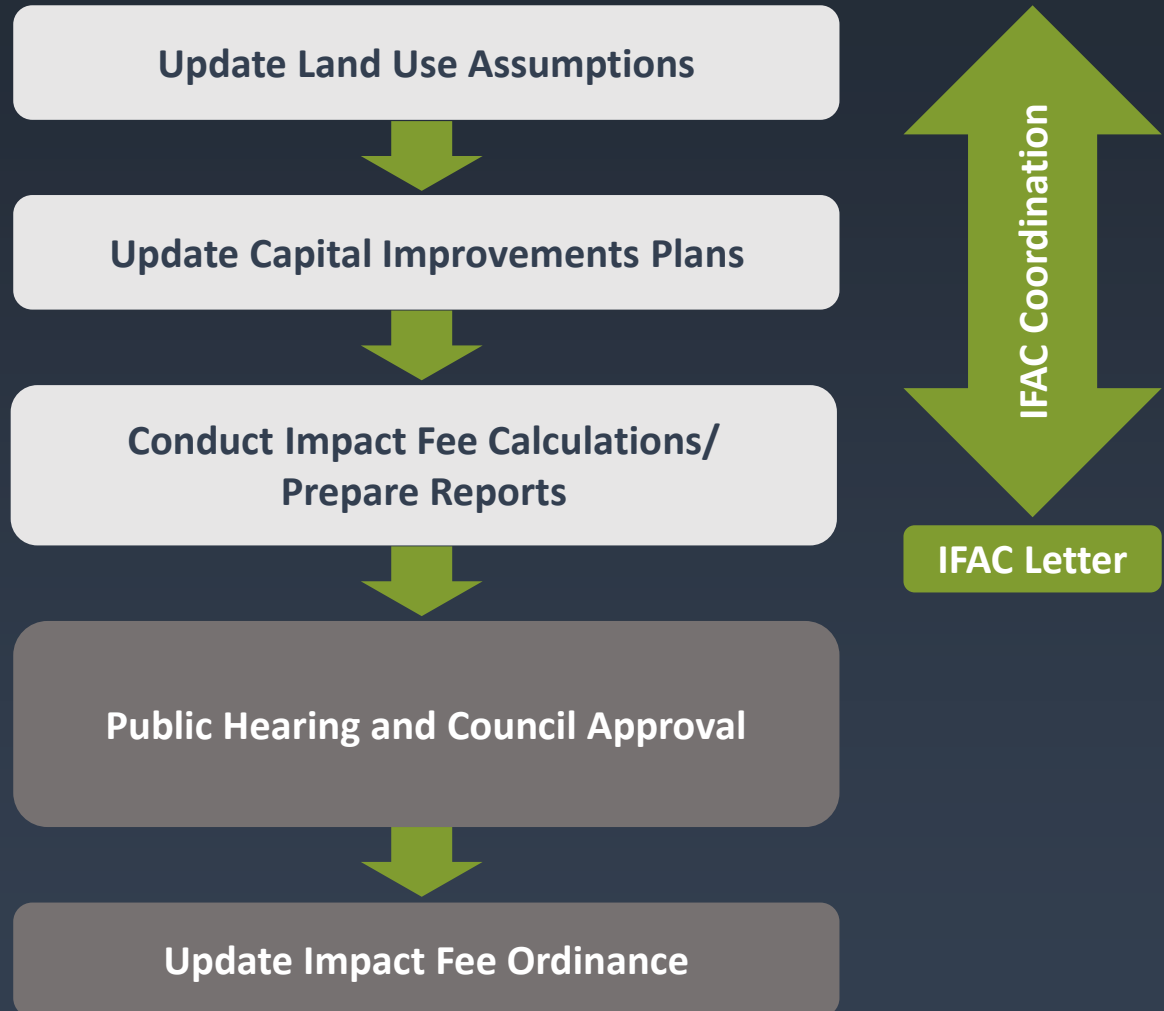




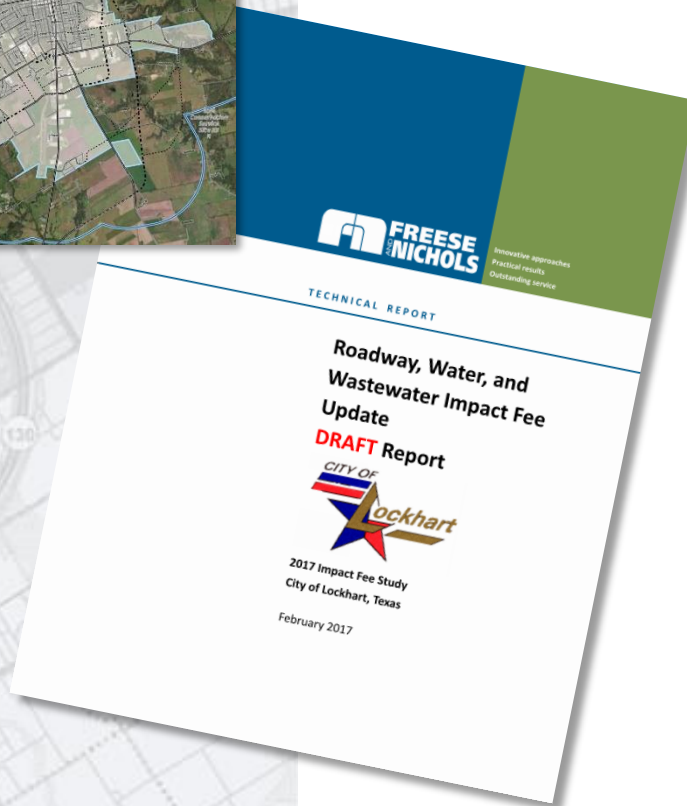
1

IMPACT FEE PROCESS & METHODOLOGY OVERVIEW

IMPACT FEE UPDATE PROCESS

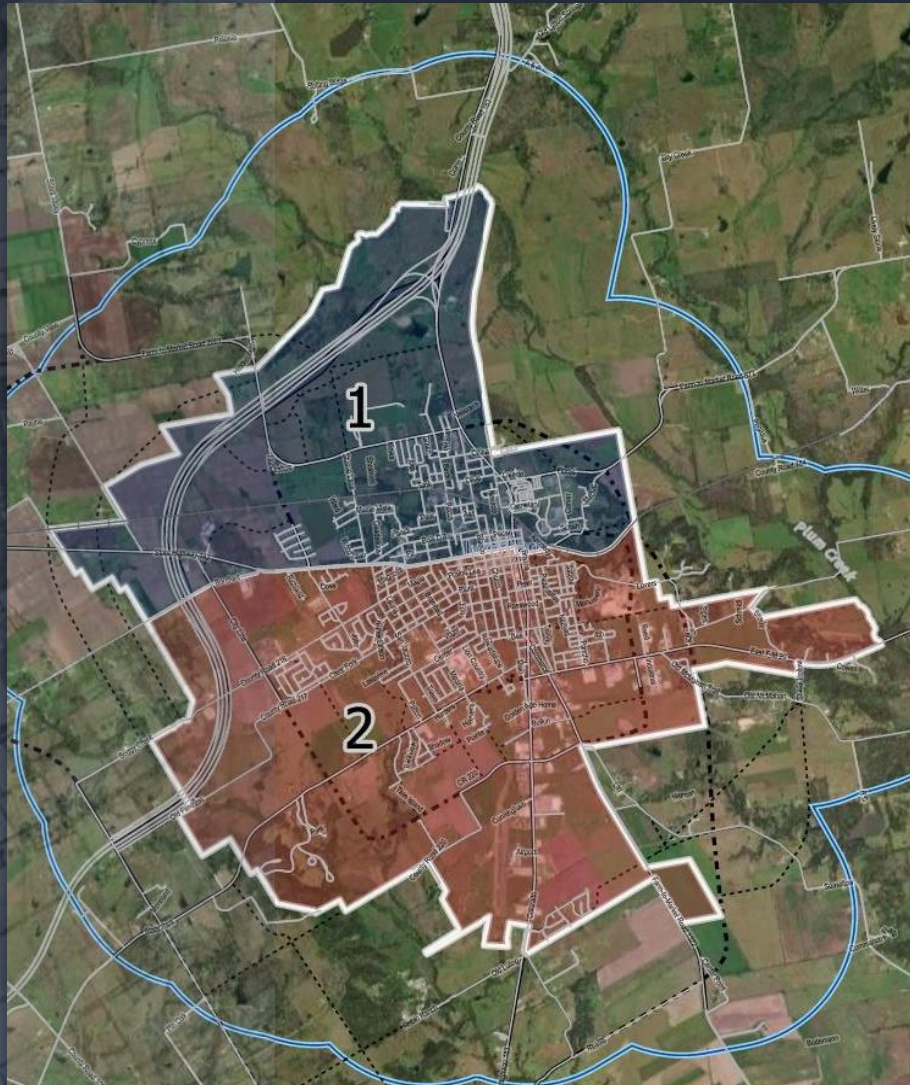


METHODOLOGY OVERVIEW



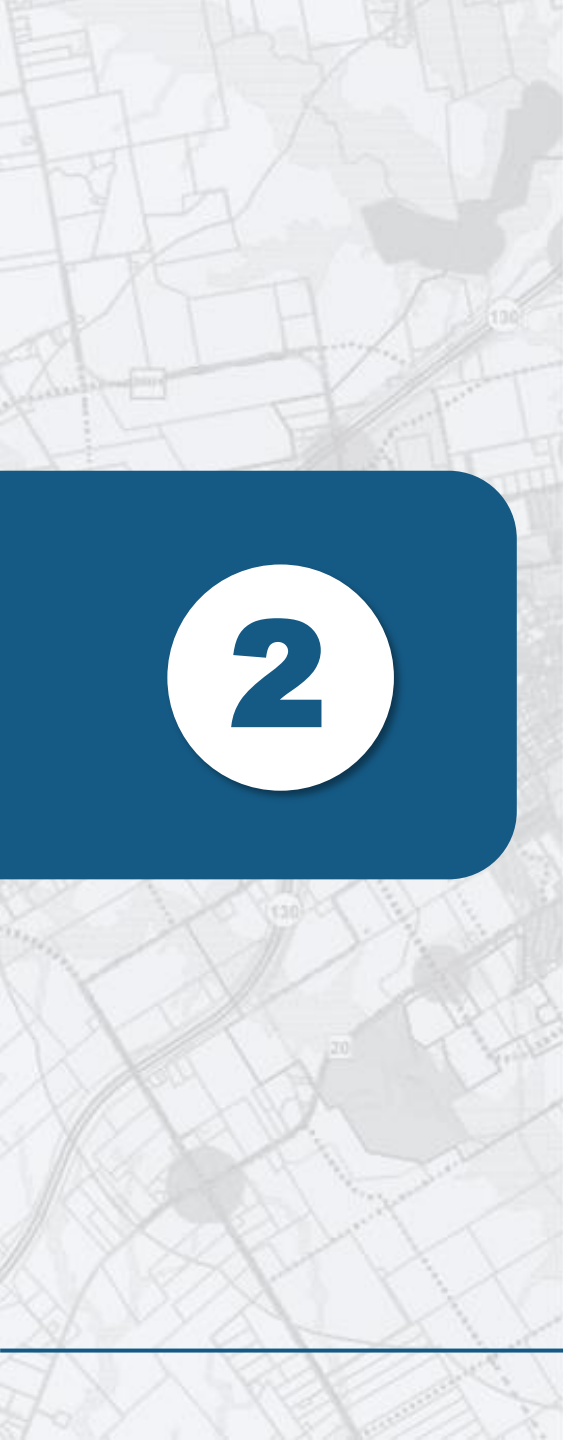
- Chapter 395, Texas Local Government Code
 - Technical requirements identified in legislation
 - Addressed in study report
 - ✓ Service Areas
 - ✓ Land Use Assumptions
 - ✓ Service Units
 - ✓ Existing Capacity, Usage, & Deficiencies
 - ✓ Projected Demand
 - ✓ Capital Improvements Plan
 - ✓ Land Use Equivalency
 - Cost per Service Unit Calculation

ROADWAY SERVICE AREAS



10-YEAR PROJECTION (2022-2032)

	2022	2032	Net Growth (2022-2032)
POPULATION (PERSONS)			
Lockhart Total	15,600	23,695	8,095
Service Area 1	6,004	8,930	2,926
Service Area 2	9,596	14,765	5,169
EMPLOYMENT (EMPLOYEES)			
Lockhart Total	6,420	9,504	3,084
Service Area 1	2,247	3,326	1,079
Basic	573	849	
Service	1,316	1,948	
Retail	357	529	
Service Area 2	4,173	6,178	2,005
Basic	1,065	1,577	
Service	2,444	3,618	
Retail	664	983	
<i>Based on a 2022 estimate of 15,600 total population and a 2032 estimate of 23,695 total population</i> <i>Based on a 2022 estimate of 6,420 total jobs and a 2032 estimate of 9,504 total jobs</i>			



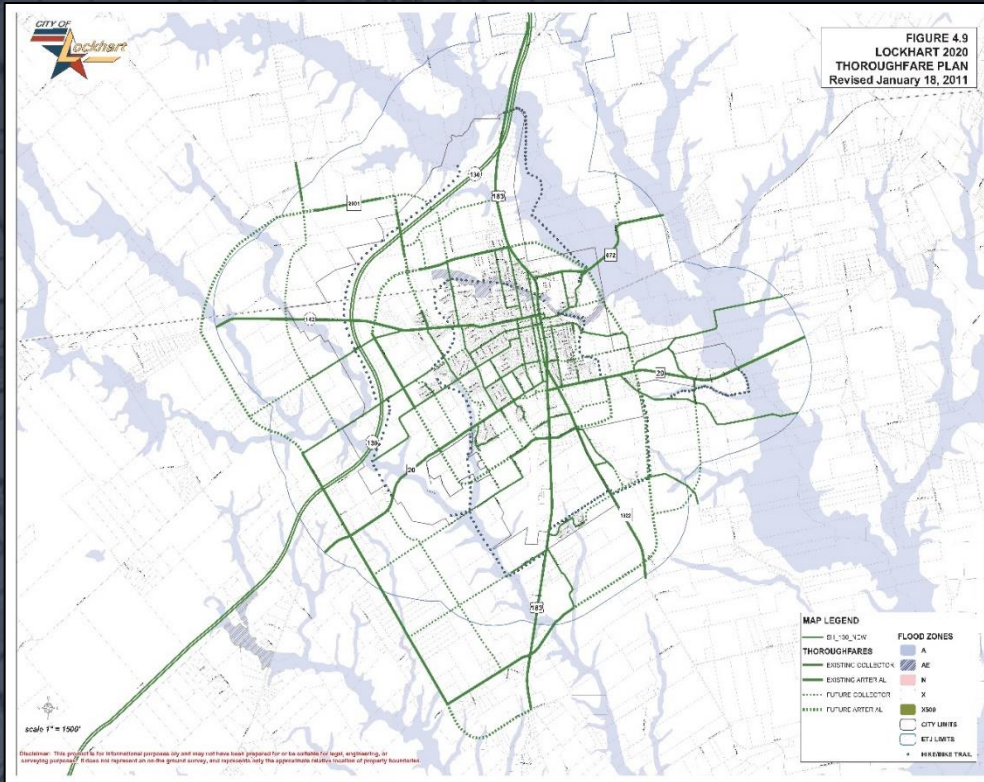
2

ROADWAY COST PER SERVICE UNIT CALCULATIONS

ROADWAY IMPACT FEE CIP (IFCIP)

Roadways

- Projects eligible include Arterial or Collector roads on Thoroughfare Plan
- State facilities eligible (City's portion only)
- City's portion of costs for:
 - Construction
 - ROW
 - Engineering
 - Bridges
 - Signals
 - Debt Services
- Recoupment Projects Eligible



PROJECTED 10-YEAR DEMAND

Vehicle-Mile Trip Generation by Service Area

Based on 2022-2032 Land Use Assumptions dated Nov. 2022

Estimated Residential Growth Vehicle-Mile Trip Generation

Conversion Factors		2020 persons/household		
Service Area	Added Population	Added Dwelling Units	Vehicle-Miles per DU	Total Vehicle-Miles
1	2,690	961	1.09	1,093
2	5,405	1,930	1.09	2,146

Estimated Basic Employment Growth Vehicle-Mile Trip Generation

Conversion Factors		square feet/employee		
Service Area	Added Employees	Total Square Feet	Vehicle-Miles per 1,000 Sq Ft	Total Vehicle-Miles
1	276	332,580	0.77	256
2	613	616,850	0.77	475

Service Area	Residential Growth (veh-mi)	Basic Emp. Growth (veh-mi)	Service Emp. Growth (veh-mi)	Retail Emp. Growth (veh-mi)	Total Growth (veh-mi)
1	1,093	256	369	202	1,920
2	2,146	475	686	375	3,682
Total	3,239	731	1,055	577	5,602

Conversion Factors		square feet/employee	
Vehicle-Miles per Sq Ft	Total Vehicle-Miles	Vehicle-Miles per Sq Ft	Total Vehicle-Miles
1.67	369	1.67	686

Conversion Factors		square feet/employee	
Vehicle-Miles per Sq Ft	Total Vehicle-Miles	Vehicle-Miles per Sq Ft	Total Vehicle-Miles
1.47	202	1.47	375

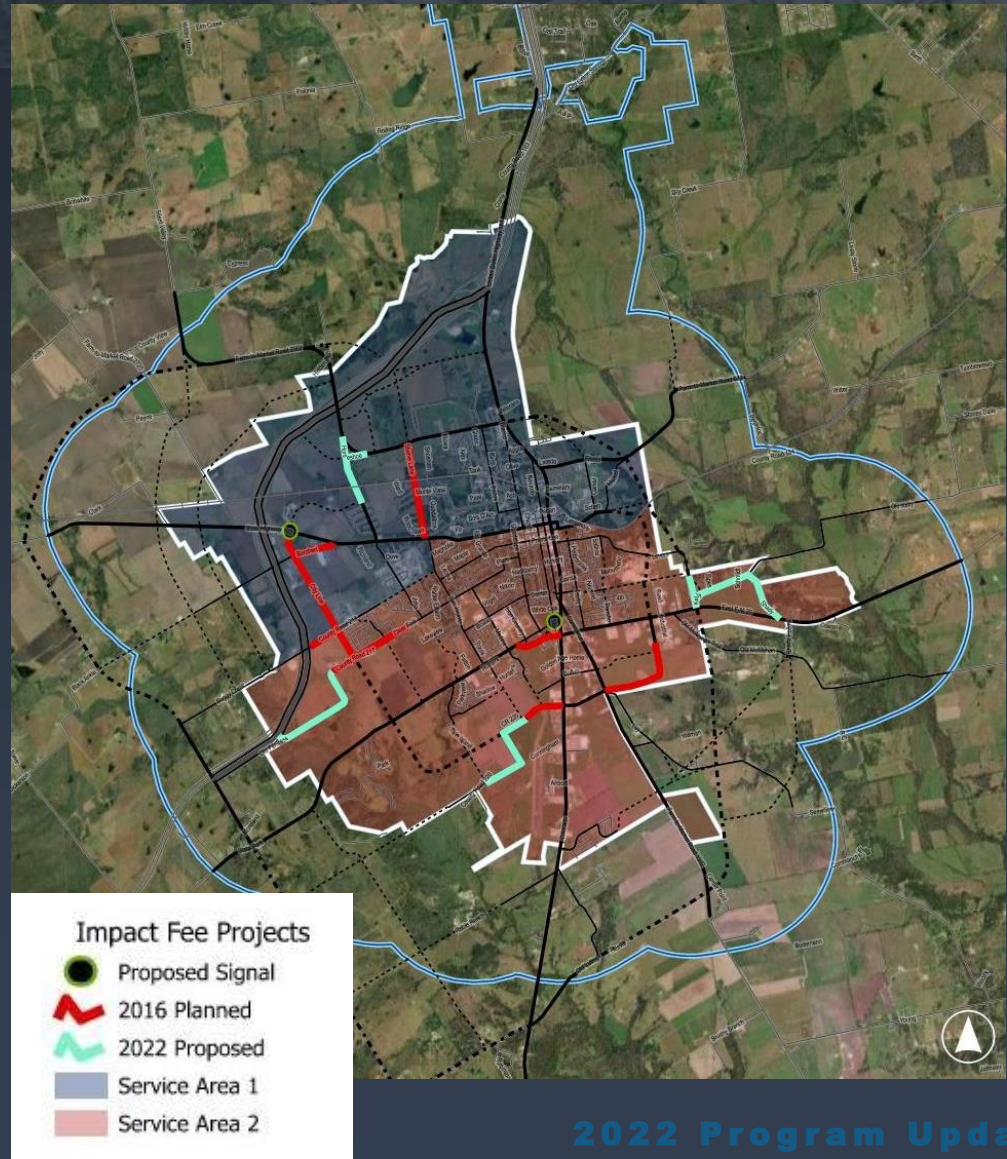
Total Vehicle-Mile Generation Summary

Service Area	Residential Growth Vehicle-Miles	Basic Emp Growth Vehicle-Miles	Service Emp Growth Vehicle-Miles	Retail Emp Growth Vehicle-Miles	Total Growth Vehicle-Miles
1	1,093	256	369	202	1,920
2	2,146	475	686	375	3,682
Total	3,239	731	1,055	577	5,602

PROPOSED ROADWAY IFCIP

Key Changes

- Project Additions
 - Old Fentress Rd (CR 217)
 - Connection of Horseshoe Rd to Mockingbird Ln
 - Cunningham (CR 220)
 - Lovers Ln/Old Kelley Rd/Shady Ln (CR 186, 187, 188)
 - Two Traffic Signals (City Line @SH142; Main @State Park Rd)
- Project Removals
 - Maple St
 - E Market St
 - Connection of Robert E Lee to West MLK



2022 Program Update

COST ASSUMPTIONS

New Projects

- Construction estimates using unit costs
- Engineering: 7% of construction cost
- ROW: \$1.00/sf
- Finance: 3.0% over 10 years

Recoupment projects include actual project costs

Study update costs

CIP cost credit: 50%



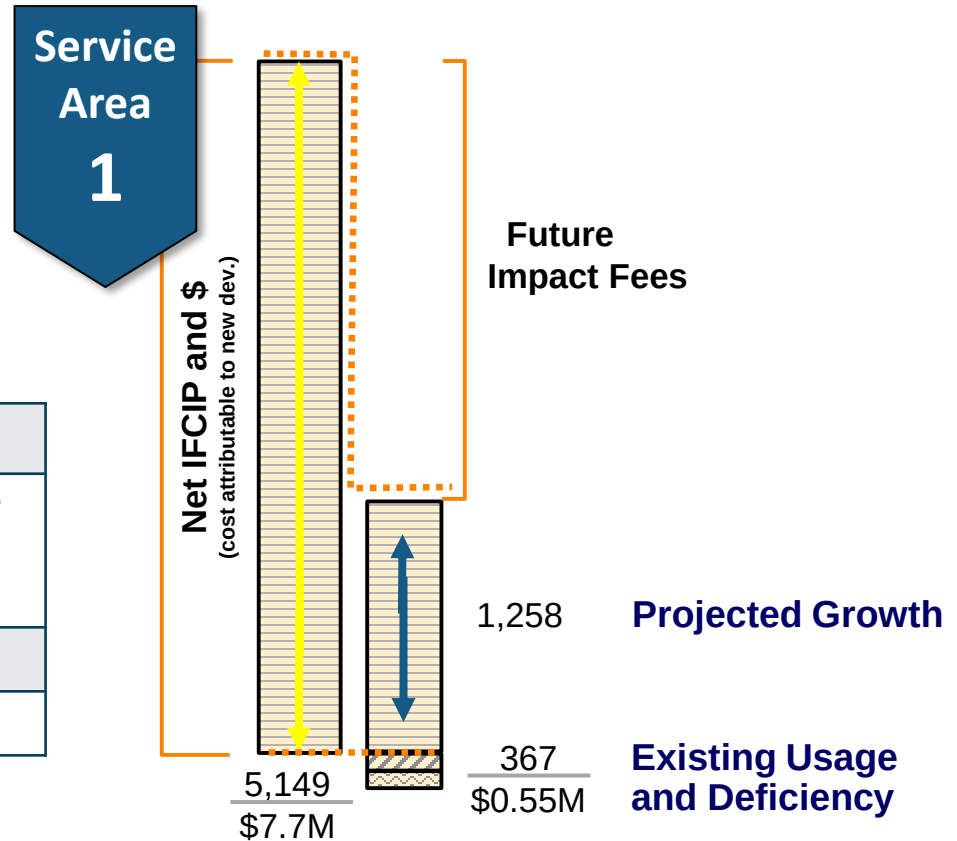
IFCIP LISTING

Shared Service Area	Roadway	From	To	Length (mi)	Lanes	Type	Roadway Costs					Total Project Cost
							Engineering	ROW	Construction	Signal	Finance	
1	Stueve Lane	W. San Antonio	FM 2001 (Silent Valley)	0.85	2	UC	\$ 198,121	\$ 44,850	\$ 2,830,300	\$ -	\$ 676,120	\$ 3,749,391
1	Borchert	City Line	W. San Antonio	0.37	2	UC	\$ 77,938	\$ 19,400	\$ 1,113,400	\$ -	\$ 266,362	\$ 1,477,100
1 2	Maple	City Line	SH 130	0.28	3	SC	\$ 30,107	\$ 7,500	\$ 430,100	\$ -	\$ 102,896	\$ 570,603
1	City Line	Maple	W. San Antonio	0.98	4	UA	\$ 287,126	\$ 207,720	\$ 4,101,800	\$ 300,000	\$ 1,066,262	\$ 5,962,908
1	Mockingbird Ext.	N. of Shenandoah Tr.	FM 2001 (Silent Valley)	0.59	4	UA	\$ 191,667	\$ 248,000	\$ 2,738,100	\$ -	\$ 699,109	\$ 3,876,876
1	Horseshoe Rd.	Mockingbird Ext.	FM 2001 (Silent Valley)	0.16	4	UA	\$ 46,039	\$ 24,750	\$ 657,700	\$ -	\$ 160,268	\$ 888,757
Sub-Total Service Area 1				3.23			\$ 830,998	\$ 552,220	\$ 11,871,400	\$ 300,000	\$ 2,971,016	\$ 16,525,634
2	Old Fentress Rd	City Line Rd	SH130	1.21	2	UC	\$ 255,969	\$ 63,888	\$ 3,656,700	\$ -	\$ 874,843	\$ 4,851,400
2	Clear Fork St	City Line Rd	250' W. of Creek Bridge	0.59	2	UC	\$ 124,138	\$ 31,000	\$ 1,773,400	\$ -	\$ 424,278	\$ 2,352,816
2 1	Maple	City Line	SH 130	0.28	3	SC	\$ 30,107	\$ 7,500	\$ 430,100	\$ -	\$ 102,896	\$ 570,603
2	Main	State Park	Blackjack	0.11	3	SC	\$ 24,038	\$ -	\$ 343,400	\$ 300,000	\$ 135,836	\$ 803,274
2	FM 20 Realignment	W. of Guadalupe	Colorado	0.41	2	UA	\$ 97,013	\$ 172,000	\$ 1,385,900	\$ -	\$ 364,081	\$ 2,018,994
2	MLK Jr Industrial Blvd.W	Colorado	Cunningham	0.59	4	UA	\$ 173,670	\$ 93,900	\$ 2,481,000	\$ -	\$ 604,685	\$ 3,353,255
2	MLK Jr Industrial Blvd. E	Commerce	E MLK Jr Industrial	0.82	2	UA	\$ 178,038	\$ 344,800	\$ 2,543,400	\$ -	\$ 674,572	\$ 3,740,810
2	City Line	Clear Fork	Maple	0.29	4	UA	\$ 85,764	\$ 46,410	\$ 1,225,200	\$ -	\$ 298,622	\$ 1,655,996
2	CR220/Cunningham	MLK Jr Industrial Blvd.	W. City Limit	0.64	2	UC	\$ 136,829	\$ 204,300	\$ 1,954,700	\$ -	\$ 505,082	\$ 2,800,911
2	Old Kelley Rd	FM20/Blackjack St	Shady Ln	0.59	2	UC	\$ 126,014	\$ 31,400	\$ 1,800,200	\$ -	\$ 430,675	\$ 2,388,289
2	Shady Ln	Old Kelley	FM20/Blackjack St	0.49	2	UC	\$ 103,306	\$ 25,700	\$ 1,475,800	\$ -	\$ 353,057	\$ 1,957,863
2	Lovers Ln	Old Kelley	Existing Lovers Ln	0.23	2	UC	\$ 49,763	\$ 73,800	\$ 710,900	\$ -	\$ 183,582	\$ 1,018,045
Sub-Total Service Area 2				6.26			\$ 1,384,649	\$ 1,094,698	\$ 19,780,700	\$ 300,000	\$ 4,952,210	\$ 27,512,257
Totals:				8.97			\$ 2,215,647	\$ 1,646,918	\$ 31,652,100	\$ 600,000	\$ 7,923,226	\$ 44,037,891

COST PER SERVICE UNIT CALCULATION

	A	B	C	D	F	G	H	I	J	K	L	M		N
Service Area	Capacity Supplied by CIP	Existing Utilization	Existing Deficiencies	Net Capacity Supplied by CIP	Total Project Cost of CIP	Cost of Net Capacity	Credited Project Cost of CIP	Credited Cost of Net Capacity	Cost to Meet Existing Utilization	Projected New Development (10-Yr Demand)	Percent of CIP Attributable to New Dev.	Credited Cost Attributable to New Dev.	Actual Cost per Service Unit	Credited Cost per Service Unit (Maximum Allowable)
	(veh-mi)	(veh-mi)	(veh-mi)	(veh-mi)	(Full Cost)	(Full Cost)	(50% Credit)	(50% Credit)	(50% Credit)	(veh-miles)		(50% Credit)	(Full Cost)	(50% Credit)
1	5,516	367	0	5,149	16,567,590	15,465,287	8,283,795	\$7,732,643	\$551,152	1,258	24.4	\$1,889,234	\$3,002.00	\$1,501.00
2	7,631	474	0	7,157	27,570,301	25,857,770	13,785,151	\$12,928,885	\$856,265	2,894	40.4	\$5,227,916	\$3,612.00	\$1,806.00
Totals	13,147	841	0	12,306	\$44,137,891	41,314,436	\$22,068,946	\$20,661,529	\$1,407,417	4,151	33.7	\$7,117,150	\$3,428.00	\$1,714.00
Average														

Maximum Fee Cost Summary		
Service Area	Fee per Service Unit @ 50% Discount	Actual Cost per Service Unit (veh-mi)
1	\$1,501	\$3,001
2	\$1,806	\$3,612



COST PER SERVICE UNIT CALCULATION

Service Area	Capacity Supplied by CIP (veh-mi)	Net Capacity Supplied by CIP (veh-mi)	Total Project Cost of CIP (Full Cost)	Cost of Net Capacity (Full Cost)	Credited Cost of Net Capacity (50% Credit)	Projected New Development (10-Yr Demand) (veh-miles)	Percent of CIP Attributable to New Dev.	Credited Cost Attributable to New Dev. (50% Credit)	Actual Cost per Service Unit (Full Cost)	Credited Cost per Service Unit (Maximum Allowable) (50% Credit)
1	5,516	5,149	16,567,590	15,465,287	\$7,732,643	1,258	24.4	\$1,889,234	\$3,002.00	\$1,501.00
2	7,631	7,157	27,570,301	25,857,770	\$12,928,885	2,894	40.4	\$5,227,916	\$3,612.00	\$1,806.00
Totals	13,147	12,306	\$44,137,891	41,314,436	\$20,661,529	4,151	33.7	\$7,117,150	\$3,428.00	\$1,714.00
									Average	

Service Area
1

Cost Attributable to New Dev.

Projected Demand

=

\$1.9M

1,258

=

\$1,501.00 \$/SU

COST PER SERVICE UNIT CALCULATION

Service Area	2001		2006		2016		2022	
	Actual Cost per Service Unit	Credited Cost per Service Unit (50% Credit)	Actual Cost per Service Unit	Credited Cost per Service Unit (50% Credit)	Actual Cost per Service Unit	Credited Cost per Service Unit (50% Credit)	Actual Cost per Service Unit	Credited Cost per Service Unit (50% Credit)
1	\$1,417.00	\$708.50	\$1,400.00	\$700.00	\$2,608.00	\$1,304.00	\$3,002.00	\$1,501.00
2					\$2,890.00	\$1,445.00	\$3,612.00	\$1,806.00

Currently collecting at 50% rate for the lower of the two Service Areas

Changes due primarily to:

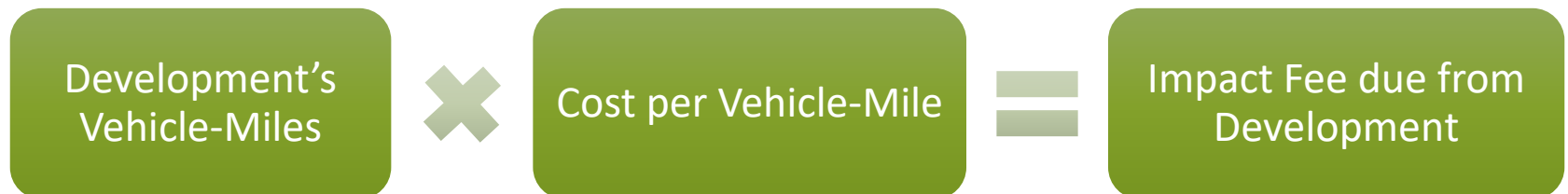
- Increase in cost of construction

COLLECTION RATE CONSIDERATIONS

Step 1: Determine number of service units (vehicle-miles) generated by the development using the equivalency table.



Step 2: Calculate the impact fee based on the fee per service unit for the roadway service area where the development is located.



COST PER SERVICE UNIT CALCULATION

*Example: New Development located within City Limits with collection rates of Roadway at **\$1,501** per vehicle-mile.*

Service
Area
1

Single-Family Dwelling

Roads: 1 dwelling unit x 1.09 veh-miles/dwelling unit = 1.09 veh-miles

1.09 veh-miles x \$1,501/veh-mile = **\$1,636.09**

Up from \$1,421

10,000 square foot (s.f.) Office Building

Roads: 10 (1,000 s.f. units) x 1.67 veh-miles/1,000 s.f. units = 16.70 veh-miles

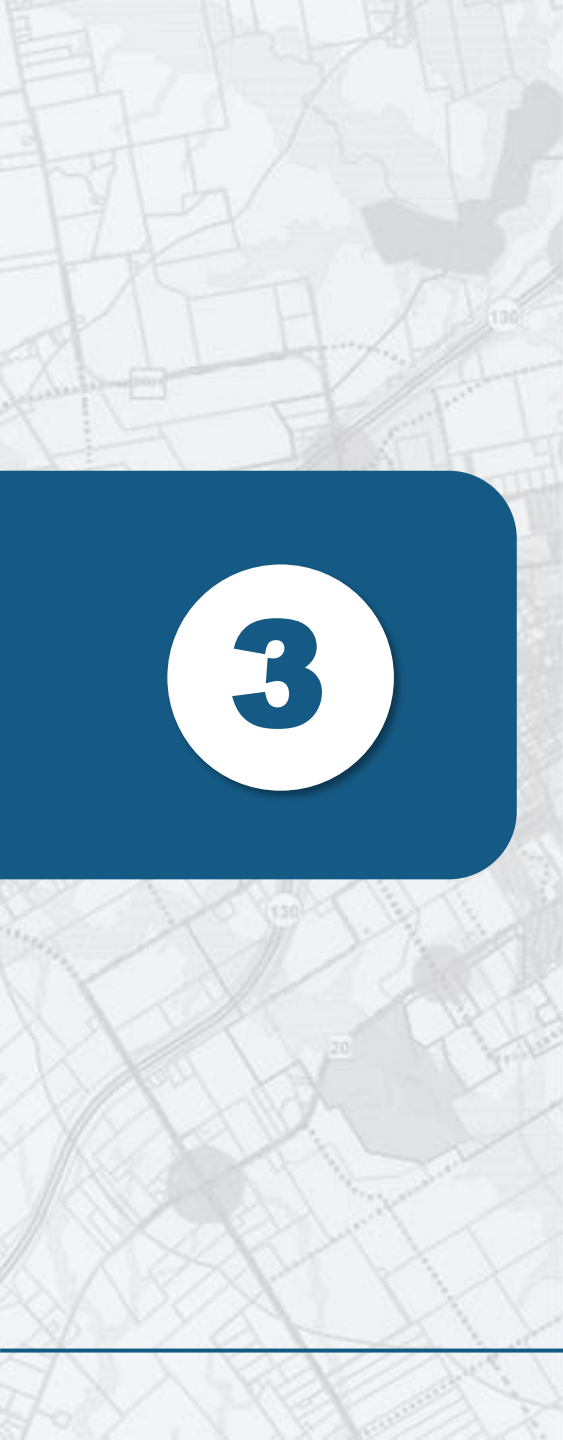
16.70 veh-miles x \$1,501/veh-mile = **\$25,066.70**

Up from \$21,777

ACTION ITEM

IFAC Discussion of Cost per Service Unit Calculation



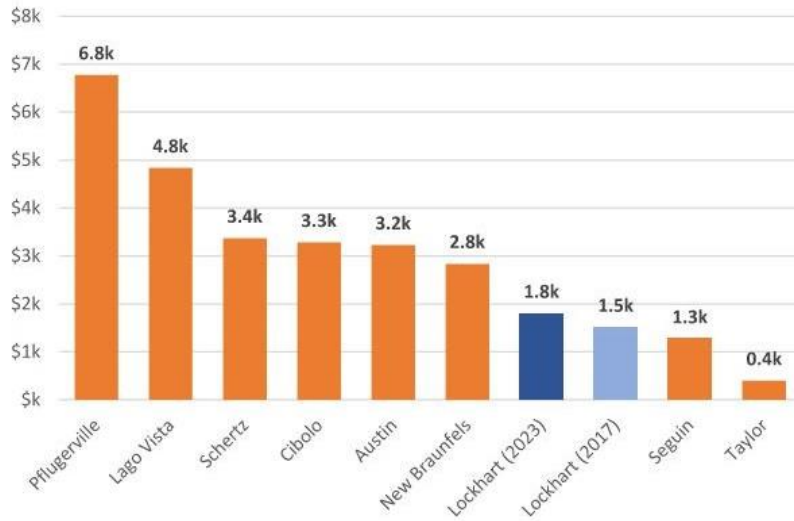
A faint, light-colored map of a city area is visible in the background on the left side of the slide. It shows streets, parks, and some landmarks. A dark blue rounded rectangle is overlaid on the map, containing a white circle with the number 3 inside.

3

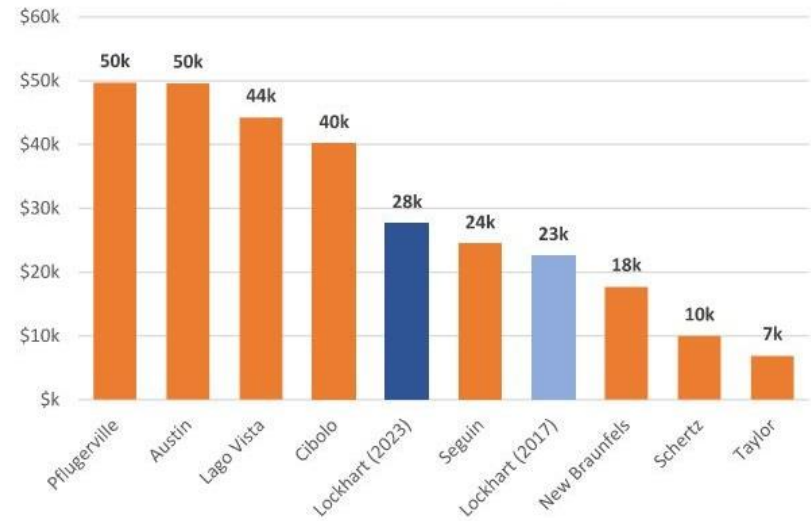
FEE BENCHMARKING

COLLECTION RATE CONSIDERATIONS

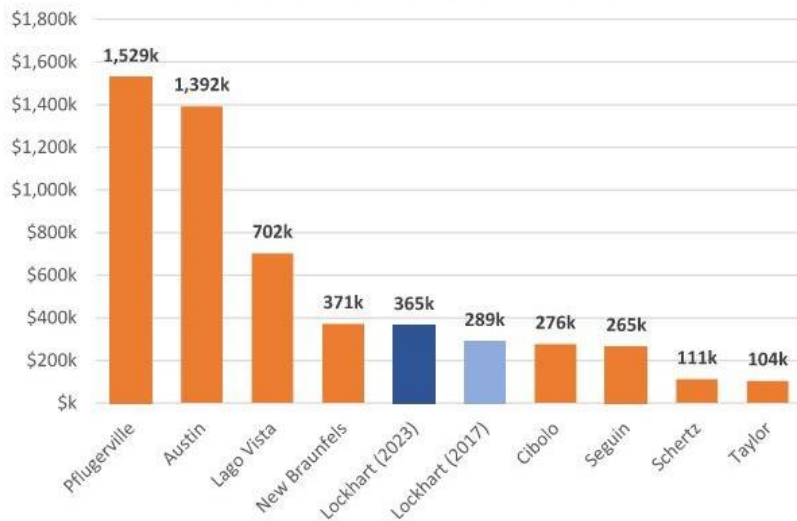
1 Single Family Residence



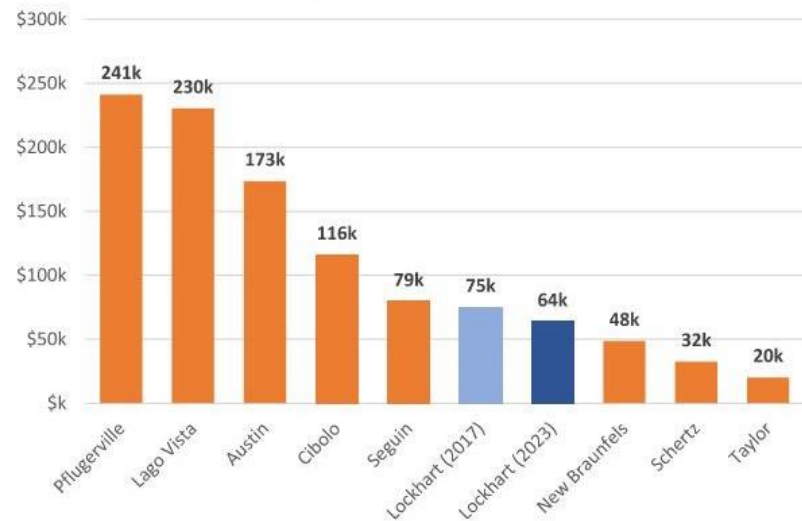
10,000 Sq Ft General Office Development



150,000 Sq Ft Shopping Center Development



50,000 Sq Ft Light Industrial Development



COLLECTION RATE CONSIDERATIONS



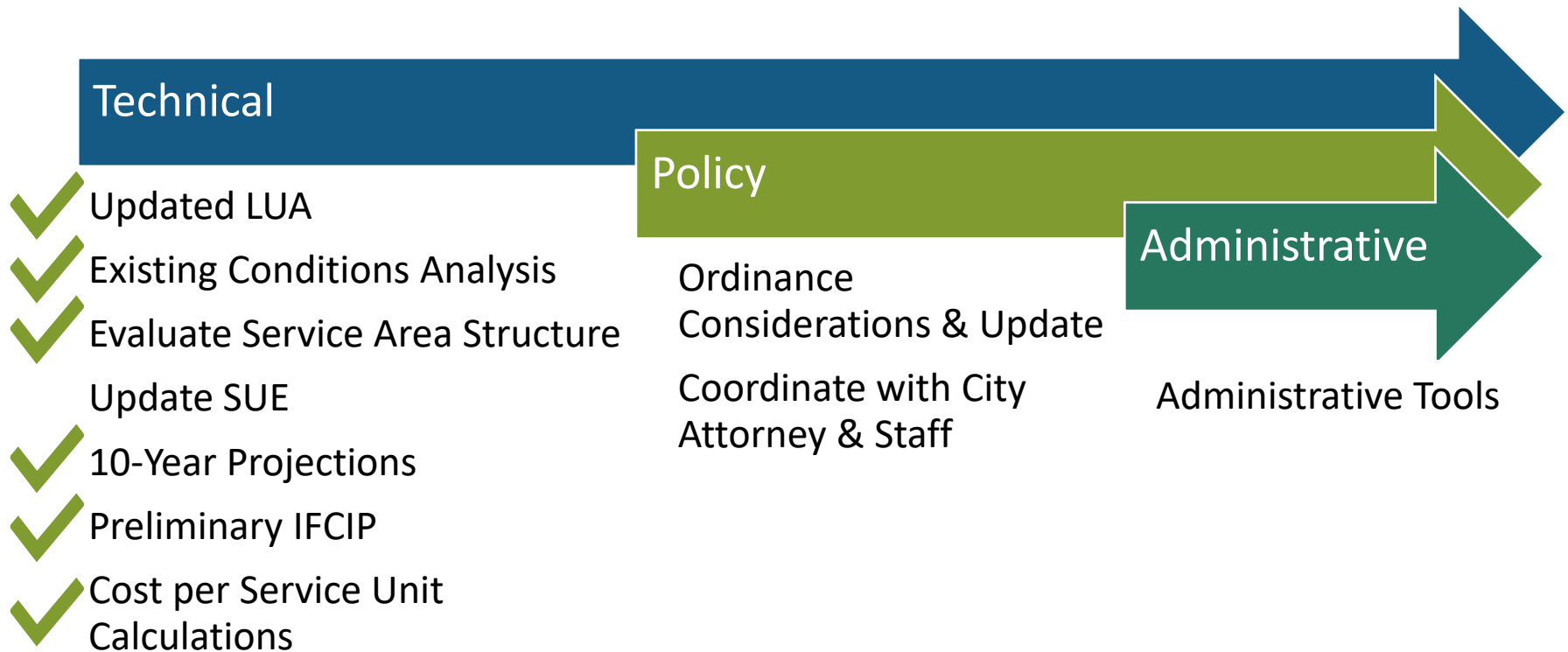
- Lower of two Service Areas
- “Across the Board” rate (i.e. \$1600; varying percentage)
- Residential vs. Non-Residential rates
- Percentage of maximum (i.e. 50%)
 - Will result in varying collection rates among roadway service areas
- Other Specific Policy Considerations

COLLECTION RATES

Discussion & Question/Answer Session



NEXT STEPS IN STUDY PROCESS



NEXT STEPS IN STUDY PROCESS

- Next IFAC Action – Letter of Recommendation: April 10th
 - LUA, CIP and Cost per Service Unit Calculations
 - Collection Rate Consideration
- Resolution Calling for Public Hearing: March 7th
- Public Noticing: March 31st
- Public Hearing and Ordinance Adoption: May 2nd



Thank You!

Impact Fee Advisory Committee (IFAC)
Meeting #3

February 22, 2023





Land Use Assumptions and Roadway Impact Fee Schedule March 8, 2023

Meeting/Action

✓	July 13	Project Kick-off Meeting	City Staff (Virtual Meeting)
✓	July 29	Data Needs from City	City Staff
✓	Aug. 2	Resolution by City Council calling for impact fee update and appointment of IFAC Committee.	City Council
✓	Aug. 23	Data Collection: Traffic Counts between Tues-Thursday; GRAM week of August 22 nd or 29 th (ISD school start Aug. 17 th)	FNI
✓	Sept. 14	IFAC Mtg. 1: Study overview; direction of growth rates for Land Use Assumptions (LUA)	IFAC (No. 1)
✓	Nov. 11	Draft LUA calculations delivered to City	FNI
✓	Nov. 29	City Staff Mtg. 1: Review of LUA, development of roadway CIP	City Staff (Virtual Meeting)
✓	Dec. 2	City comments due of LUA calculations.	City Staff
✓	Dec. 7	Draft LUA/CIP to City for IFAC	FNI
✓	Dec. 14	IFAC Mtg. 2: Review/Approval of Draft LUA, discussion of preliminary CIP/direction by IFAC and City Staff	IFAC (No. 2)
✓	Feb. 10	City Staff Mtg. 2: Discussion of cost per service unit fee and benchmarking	City Staff (No. 1)
✓	Feb. 15	Presentation materials (impact fee calculations and benchmarking) to IFAC	City Staff
✓	Feb. 22	IFAC Mtg. 3: Cost per service unit calculations	IFAC (No. 3)
	Mar. 1	Draft Final Roadway Impact Fee Report to City	FNI

Mar. 21 (42 days)	Resolution by City Council establishing Public Hearing date for update of roadway impact fee program (PH within 60 days of resolution; May 2nd)	City Council
Mar. 24	Final sealed Report to City	FNI
Mar. 31	Publish Notice of Public Hearing on impact fee (at least 30 days before PH; Report made available to public)	City Staff
Apr. 3	Draft Impact fee written recommendation to City Staff	IFAC
Apr. 12	IFAC Meeting to discuss final written recommendation to Council	IFAC
Apr. 24	IFAC recommendation due to City Secretary/Council (at least 5 business days prior to PH)	City Staff
May 2	Public Hearing on Impact Fee; Resolution/Ordinance approving update of impact fee program (<i>adoption within 30 days of PH</i>)	City Council
May 16	Last regular schedule meeting day to adopt updated Ordinance*	City Council

****Ordinance must be adopted within 30-days of the close of the public hearing, otherwise a new public hearing process is required.***

Public Notice:

- *By certified mail to anyone with written requests 2 years prior to the plan process*
- *1 or more newspapers in county where the municipality resides (Caldwell County)*

City Council Meetings: 1st and 3rd Tuesdays, 7:00pm

IFAC Meetings: 2nd and 4th Wednesdays, 6:30pm

January							February							March							
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	
						1			1	2	3	4	5				1	2	3	4	5
2	3	4	5	6	7	8	6	7	8	9	10	11	12	6	7	8	9	10	11	12	
9	10	11	12	13	14	15	13	14	15	16	17	18	19	13	14	15	16	17	18	19	
16	17	18	19	20	21	22	20	21	22	23	24	25	26	20	21	22	23	24	25	26	
23	24	25	26	27	28	29	27	28						27	28	29	30	31			
30	31																				

April							May							June						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2	1	2	3	4	5	6	7				1	2	3	4
3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11
10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18
17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25
24	25	26	27	28	29	30	29	30	31					26	27	28	29	30		

July							August							September						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2	1	2	3	4	5	6						1	2	3
3	4	5	6	7	8	9	7	8	9	10	11	12	13	4	5	6	7	8	9	10
10	11	12	13	14	15	16	14	15	16	17	18	19	20	11	12	13	14	15	16	17
17	18	19	20	21	22	23	21	22	23	24	25	26	27	18	19	20	21	22	23	24
24	25	26	27	28	29	30	28	29	30	31				25	26	27	28	29	30	
31																				

October							November							December						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1			1	2	3	4	5						1	2
2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
30	31																			

January							February							March						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7				1	2	3	4				1	2	3	4
8	9	10	11	12	13	14	5	6	7	8	9	10	11	5	6	7	8	9	10	11
15	16	17	18	19	20	21	12	13	14	15	16	17	18	12	13	14	15	16	17	18
22	23	24	25	26	27	28	19	20	21	22	23	24	25	19	20	21	22	23	24	25
29	30	31					26	27	28					26	27	28	29	30	31	

April							May							June						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1		1	2	3	4	5	6					1	2	3
2	3	4	5	6	7	8	7	8	9	10	11	12	13	4	5	6	7	8	9	10
9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17
16	17	18	19	20	21	22	21	22	23	24	25	26	27	18	19	20	21	22	23	24
23	24	25	26	27	28	29	28	29	30	31				25	26	27	28	29	30	
30																				

Lockhart Water/Wastewater Impact Fee Update

February 22, 2023

Historical Water Demands

- **Average Daily Flow from Jan 2018 – Dec 2022**
 - 1.47 MGD
- **Maximum Daily Flow from Jan 2018 – Dec 2022**
 - 2.55 MGD
- **Average Demand per Capita per Day**
 - 96 gal/day/capita
- **Average Monthly Peak Demand per Capita**
 - 155 gal/day/capita

Projected Water Demands

Table 3 – Projected Water Usage

Year	Population	Water Usage Average ⁽¹⁾ (MGD)	Water Usage Peak ⁽²⁾ (MGD)
2022	15,210	1.47	2.36
2032	23,832	2.30	3.69

⁽¹⁾ Based upon average per capita water usage of 96 gal/day

⁽²⁾ Based upon peak per capita water usage of 155 gal/day

Historical Wastewater Demands

- **Average Daily Flow from Jan 2018 – Dec 2022**
 - 1.04 MGD
- **Maximum Daily Flow from Jan 2018 – Dec 2022**
 - 4.48 MGD
- **Average Flow per Capita per Day**
 - 71 gal/day/capita
- **Average Monthly Peak Demand per Capita**
 - 259 gal/day/capita

Projected Wastewater Demands

Table 6 – Projected Future Wastewater Flows

Year	Population	Wastewater Usage Average ⁽¹⁾ (MGD)	Wastewater Usage Peak ⁽²⁾ (MGD)
2022	15,210	1.08	3.94
2032	23,832	1.69	6.17

⁽¹⁾ Based upon average per capita water usage of 71 gal/day

⁽²⁾ Based upon peak per capita water usage of 259 gal/day

Current Meter Counts and Conversions

Table 10 – LUE Equivalencies for Various Types and Sizes of Water Meters

Meter Type	Meter Size	Continuous Duty Maximum Rate (gpm)	Ratio To 3/4" Meter
Simple	5/8" x 3/4"	10	0.667
Simple	3/4"	15	1.000
Simple	1"	25	1.667
Simple	1-1/2"	50	3.333
Simple	2"	80	5.333
Compound	2"	80	5.333
Turbine	2"	100	6.667
Compound	3"	175	11.667
Turbine	3"	220	14.667
Compound	4"	300	20.000
Turbine	4"	420	28.000
Compound	6"	675	45.000
Turbine	6"	865	57.667

SOURCE: AWWA Standards C700, C701, C702, C703.

Table 11 – Current Meter Count and Estimation of LUE

Meter Size	Number Of Meters ^(a)	LUEs Per Meter ^(b)	Number Of LUEs ^(c)
3/4"	4,950	1	4,950
1"	157	1.667	262
1-1/2"	20	3.333	67
2"	131	5.333	699
3"	26	11.667	303
4"	10	20.000	200
TOTAL	5,294		6,481
Population			15,210
Population/LUE			2.35

(a) SOURCE: City of Lockhart

(b) See Table 10

(c) January 2022 estimate

Estimated Water Service Demand

Facility Type	Volume	
	2022	2032
LUE'S (a)	6,481	10,154
WELLS MGD:		
Estimated Demand (b)	4.61	7.23
Estimated Demand minus Carrizo Supply (g)	1.94	4.56
Existing Capacity	4.60	4.60
<i>Excess/(Deficiency)</i>	2.66	0.04
RAW WATER TRANSMISSION:		
Estimated Demand (c)	4.61	7.23
Estimated Demand minus Carrizo Supply (g)	1.94	4.56
Existing Capacity	5.20	5.20
<i>Excess/(Deficiency)</i>	3.26	0.64
WATER TREATMENT PEAK MGD:		
Estimated Demand (c)	4.61	7.23
Estimated Demand minus Carrizo Supply (g)	1.94	4.56
Existing Capacity	5.70	5.70
<i>Excess/(Deficiency)</i>	3.76	1.14
BOOSTER PUMP MGD:		
Estimated Demand (d)	4.61	7.23
Existing Capacity (f)	6.92	6.92
<i>Excess/(Deficiency)</i>	2.31	(0.31)
ELEVATED WATER STORAGE MGD:		
Estimated Demand (e)	1.07	1.68
Existing Capacity	1.55	1.55
<i>Excess/(Deficiency)</i>	0.48	(0.13)

Estimated Wastewater Service Demand

Table 13 – Estimated Wastewater Service Demand by Facility Type

Facility Type	Volume	
	2022	2032
LUE'S (a)	6,481	10,154
WASTEWATER TREATMENT PEAK MGD:		
Estimated Demand (b)	1.08	1.69
Existing Capacity	2.60	2.60
<i>Excess/(Deficiency)</i>	1.52	0.91

(a) Wastewater LUE's same as water.

(b) Capacity demand based on 167 gallons/LUE/day

Cost of Existing Water Facilities

WATER			
SUPPLY			
Well	3B	\$169,148	
	4A	\$118,917	
	5A	\$96,025	
	9A	\$623,902	
	10	\$623,902	
	11	\$412,793	
	12	\$402,258	
	TOTAL		\$2,446,945
RAW WATER TRANSMISSION			
Raw Water Pump Station		\$296,495	
Well 9 Transmission Main		\$300,415	
Plum Creek Raw Water Main		\$349,246	
Ethridge Raw Water Main		\$394,413	
Well 12 Transmission Main		\$146,183	
18" Raw Water Main		\$49,353	
	TOTAL		\$1,536,105

Cost of Existing Water Facilities

WATER			
TREATMENT			
Water Plant			\$2,310,484
BOOSTER PUMPS			
High Service Pump Station Expansion			\$989,000
ELEVATED STORAGE			
City Line Rd Pump Station		\$1,025,000	
0.5 MG Elevated Storage		\$1,716,000	
	TOTAL		\$2,741,000
TRANSMISSION MAINS			
18" MLK Water Main		\$460,601	
18" SH 130 Main Phase 1		\$217,666	
18" SH 130 Main Phase 2		\$606,143	
Bufkin Water Main		\$294,685	
Carrizo Water Supply		\$3,075,277	
	TOTAL		\$4,654,372
TOTAL WATER			\$14,677,906

Cost of Existing Wastewater Facilities

WASTEWATER			
TREATMENT			\$3,653,000
PUMPING			
Airport Lift Station			\$658,482
COLLECTION LINES			
FM 20 Trunk Main		\$1,827,000	
Borchert Lane 12" Sewer		\$133,349	
	TOTAL		\$1,960,349
TOTAL WASTEWATER			\$6,271,831

Cost of New Water Facilities

Name	Quantity	Description	Unit Price ⁽¹⁾	Cost
W-1	15,000 Feet	12" Pipe from Hidden Path Rd. to 2720	\$175	\$2,625,000
W-2	7,000 Feet	12" Pipe along the West side of 130	\$175	\$1,225,000
W-3	4,700 Feet	12" Pipe along Silent Valley Rd. from SH 130 to Stueve Ln.	\$175	\$822,500
W-4	3,000 Feet	12" Pipe from Silent Valley Rd to N. Mockingbird Ln.	\$175	\$525,000
W-5	1,200 Feet	12" Pipe along W. San Antonio St. from S. Mockingbird Ln. to Borchert Loop	\$175	\$210,000
W-6	2,000 Feet	12" Pipe along W. San Antonio St. from Borchert Loop to Windsor Blvd.	\$175	\$350,000
W-7	1,700 Feet	12" Pipe from W. San Antonio St. to Borchert Loop on the E. side of SH 130	\$175	\$297,500
W-8	2,200 Feet	12" Pipe from W. San Antonio St. to Borchert Dr. on the W. side of SH 130	\$175	\$385,000
W-9	3,000 Feet	12" Pipe from Borchert Dr. to Maple St. on the W. side of SH 130	\$175	\$525,000
W-10	4,000 Feet	12" Pipe S. of Maple St. on the W. side of SH 130	\$175	\$700,000
W-11	3,500 Feet	12" Pipe from City Line Rd. to State Park Rd.	\$175	\$612,500
W-12	2,200 Feet	12" Pipe along State Park Rd.	\$175	\$385,000
W-13	7,000 Feet	12" Pipe from State Park Rd. to W. Martin Luther Kng Jr Industrial Blvd.	\$175	\$1,225,000
W-14	1,600 Feet	12" Pipe along Cunningham	\$175	\$280,000
W-15	1,400 Feet	12" Pipe S. of Cunningham	\$175	\$245,000

Cost of New Water Facilities

Name	Quantity	Description	Unit Price ⁽¹⁾	Cost
W-16	3,400 Feet	12" Pipe S. of the Lockhart Municipal Airport	\$175	\$595,000
W-17	4,800 Feet	12" Pipe along Lovers Ln. to Brazos St.	\$175	\$840,000
W-18	3,000 Feet	12" Pipe from Lovers Ln. to Blackjack St.	\$175	\$525,000
W-19	4,200 Feet	12" Pipe from Water Plant to Blackjack St.	\$175	\$735,000
W-20	2,000 Feet	12" Pipe along Shady Ln.	\$175	\$350,000
W-21	3,000 Feet	12" Pipe from Mockinbird Ln to Stueve Ln	\$175	\$525,000
W-22	3,500 Feet	12" Pipe from Stueve Ln to SH 130	\$175	\$612,500
W-23	3,700 Feet	12" Pipe along SH 130 to Horseshoe Rd	\$175	\$647,500
W-24	4,700 Feet	12" Pipe along SH 130 to N Colorado St.	\$175	\$822,500
W-25	2,000 Feet	12" Pipe from County View Rd to Payne Ln	\$175	\$350,000
W-26	10,000 Feet	12" Pipe along Hidden Path Rd connecting to Cypress Rd	\$175	\$1,750,000
W-27	10,000 Feet	12" Pipe on N. side of SH 130 E of Hidden Path Rd.	\$175	\$1,750,000
W-28	1 Each	Pressure Reducing Valve	\$35,000	\$35,000
W-29	1 Each	Pressure Reducing Valve	\$35,000	\$35,000
W-30	1 Each	Pressure Reducing Valve	\$35,000	\$35,000
W-31	1 Each	Elevated Storage Tank	\$1,750,000	\$1,750,000
		TOTAL		\$21,770,000

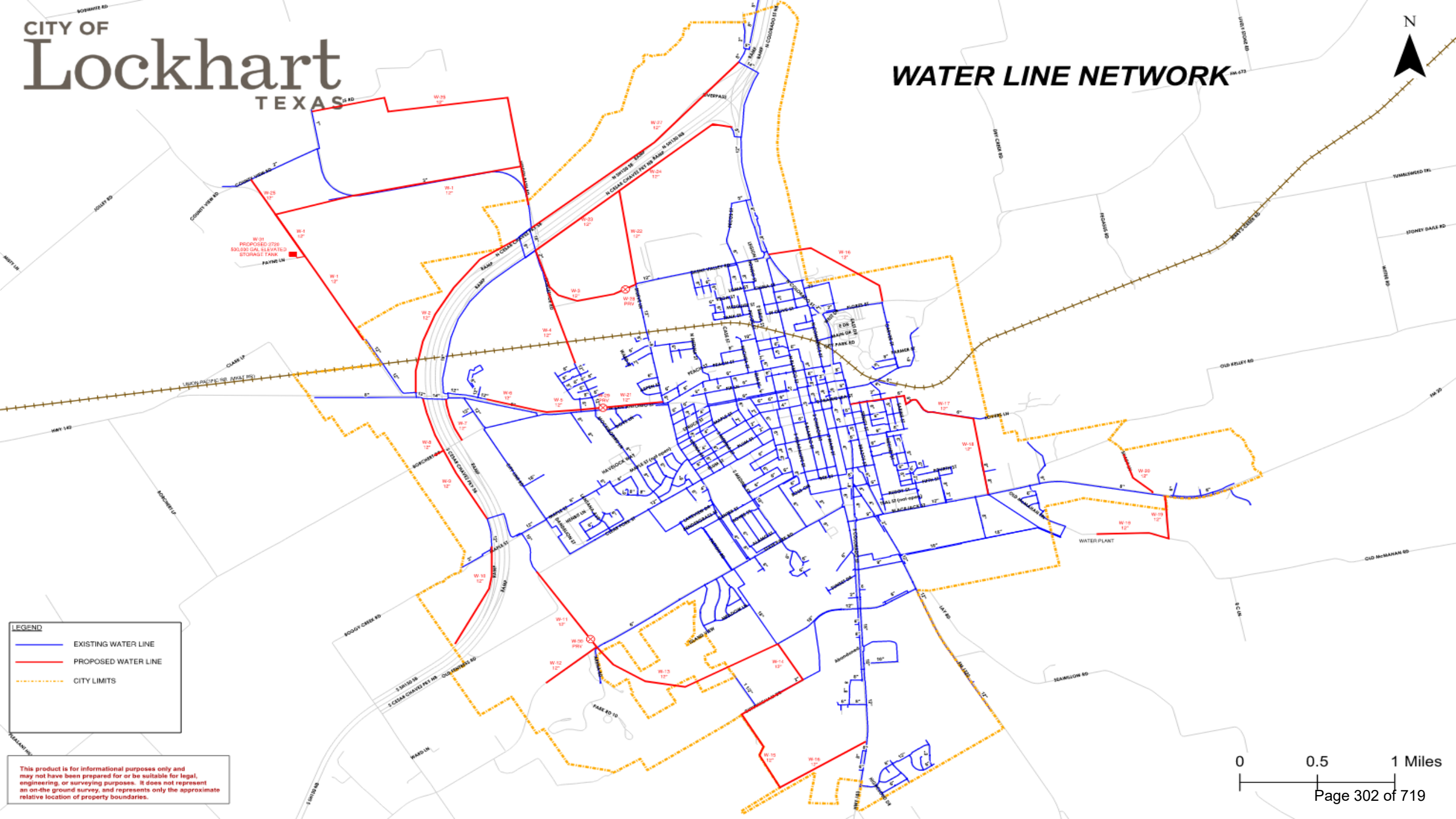
Cost of New Wastewater Facilities

Name	Quantity	Description	Unit Price ⁽¹⁾	Cost
S-1	12,000 Feet	12" Pipe extension past SH 130 to Hidden Path Rd	\$200	\$2,400,000
S-2	3,300 Feet	12" Pipe between SH 130 and Windridge	\$200	\$660,000
S-3	1,500 Feet	12" W of SH 130 to San Antonio St.	\$200	\$300,000
S-4	7,000 Feet	12" Pipe along County Ln.	\$200	\$1,400,000
S-5	9,300 Feet	15" Pipe along SH 130 and San Antonio St.	\$25	\$232,500
S-6	5,000 Feet	18" Pipe under SH 130 S of Maple St.	\$250	\$1,250,000
S-7	3,500 Feet	18" Pipe from State Park Rd. to Old Fentress Rd.	\$250	\$875,000
S-8	1,700 Feet	12" Pipe S of Old Fentress Rd.	\$200	\$340,000
S-9	1,500 Feet	12" Pipe along State Park Rd.	\$200	\$300,000
S-10	1,700 Feet	12" Pipe N of State Park Rd.	\$200	\$340,000
S-11	5,500 Feet	12" Pipe along Cunningham Rd	\$200	\$1,100,000
S-12	4,300 Feet	18" Pipe along Clear Fork Plum Creek	\$250	\$1,075,000
S-13	1,500 Feet	12" Pipe E of 183	\$200	\$300,000
S-14	3,200 Feet	18" Pipe along railroad W of Stueve Ln.	\$250	\$800,000
S-15	2,200 Feet	18" Pipe along Stueve Ln.	\$250	\$550,000
S-16	7,000 Feet	24" Pipe along Tank St.	\$300	\$2,100,000
S-17	2,500 Feet	30" Pipe along railroad	\$350	\$875,000
S-18	12,000 Feet	12" Pipe under SH 130 to N Colorado St.	\$200	\$2,400,000

Cost of New Wastewater Facilities

Name	Quantity	Description	Unit Price ⁽¹⁾	Cost
S-19	2,200 Feet	12" Pipe S of SH 130 to N Colorado St.	\$200	\$440,000
S-20	6,000 Feet	12" Pipe E of Plum Creek Lift Station	\$200	\$1,200,000
S-21	5,200 Feet	12" Pipe along Lovers Ln.	\$200	\$1,040,000
S-22	3,900 Feet	12" Pipe W of Century Oaks Lift Station	\$200	\$780,000
S-23	2,800 Feet	10" Pipe E of Century Oaks Lift Station	\$180	\$504,000
S-24	5,000 Feet	18" Pipe along S Commerce St.	\$250	\$1,250,000
S-25	1,800 Feet	12" Pipe E of S Commerce St.	\$200	\$360,000
S-26	2,500 Feet	18" Pipe along S Commerce St.	\$250	\$625,000
S-27	4,300 Feet	12" Pipe W of Pecan Branch Lift Station	\$200	\$860,000
S-28	2,000 Feet	12" Pipe W of FM 20 East Lift Station	\$200	\$400,000
S-29	1 Each	Boggy Creek Lift Station	\$1,500,000	\$1,500,000
S-30	1,300 Feet	Boggy Creek Force Main	\$150	\$195,000
S-31	1 Each	Plum Creek Lift Station	\$1,500,000	\$1,500,000
S-32	5,500 Feet	Plum Creek Force Main	\$150	\$825,000
S-33	1 Each	South Commerce Lift Station	\$1,500,000	\$1,500,000
S-34	10,400 Feet	South Commerce Force Main	\$150	\$1,560,000
S-35	1 Each	Pecan Branch Lift Station	\$1,500,000	\$1,500,000
S-36	6,200 Feet	Pecan Branch Force Main	\$150	\$930,000
S-37	1 Each	FM 20 East Lift Station	\$1,500,000	\$1,500,000
		TOTAL		\$35,766,500

WATER LINE NETWORK

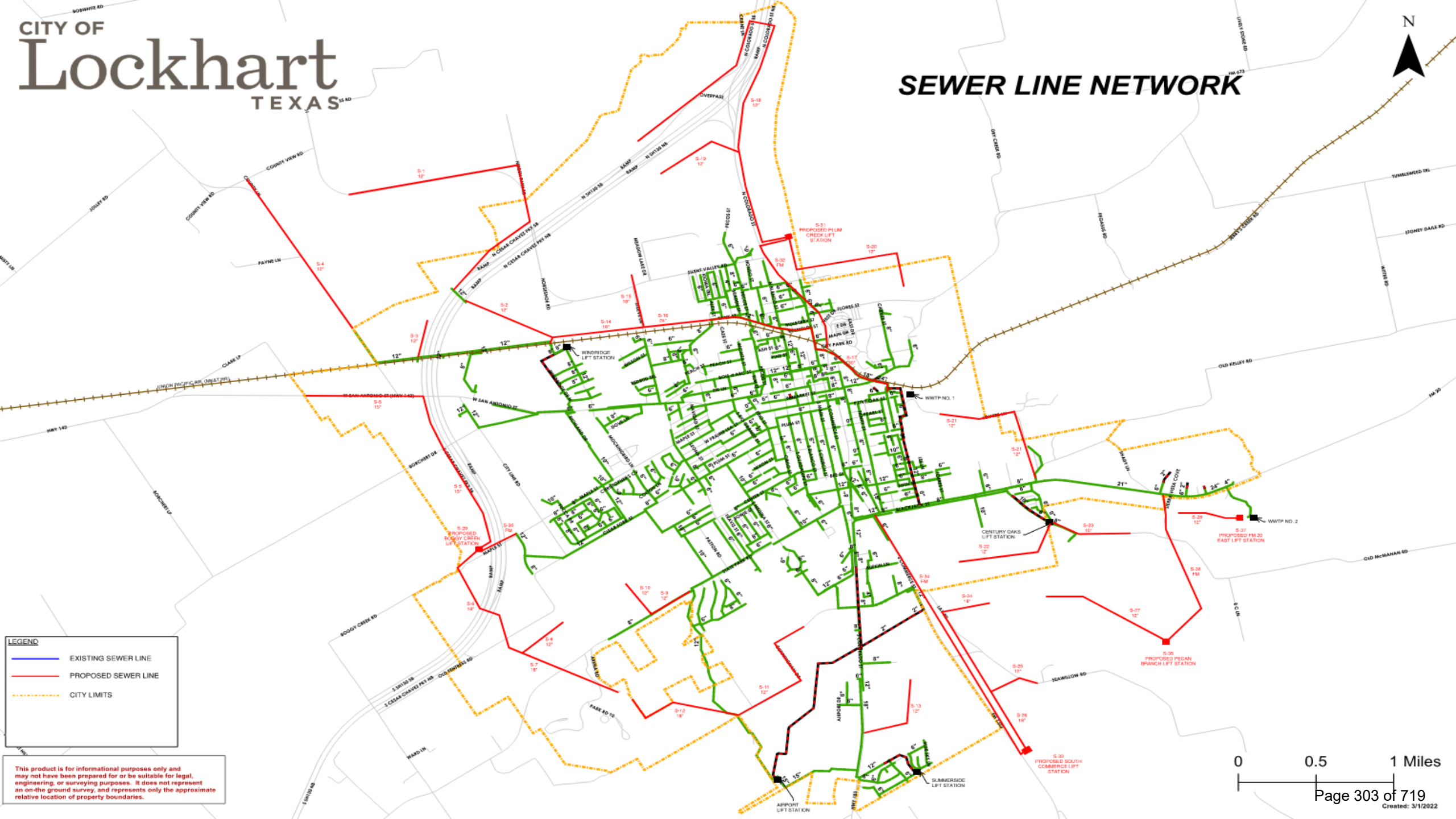


LEGEND

- EXISTING WATER LINE
- PROPOSED WATER LINE
- CITY LIMITS

This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey, and represents only the approximate relative location of property boundaries.

SEWER LINE NETWORK



LEGEND

- EXISTING SEWER LINE
- PROPOSED SEWER LINE
- CITY LIMITS

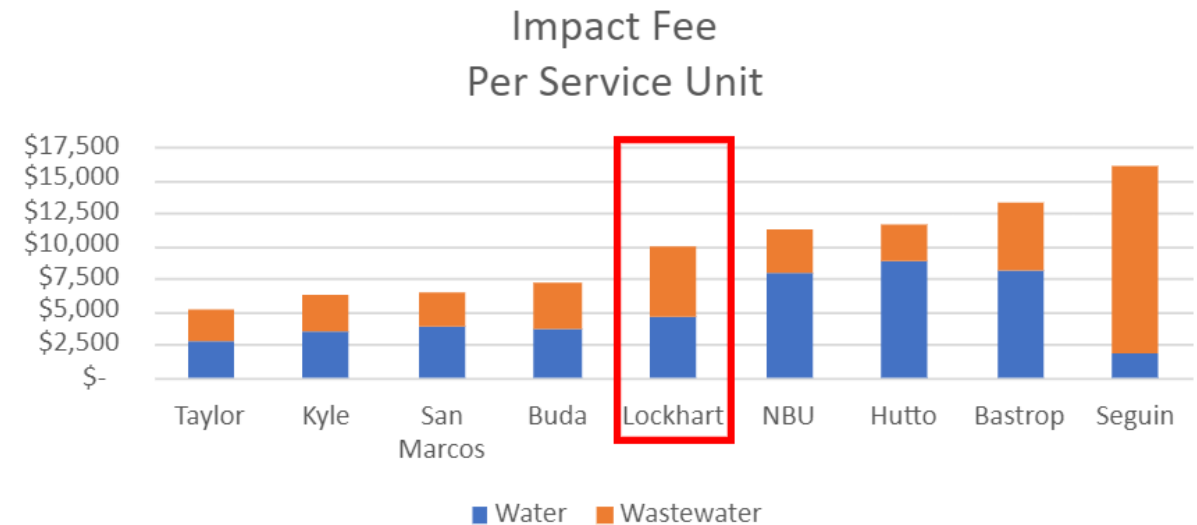
This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey, and represents only the approximate relative location of property boundaries.

Table 17 – Water and Wastewater Capital Cost Summary

Utility	Facility	Cost/LUE	Credit/LUE	Maximum Fee/LUE
WATER	Wells	\$568.12	\$284.06	\$284.06
	Raw Water Transmission	\$315.49	\$157.75	\$157.75
	Treatment	\$432.91	\$216.46	\$216.46
	Pumping	\$134.58	\$67.29	\$67.29
	Elevated Storage	\$375.73	\$187.86	\$187.86
	Major Transmission	\$7,252.57	\$3,626.29	\$3,626.29
	Fee Update Cost	\$4.49	\$2.24	\$2.24
	Master Plan	\$40.83	\$20.42	\$20.42
	TOTAL WATER CAPITAL COSTS	\$9,124.71	\$4,562.36	\$4,562.36
WASTEWATER	Treatment	\$351.80	\$175.90	\$175.90
	Lift Stations (a)	\$1,531.25	\$765.63	\$765.63
	Major Collection	\$8,656.62	\$4,328.31	\$4,328.31
	Fee Update Cost	\$4.49	\$2.24	\$2.24
	Master Plan	\$40.83	\$20.42	\$20.42
TOTAL WASTEWATER CAPITAL COSTS		\$10,945.20	\$5,472.60	\$5,472.60
TOTAL WATER AND WASTEWATER CAPITAL COSTS		\$20,069.92	\$10,034.96	\$10,034.96

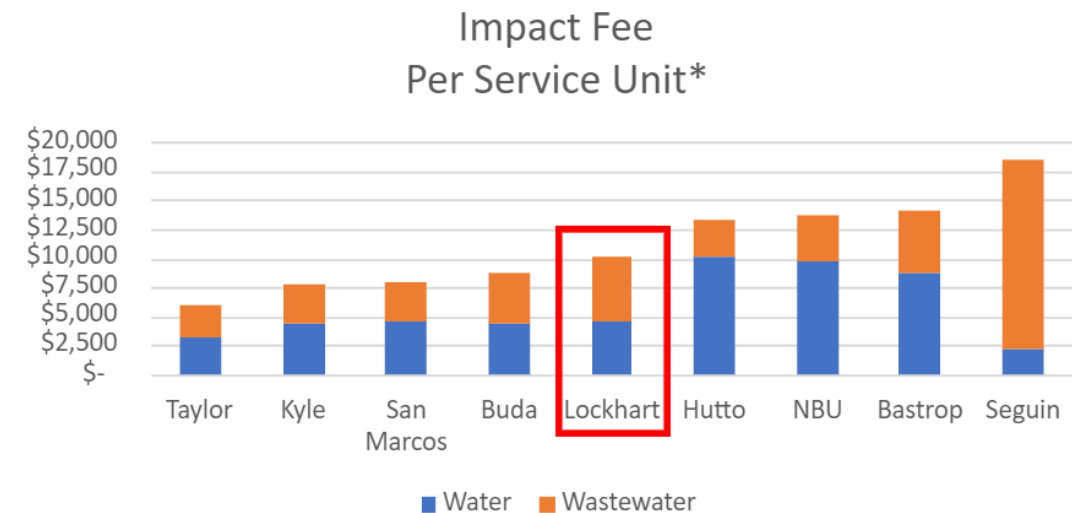
Central Texas Impact Fees

City	Year	Current Population	Water Impact Fee Per Service Unit	Wastewater Impact Fee Per Service Unit	Total
Taylor	2021	16,807	\$2,800	\$2,400	\$5,200
Kyle	2017	51,789	\$3,535	\$2,826	\$6,361
San Marcos	2018	68,580	\$3,801	\$2,684	\$6,485
Buda	2017	15,643	\$3,595	\$3,515	\$7,110
Lockhart	2022	15,210	\$4,562	\$5,473	\$10,035
NBU	2018	98,857	\$7,989	\$3,251	\$11,240
Hutto	2021	30,855	\$8,832	\$2,788	\$11,620
Bastrop	2022	10,434	\$8,182	\$5,089	\$13,271
Seguin	2020	30,902	\$1,872	\$14,123	\$15,995



Central Texas Impact Fees (Inflation Adjusted)

City	Year	Inflation Multiplier	Water Impact Fee Per Service Unit	Wastewater Impact Fee Per Service Unit	Total Impact Fee Per Service Unit
Taylor	2021	1.14	\$3,192	\$2,736	\$5,928
Kyle	2017	1.23	\$4,348	\$3,476	\$7,824
San Marcos	2018	1.21	\$4,599	\$3,248	\$7,847
Buda	2017	1.23	\$4,422	\$4,323	\$8,745
Lockhart	2022		\$4,562	\$5,473	\$10,035
Hutto	2021	1.14	\$10,068	\$3,178	\$13,247
NBU	2018	1.21	\$9,667	\$3,934	\$13,600
Bastrop	2022	1.06	\$8,673	\$5,394	\$14,067
Seguin	2020	1.16	\$2,172	\$16,383	\$18,554



Impact Fee Summary

Max Water Impact Fee

Parameter	LUE	Lockhart	Bastrop	Buda	Taylor	Hutto	Seguin	Kyle	San Marcos	NBU
Single Family House	1	\$ 4,562	\$ 8,182	\$ 3,595	\$ 2,800	\$ 8,832	\$ 1,872	\$ 3,535	\$ 3,801	\$ 7,989
10,000 SF Office Bldg	3.33	\$ 15,193	\$ 27,246	\$ 11,971	\$ 9,324	\$ 29,411	\$ 6,234	\$ 11,772	\$ 12,657	\$ 26,603
150,000 SF Shopping Center	90.36	\$ 412,255	\$ 739,326	\$ 324,844	\$ 253,008	\$ 798,060	\$ 169,154	\$ 319,423	\$ 343,458	\$ 721,886
50,000 SF Industrial Warehouse	12.5	\$ 57,030	\$ 102,275	\$ 44,938	\$ 35,000	\$ 110,400	\$ 23,400	\$ 44,188	\$ 47,513	\$ 99,863

Note: LUE Conversion Rate based on Austin Water LUE Guidance Document. This is a calculation to help **estimate** flows for various development types. Actual impact fee will be dependent on meter size(s) that the facility puts in.

Impact Fee Summary

Max Wastewater Impact Fee

Parameter	LUE	Lockhart	Bastrop	Buda	Taylor	Hutto	Seguin	Kyle	San Marcos	NBU
Single Family House	1	\$ 5,473	\$ 5,089	\$ 3,515	\$ 2,400	\$ 2,788	\$ 14,123	\$ 2,826	\$ 2,684	\$ 3,251
10,000 SF Office Bldg	3.33	\$ 15,193	\$ 16,946	\$ 11,705	\$ 7,992	\$ 9,284	\$ 47,030	\$ 9,411	\$ 8,938	\$ 10,826
150,000 SF Shopping Center	90.36	\$ 412,255	\$ 459,842	\$ 317,615	\$ 216,864	\$ 251,924	\$ 1,276,154	\$ 255,357	\$ 242,526	\$ 293,760
50,000 SF Industrial Warehouse	12.5	\$ 57,030	\$ 63,613	\$ 43,938	\$ 30,000	\$ 34,850	\$ 176,538	\$ 35,325	\$ 33,550	\$ 40,638

Note: LUE Conversion Rate based on Austin Water LUE Guidance Document. This is a calculation to help **estimate** flows for various development types. Actual impact fee will be dependent on meter size(s) that the facility puts in.

Impact Fee Summary

Max Total Water and Wastewater Impact Fee

Parameter	LUE	Lockhart	Bastrop	Buda	Taylor	Hutto	Seguin	Kyle	San Marcos	NBU
Single Family House	1	\$ 10,035	\$ 13,271	\$ 7,110	\$ 5,200	\$ 11,620	\$ 15,995	\$ 6,361	\$ 6,485	\$ 11,240
10,000 SF Office Bldg	3.33	\$ 33,416	\$ 44,192	\$ 23,676	\$ 17,316	\$ 38,695	\$ 53,263	\$ 21,182	\$ 21,595	\$ 37,429
150,000 SF Shopping Center	90.36	\$ 906,759	\$ 1,199,168	\$ 642,460	\$ 469,872	\$ 1,049,983	\$ 1,445,308	\$ 574,780	\$ 585,985	\$ 1,015,646
50,000 SF Industrial Warehouse	12.5	\$ 125,437	\$ 165,888	\$ 88,875	\$ 65,000	\$ 145,250	\$ 199,938	\$ 79,513	\$ 81,063	\$ 140,500

Note: LUE Conversion Rate based on Austin Water LUE Guidance Document. This is a calculation to help **estimate** flows for various development types. Actual impact fee will be dependent on meter size(s) that the facility puts in.

RESOLUTION 2023-03

AN RESOLUTION OF THE CITY OF LOCKHART, TEXAS, ESTABLISHING A DATE FOR A PUBLIC HEARING TO CONSIDER UPDATED IMPACT FEE LAND USE ASSUMPTIONS, UPDATED IMPACT FEE CAPITAL IMPROVEMENT PLANS, AND ADOPTION OF AN ORDINANCE AMENDING THE WATER, WASTEWATER, AND ROAD IMPACT FEES

WHEREAS, the City is required to perform a five-year update of the adopted impact fee land use assumptions, capital improvement plans, and fees; and,

WHEREAS, consultants were retained to perform the required study and prepare associated documents; and,

WHEREAS, the Impact Fee Advisory Committee has reviewed the results of the study will prepare their comments to the City Council prior to the public hearing; and,

WHEREAS, State law requires that the City Council establish a date for a public hearing to consider the updated impact fee land use assumptions, capital improvement plans, and fees, and that the date of such hearing be published in the newspaper at least 30 days prior to the hearing;

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

A public hearing will be held on Tuesday, May 2, 2023, to consider updated impact fee land use assumptions, updated capital improvement plans, and adoption of an ordinance amending the water, wastewater, and road impact fees:

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 21st DAY OF MARCH, 2023.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Assistant City Secretary

Monte Akers, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discuss contracting with Skyhawks Sports Academy to provide youth sports camps this summer.

ORIGINATING DEPARTMENT AND CONTACT: Parks & Recreation - Travis Hughes

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: Skyhawks is the nation's largest provider of youth sports programs. This summer will be the first opportunity for Skyhawks Sports Academy to provide programs in Lockhart and will serve as a trial run for potentially offering year-round sports programs. We would like to conduct six 1-week camps from 9am to 3pm beginning June 5th, that would include swimming (see attachments). These would take place at City Park. Skyhawks will provide marketing, registration, staffing, and all equipment. The City of Lockhart will provide access to facilities and assist with marketing on the city website and social media. At the end of the summer program, Skyhawks will provide the City of Lockhart with a check for 20% of registration revenue. Skyhawks currently conducts camps and classes in several central Texas cities including Kyle, Pflugerville, Lakeway, New Braunfels, Austin and San Antonio.

PROJECT SCHEDULE (if applicable): Marketing would begin immediately with registration opening in mid-march.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): No funds required

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Request approval to proceed with Skyhawks Sports Adademy as our youth sports camp provider this summer.

LIST OF SUPPORTING DOCUMENTS: Skyhawks Brochure, Skyhawks Program Offering Menu (Updated 1-16-23), Agreement for Skyhawks -Lockhart TX clean SIGNED

City of Lockhart, Texas

Council Agenda Item Cover Sheet





Skyhawks Sports Academy provides a wide variety of fun, safe, and positive programs that emphasize critical lessons in sports and life, such as teamwork, respect, and sportsmanship.

Our programs are designed to give each child a positive introduction into sports while fostering a lifelong love of an active, healthy lifestyle. Our knowledgeable and patient staff use a variety of skill-building games and activities to give every athlete a complete understanding and overview of the sport.

Our programs range from week-long summer camps to after-school programs, clinics, and leagues that teach athletes the fundamentals of each sport in order for them to build the required skills.

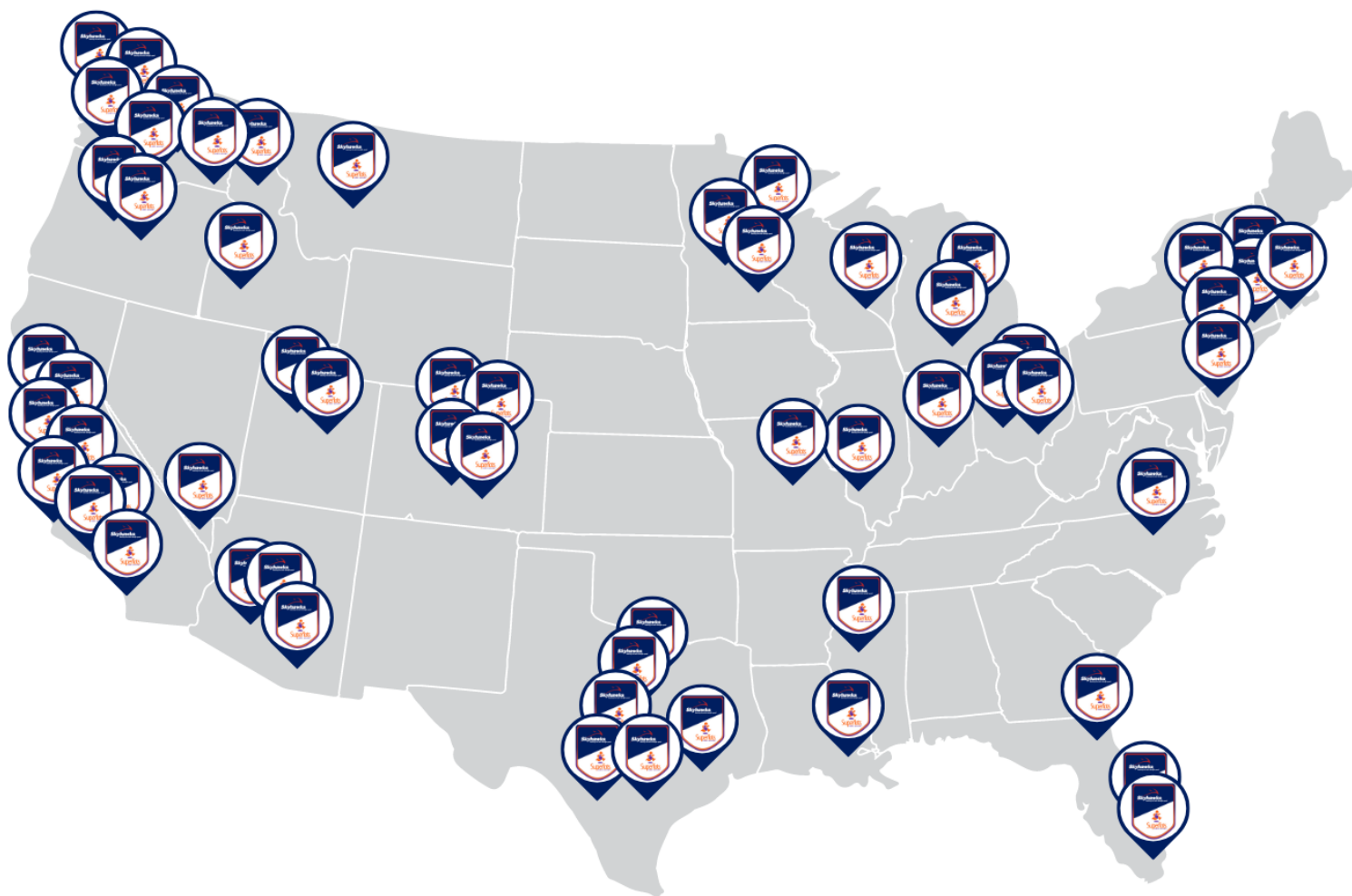
Since 1979, Skyhawks has taught more than 2 million boys and girls life skills through sports.



The City of Spokane Parks and Recreation has been partners with the Skyhawks organization for several decades. Skyhawks' vision of "Teaching Life Skills Through Sports" has touched multiple generations of Spokane's young athletes. Parents who were previous Skyhawks participants are now signing their kids up for programs!

-Adriano Eva

City of Spokane Parks & Recreation, WA



Since 1979, Skyhawks has grown to become the nation's largest & most recognized provider of youth sports programs.

- » Skyhawks programs are available year-round and in over half of the United States.
- » Skyhawks partners with hundreds of local communities and community organizations.
- » Skyhawks employs over 1,000 first-aid & CPR certified coaches and directors every year.
- » Over 2 million boys and girls have completed a Skyhawks program nationwide.

Skyhawks Sports Academy

800.804.3509

www.skyhawks.com

Skyhawks offers a variety of skill-based sports programs for children ages 4-14.

Skyhawks programs are designed to teach fundamentals, develop skills and gain confidence on and off the field or court. In addition to single-sport programs, Skyhawks also offers Multi-Sport programs that combine two or more sports into a single program. For the youngest athletes, Skyhawks offers Mini-Hawk programs, age-appropriate programs focused on introducing the youngest athletes to a wide variety of sports at their own pace, with a curriculum specifically designed with younger children in mind.



BASEBALL

Learn the fundamentals of fielding, catching, throwing, hitting and base running in a fun, positive environment. Athletes learn new baseball skills along with vital life lessons such as respect, teamwork and responsibility.



MINI-HAWK

Athletes ages 4-7 explore balance, movement and hand/eye coordination in a safe, structured environment with lots of encouragement and a focus on fun. All games and activities are performed at the athletes own pace.



BASKETBALL

This fun, skill-intensive program is designed for beginning to intermediate athletes. Active sessions of passing, shooting, dribbling, and rebounding makes this one of our most popular programs.



MULTI-SPORT

Skyhawks Multi-Sport programs are designed to introduce athletes to a variety of sports in one setting. Athletes will learn the rules and essentials of two to three sports through skill-based games and scrimmages.



CHEERLEADING

Skyhawks cheerleading teaches the skills essential to lead crowds and support the home team! Each cheerleader learns proper hand and body techniques. The program concludes with a choreographed performance.



SOCCER

Skyhawks is the nation's #1 program for learning the fundamentals of soccer. Using our progressive curriculum, children will gain the technical skills and sport knowledge required for that next step into soccer.



FLAG FOOTBALL

Athletes learn skills on both sides of the football, including the core components of passing, catching, and defense - all in a fun and positive environment. The program ends with the Skyhawks Super Bowl.



TENNIS

Athletes learn proper grips, footwork, strokes, volleys, and serves, as well as the rules and etiquette that make tennis an exciting game. Programs fill quickly due to limited court space.



GOLF

Skyhawks golf programs focus on building confidence through proper technique and refining essential skills. Athletes learn the fundamentals of swinging, putting, and body positioning. All equipment provided.



TRACK & FIELD

Skyhawks track & field programs combine technical development, proper techniques, and safety with a major focus on fun! Using special equipment, athletes learn the fundamentals of body positioning, stride, stretching & cool-down.



LACROSSE

Lacrosse combines basic skills used in soccer, basketball, and hockey into one fast-paced game. Players learn fundamentals like stick-handling, cradling, passing, and shooting in a fun, non-competative environment.



VOLLEYBALL

All aspects of volleyball are taught through drills and exercises that focus on passing, setting, hitting, and serving. Our coaches will assist boys and girls in developing skills though game-speed drills and daily matches.

NOTE: Not all programs are available in all areas. Visit us online at Skyhawks.com or call 800.804.3509 for more information.



Teaching life skills through sports



Skyhawks has the ability to customize programs to meet the needs of your community.

Skyhawks Staffing

Skyhawks provides local, regional, and national management dedicated to supporting your organization. Providing quality assurance, tech support, and marketing assistance, Skyhawks is ready to make your organization's programs a success.

Skyhawks Safety

Safety is Skyhawks #1 priority for athletes. All coaches and program directors are required to have current CPR and first-aid certification, and undergo extensive safety training both on the field and in the classroom. All coaches and program directors also undergo a rigorous pre-hire screening which includes a criminal background check.

Skyhawks Liability Insurance

Skyhawks will issue a certificate of liability insurance to your organization and list you as additionally insured.

Skyhawks Gives Back

A portion of the revenue from Skyhawks programs will be given back to your organization.

Skyhawks Marketing and Promotions

Skyhawks' marketing department has the ability to create, execute, monitor, and analyze all aspects of promoting your camps, clinics, and leagues in partnership with Skyhawks. Marketing campaigns may include, but are not limited to: printed materials (large & small format), digital ad placement, social media outreach & advertisement, and direct mail advertising campaigns.

Skyhawks Curriculum

Our progressive, skill-based curriculum has been developed and fine-tuned through the years and has become a nationally-recognized, Family Choice Award winning standard of excellence. Our programming allows us to adapt teaching methods based on age and skill level, making Skyhawks a unique and prime choice for community-based sport programming.

Skyhawks creates lasting partnerships with a variety of groups including parks & recreation departments, schools, and other youth-focused organizations to help develop active and healthy communities one child at a time.



What registration processes do you have in place?

Skyhawks offers two options for registering athletes for programs at your organization. Both options handle the signup and registration process, as well as accept payment.

1. Skyhawks will accept and process ALL registrations.
2. Both Skyhawks and your organization accept and process registration.

Whichever registration process is the right fit for your organization, Skyhawks offers a number of benefits to help increase registration & retain customers, including:

- » Posting & promoting your programs at Skyhawks.com.
- » Sending automated emails encouraging evaluations at the end of programs.
- » Providing the ability to offer limited time and special pricing.
- » Providing confirmation of registration to customer and organization.
- » Providing customer service to answer any program questions.

Do you offer year-round programming?

Yes. In addition to our very popular summer session, Skyhawks offers camps, clinics, and leagues for fall, winter, and spring sessions.

Can I include a non-resident or non-member fee?

Yes, we can modify pricing strategy based on membership or residence.

What is the pricing structure for Skyhawks programs?

Skyhawks works with each organization to ensure proper pricing for the area.

What are your typical coach-to-athlete ratios?

Skyhawks' typical coach-to-camper ratio is 10:1, but can vary depending on camper age and sport.

What age groups/sport levels can you accommodate?

Skyhawks tailors its programs to introductory and intermediate players. Groups will be divided by age and then by ability. The emphasis is on learning skills and techniques in a low-pressure and appropriately-competitive environment. Fun & enjoyment are priorities at our programs.

Who are your coaches & what are their qualifications?

Skyhawks recruits high school varsity and college-age athletes who have demonstrated an exceptional ability to communicate and work with children. Coaches and directors have participated in their respective sports at either a high school or college level. All coaches must complete: a personal interview, background check, classroom and on-field training, Positive Coaching Alliance Double-Goal Coach® certification, a coaches test and must be first-aid and CPR certified.

What options are there for program format?

During the summer months, Skyhawks typically offers week-long 3-hour half-day, 6-hour full-day, and 1-2 hour evening programs. Year-round programs have a variety of options, with the most popular format meeting for 1-2 hours per session for 6-8 weeks.

Program format availability varies by location.

What do athletes receive at summer programs?

Each athlete receives a Skyhawks t-shirt and merit award or player evaluation for participating in a Skyhawks program. Select programs offer a free sport ball with participation.

How do I contact you?

Feel free to call our main office at 800.804.3509 or contact your local Skyhawks representative for more information. Additional information is available at Skyhawks.com.





[Skyhawks'] philosophy of running sports camps in a safe, fun, and positive environment has resonated with our residents. The children of our community have benefited from our relationship with Skyhawks every summer. Their staff is always punctual, responsible, and full of energy, which translates directly into a fun learning experience for the participants.

-Paul E. Piscitelli
City of Milford, CT

It has been a pleasure working with Skyhawks over the years! The coaches and directors are organized, professional, and engaged, making for an incredible camp experience. From initial customer contact to the on-field product, Skyhawks sports camps are top-notch. I highly recommend Skyhawks Sports Academy programs.

-C.J. Stanford
Issaquah Parks & Recreation, WA



For over 10 years the City of Cupertino has contracted with Skyhawks Sports Academy to provide the bulk of our summer sports camp programs. Program participation rates and revenues have consistently risen each year due to Skyhawks' staff professionalism and enthusiasm for sports programming.

-Jeff Ordway
City of Cupertino, CA



Skyhawks is a professional organization that brings college-level players to teach our campers skills, techniques, and the fundamental aspects of sports. Campers gain sportsmanship and a true understanding of the sport. We love Skyhawks for their accommodations and silliness to partner with our organization.

-Halle Schwartz
The Jewish Community Center of Greater Columbus, OH



[Skyhawks Sports Academy] is extremely organized, professional, and flexible - from administration to program staff. The administrative team of Skyhawks provides our district with quality, well-trained staff to implement a variety of athletic opportunities for our students.

-Marisa Schrot
Rosemount/Apple Valley/Eagan Community Education, MN



Skyhawks Sports Academy
800.804.3509
www.skyhawks.com



Skyhawks®

Teaching life skills through sports®

Skyhawks Sports Academy

1826 E Sprague Ave
Spokane WA 99202

800.804.3509

www.skyhawks.com

INCLUSION • RESPECT • LEADERSHIP • SPORTSMANSHIP • TEAMWORK

SKYHAWKS SPORTS ACADEMY

Program Offering Menu



Skyhawks Sports Academy

Skyhawks Sports Academy’s traditional offerings includes 12 different program types. Serving ages 4 to 14, these programs feature skill-based sports instruction with a focus on teaching life skills through sports.

Programs Offered: Year-round classes, camps and instructional leagues



SuperTots Sports Academy

SuperTots classes offer children ages 2 to 5 one-of-a-kind development opportunities across 6 different sports. These game-based programs develop motor skills, promote physical fitness and instill a love for sports.

Programs Offered: Various year-round class formats



STEM Sports®

STEM Sports® is our double-play combination of physical activity and cognitive thinking that provides a comprehensive, inquiry-based educational experience and a solution for crucial science, technology, engineering and math (STEM) literacy for students.

Programs Offered: Various year-round class and camp formats





Baseball

Ages 5-12

Learn the fundamentals of fielding, catching, throwing, hitting and base running - all in a fun, positive environment. Specifically designed for beginning and intermediate players, this program teaches athletes new baseball skills along with vital life lessons such as respect, teamwork and responsibility.

Basketball

Ages 5-12

This fun, skill-intensive program is designed for beginning to intermediate players. Using our progressive curriculum, we focus on the whole player - teaching sportsmanship and teamwork. Boys and girls will learn the fundamentals of passing, shooting, ball handling, rebounding and defense through skill-based instruction and small-sided scrimmages.

Cheerleading

Ages 5-12

This class teaches young athletes the essential skills to lead the crowd and support the home team! Each participant will learn cheers, proper hand/body movements and jumping techniques. There is no stunting, just a big focus on fun while each cheerleader learns important life skills such as teamwork and leadership. The program concludes with a final cheer performance.

Flag Football Fueled by

Ages 5-12



Experience the excitement of football with Skyhawks Flag Football Fueled by USA Football. Using a curriculum developed by USA Football, coaches teach skills like passing, receiving, kicking and flag pulling while gaining confidence and learning life lessons in a fun, positive environment.



Beginning Golf

Ages 5-12

Skyhawks Beginning Golf is powered by Payne Stewart Golf Experiences, the recommended entry-level golf program for PGA Junior Golf Camps. The unique, games-based play program and modified learning equipment make it easier for kids to hit the ball and experience early success. Putting, chipping, pitching and full swing, are all taught through games, simple repetitive motions and learning rhymes that make it easy for young kids to remember and repeat.

Lacrosse

Ages 7-12

Athletes will learn the fundamentals of stick handling, cradling, passing and shooting in a fun, non-checking environment. All equipment is provided, but participants are welcome to bring their own lacrosse stick. Participants are not required to wear goggles, a helmet or gloves due to the use of soft lacrosse balls and our staff ensuring non-checking, non-contact play.

Multi-Sport

Ages 7-12

Multi-Sport programs are designed to introduce young athletes to a variety of different sports in one setting. Athletes will learn the rules and essential skills of each sport, along with vital life lessons such as sportsmanship and teamwork.

Mini-Hawk®

Ages 4-7

This multi-sport program was developed to give children a positive first step into athletics. Sports are taught in a safe, structured environment filled with encouragement and fun. Through exciting games and activities, campers explore balance, hand/eye coordination and skill development at their own pace.

Soccer

Ages 5-12

Your young athlete will gain the technical skills and sport knowledge required for their next step into soccer. Areas of focus are dribbling, passing, shooting and ball control. By the end of the program, your child will have learned new life skills such as teamwork and sportsmanship, made new friends and improved their soccer skills.

Tennis

Ages 5-12

Whether your child is a beginning or intermediate player, this program will improve their game and help them get more enjoyment from tennis. Our tennis programs focus on skill refinement as well as practice and match play to develop consistent, well-rounded tennis players.

Track & Field

Ages 5-12

The fundamentals of body positioning, stride, proper stretching and cool-down techniques are taught. Track and field events include javelin, discus, shot put, hurdles, long jump, triple jump and various running and relay events (activities may vary by area).

Volleyball

Ages 7-14

Skyhawks Volleyball takes the energy and excitement of this great team sport and puts it all together into one fun-filled program. All aspects of the game are taught through drills and exercises that focus on bumping, setting, spiking, hitting and serving. This program is designed for the beginning to intermediate player and includes a focus on critical life skills such as leadership and teamwork.



SoccerTots

Ages 2-5

These soccer-themed motor skill classes are very easy for youngsters to get into. Younger age groups focus on developing motor skills and self-confidence; older classes focus more on developing core soccer skills and personal focus, and introduce an element of light competition. Instructor-to-student ratio is kept small to maximize individual development, and above all else we promote fun, fun, fun! Parent participation required for ages 2-3.5 years.

HockeyTots

Ages 3.5-5

This program is designed for children ages 3-5 years and is a safe and fun way for your child to learn the fundamentals of hockey. The goals are to teach basic concepts and technique of field and ice hockey. Classes will emphasize passing, puck/ball handling, shooting, teamwork, and safety. No checking and appropriate sized sticks will be used.

HoopsterTots

Ages 2-5

Learning basketball has never been more fun! These classes focus on dribbling, shot technique, passing and teamwork. Adjustable hoops and appropriately-sized basketballs are used to always provide just the right amount of challenge. Parent participation required for ages 2-3.5 years.

MultiSportTots

Ages 2-5

Introduce your little superstar to sports in our most popular program! This multi-sport class uses age-appropriate games and activities to explore balance, hand/eye coordination, fitness, sport skills and child development. Parent participation required for ages 2-3.5 years.

BaseballTots

Ages 2-5

BaseballTots classes focus on fine and gross motor skills as well as body control. We teach all the baseball basics, such as throwing, catching, hitting and running control. We are excited to help these little ones develop a love of the game! Parent participation required for ages 2-3.5 years.

CheerTots

Ages 3-5

Children in these high energy classes learn far more than just core cheer concepts and techniques; they also explore their personal expression, agility, rhythm, and teamwork. It is a great way to build self-confidence and nurture the desire to share happiness with others!

FirstDownTots

Ages 3.5-5

1stDownTots is a development program for kids ages 3.5 - 5 years old that uses a variety of fun games to engage kids while teaching the sport of football and developing fundamental skills. The goal is to build fitness, muscle coordination, football fundamentals and create a love of the game. We do not do any tackling or blocking at this level.

VolleyKats

Ages 3.5-5

A great way to learn the signature sport of summer! One of the more difficult motor skills to grasp for children, these forgiving classes help them learn to bump, set, and spike, as well as develop agility, reaction, speed, and teamwork.



SoccerTots® VolleyKats® 1stDownTots® BaseballTots® HockeyTots® CheerTots® HoopsterTots®



STEM Basketball

Ages 7-14

Designed to pair strategic STEM-based activities with basic game-play and current hot topics, the STEM Sports® basketball curriculum educates participants on subjects including velocity and acceleration, basketball shoe design, tracking with technology and much, much more! Skyhawks puts the Sports in STEM.

STEM Football

Ages 7-12

Designed to pair strategic STEM-based activities with basic game-play and current hot topics, the STEM Sports® football curriculum educates students on receiver glove and helmet technology, in-game communication, throwing arm strength, football properties, calculating distances and other subjects. Skyhawks puts the Sports in STEM.

STEM Soccer

Ages 7-12

Designed to pair strategic STEM-based activities with basic game-play and current hot topics, the STEM Sports® soccer curriculum gives students the opportunity to get behind the sport they love with modules on soccer ball design, throw-in science, angles and goal-line technology! Skyhawks puts the Sports in STEM.

STEM Volleyball

Ages 7-14

Designed to pair strategic STEM-based activities with basic volleyball gameplay. STEM Volleyball enables students the opportunity to get behind the sport they love with modules centered around innovation and new technology. With lessons built around calculating contact time, optimal serving speed and the science behind serving, participants will learn new concepts in this fun, engaging program. Skyhawks puts the Sports in STEM.

STEM Multi-Sport

Ages 7-12

Designed to pair strategic STEM-based activities with basic game-play and current hot topics across multiple sports, the STEM Sports® curriculum gives students the opportunity to get behind the sports they love with modules centered around technology, science and innovation. Subjects vary by sport, but include ball design, calculating distances and angles, velocity, acceleration and much more! Skyhawks puts the Sports in STEM.

STEM & Play: Basketball

This program combines strategic STEM-based activities with traditional Skyhawks basketball instruction and a focus on life skills such as teamwork and sportsmanship. The STEM Sports® basketball curriculum educates children on subjects including velocity and acceleration, basketball shoe design, tracking with technology and much, much more! Participants will also learn the fundamentals of passing, shooting, ball handling, rebounding and defense through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

STEM & Play: Flag Football

This program combines strategic STEM-based activities with traditional Skyhawks football instruction and a focus on life skills such as teamwork and sportsmanship. STEM Sports® football curriculum educates students on receiver glove and helmet technology, in-game communication, throwing arm strength, football properties, calculating distances and other subjects. Participants will also learn the fundamentals of passing, catching and defense through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

STEM & Play: Soccer

This program combines strategic STEM-based activities with traditional Skyhawks soccer instruction and a focus on life skills such as teamwork and sportsmanship. STEM Sports® soccer curriculum gives students the opportunity to get behind the sport they love with modules on soccer ball design, throw-in science, angles and goal-line technology! Participants will also learn the fundamentals of passing, shooting, dribbling and defense through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

STEM & Play: Volleyball

This program combines strategic STEM-based activities with traditional Skyhawks volleyball instruction and a focus on life skills such as teamwork and sportsmanship. The STEM Sports® volleyball curriculum enables students the opportunity to get behind the sport they love with modules centered around innovation and technology. Subjects include calculating contact time, optimal serving speed, the science behind serving and more! Participants will also learn the fundamentals of passing, setting, hitting and serving through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

STEM & Play: Multi-Sport

This program combines strategic STEM-based activities with traditional Skyhawks sports instruction and a focus on life skills such as teamwork and sportsmanship. The STEM Sports® curriculum gives students the opportunity to get behind the sports they love with modules centered around technology, science and innovation. Subjects vary by sport, but include ball design, calculating distances and angles, velocity, acceleration and much more! Participants will also learn the fundamentals each sport through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

AGREEMENT FOR SERVICES

THIS AGREEMENT is made by and between the **City of Lockhart**, hereinafter “City” and **Skyhawks Sports Academy**, hereinafter “Service Provider”, jointly referred to as “Parties”.

IN CONSIDERATION of the terms and conditions contained herein the Parties covenant and agree as follows:

1. **Work to Be Performed.** The Service Provider will provide all labor, services, equipment, and material to satisfactorily complete the Scope of Services, example attached hereto as Exhibit “A”. Camp shall be held at mainly at the Lockhart City Park, as well as the Lockhart Swimming Pool. Scheduling of such facilities shall be coordinated with the Lockhart Parks & Recreation Department.

A. **Administration.** The Parks & Recreation Director or his/her designee shall administer and be the primary contact for the Service Provider. Prior to commencement of services, Service Provider shall contact the Parks & Recreation Director or his/her designee to review the Scope of Work, schedule, and date of completion. Upon notice from the Parks & Recreation Director or his/her designee, Service Provider shall commence work, perform the requested tasks in the Scope of Work, or stop work and promptly cure any failure in performance under this Agreement.

B. **Representations.** The City has relied upon the qualifications of the Service Provider in entering into this Agreement. By execution of this Agreement, Service Provider represents it possesses the materials, equipment, experience, ability, skill and resources necessary to perform the work and is familiar with all current laws, rules and regulations which reasonably relate to the Scope of Work. No substitutions of personnel shall be made without the written consent of the City.

C. **Modifications.** The City may modify this Agreement and order changes in the work whenever necessary or advisable. The Service Provider will accept modifications when ordered in writing by the Parks & Recreation Director or his/her designee. The Service Provider shall make such revisions in the work as are necessary to correct errors or omissions appearing therein when required to do so by the City without additional compensation.

D. **Performance.** The City has expectations that the Service Provider will comply with all City stated performance standards including; maintaining a one staff to every ten participant’s ratio, and no staff ever being left one on one with a child. Failure to comply with this standard can result in termination of contract.

2. **Term of Agreement.** This Agreement shall be in full force and effective upon execution of this Agreement and shall remain in effect until completion of all Agreement requirements, or termination of this Agreement, whichever occurs first.

Either party may terminate this Agreement by providing ten (10) days written notice to the other party. In the event of such termination, the Service Provider shall retain the agreed upon percentage of registration fees for all work previously authorized and satisfactorily performed prior to the termination date.

3. **Compensation.** Service Provider will collect and retain 80% of registration fees as full compensation for everything done under this Agreement.

The Service Provider agrees to pay the City 20% of collected registration fees, as full compensation for everything done under this Agreement. Should the Scope of Work be adjusted to add or delete work, the parties shall meet and negotiate a new fee for said services.

4. **Payment.** The Service Provider shall maintain registration financial records and provide such records to the City at the completion of all required services. These financial records shall indicate all registration fees collected by Service Provider and include the amount to be retained by the Service Provider and the amount to be paid to the City.

The City shall be paid in a lump sum upon completion of all required services.

5. **Notice.** Notice shall be given in writing as follows:

TO THE CITY:

Travis Hughes
Director of Parks & Recreation
PO Box 239
Lockhart, TX 78644

TO THE SERVICE PROVIDER:

Ally Reid
Franchise Owner
Skyhawks Sports San Antonio
5887 Kendall Prairie
San Antonio, TX 78244

6. **Applicable Laws and Standards.** The Parties, in the performance of this Agreement, agree to comply with all applicable Federal, State, Local laws, ordinances, and regulations.

7. **Relationship of the Parties.** It is understood, agreed and declared that the Service Provider shall be an independent contractor and not the agent or employee of the City, that the City is interested in only the results to be achieved and that the right to control the particular manner, method and means in which the services are performed is solely within the discretion of the Service Provider. Any and all employees who provide services to the City under this Agreement shall be deemed employees solely of the Service Provider. The Service Provider shall be solely responsible for the conduct and actions of all employees under this Agreement and any liability that may attach thereto.

8. **Ownership of Documents.** All drawings, plans, specifications, and other related documents prepared by the Service Provider under this Agreement are and shall be the property of the City.

9. **Records.** The City or State Auditor or any of their representatives shall have full access to and the right to examine during normal business hours all of the Service Provider's records with respect to all matters covered in this Agreement. Such representatives shall be permitted to audit, examine and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials, payrolls and record of matters covered by this Agreement for a period of three years from the date final payment is made hereunder.

10. **Insurance.** Prior to the commencement of the Scope of Services, the Service Provider shall provide the City with a Certificate of Insurance confirming liability insurance in the event of a loss, damage, or personal injury for its actions, conduct, and performance as set forth in this Agreement. Service Provider shall maintain in force during the full term of this Agreement such liability insurance policy in the amount of one million dollars (\$1,000,000) and at its own expense.

11. **Indemnification and Hold Harmless.** Each party shall indemnify and hold the other, its officers, employees, agents and volunteers harmless from and against any and all claims, demands, orders, decrees or

judgments for injuries, death or damage to any person or property arising or resulting from any act or omission on the part of said party or its agents, employees or volunteers in the performance of this Agreement.

12. **Waiver.** No officer, employee, agent or other individual acting on behalf of either party has the power, right or authority to waive any of the conditions or provisions of this Agreement. No waiver in one instance shall be held to be a waiver of any other subsequent breach or nonperformance. All remedies afforded in this Agreement or by law, shall be taken and construed as cumulative, and in addition to every other remedy provided herein or by law. Failure of either party to enforce at any time any of the provisions of this Agreement or to require at any time performance by the other party of any provision hereof shall in no way be construed to be a waiver of such provisions nor shall it affect the validity of this Agreement or any part thereof.

13. **Assignment and Delegation.** Neither party shall assign, transfer or delegate any or all of the responsibilities of this Agreement or the benefits received hereunder without first obtaining the written consent of the other party.

14. **Subcontracts.** Except as otherwise provided herein, the Service Provider shall not enter into subcontracts for any of the work contemplated under this Agreement without obtaining written approval from the City.

15. **Confidentiality.** Service Provider may from time to time receive information which is deemed by the City to be confidential. Service Provider shall not disclose such information without the express consent of the City or upon order of a Court of competent jurisdiction.

16. **Jurisdiction and Venue.** This Agreement is entered into in Caldwell County, Lockhart, Texas.

17. **Cost and Attorney's Fees.** In the event a lawsuit is brought with respect to this Agreement, the prevailing party shall be awarded its costs and attorney's fees in the amount to be determined by the Court as reasonable. Unless provided otherwise by statute, Service Provider's attorney fees payable by the City shall not exceed the total sum amount paid under this Agreement.

18. **Entire Agreement.** This written Agreement constitutes the entire and complete Agreement between the Parties and supersedes any prior oral or written agreements. This Agreement may not be changed, modified or altered except in writing signed by the Parties hereto.

19. **Anti-kickback.** No officer or employee of the City, having the power or duty to perform an official act or action related to this Agreement shall have or acquire any interest in this Agreement, or have solicited, accepted or granted a present or future gift, favor, service or other thing of value from any person with an interest in this Agreement.

20. **Business License.** Service Provider shall, prior to performance of any work under this Agreement conducted inside city limits, apply for and obtain from the City a business license, as applicable.

21. **Criminal Background Check.** The Service Provider does hereby give the City or an independent investigating agency authorization to conduct a thorough investigation of the Service Provider and its employees professional and personal background, including credit, criminal, and driving. The Service Provider shall be responsible for the cost of any such background check. Prior to performance the City shall have on file a complete background check.

The Service Provider understands and agrees to waive any claim or cause of action relating to use of any and all information gained through this investigation or release of information, and promises to defend and hold harmless the City of Lockhart, its officers and employees, from any claim or loss arising from such investigation and/or release of information.

IN WITNESS WHEREOF, the parties have executed this Agreement this day of , 2023.

CITY : SERVICE PROVIDER:

Lew White, Mayor

By: Ally Reid (Owner, Skyhawks Sports San Antonio)

ATTEST:

APPROVED AS TO FORM:

Julie Bowerman, Interim City Secretary

Monte Akers, City Attorney

Exhibit “A”
Scope of Work

SKYHAWKS SPORTS ACADEMY, INC.

Skyhawks Sports Academy, Inc. provides a wide variety of fun, safe and positive programs that emphasize critical lessons in sports and life, such as teamwork, respect, and sportsmanship. Skyhawks Sports Academy, Inc. programs are designed to give each child a positive introduction into sports while fostering a lifelong love for an active, healthy lifestyle. Their patient and knowledgeable staff use a variety of skill-building games and activities to give each athlete a complete understanding and overview of the sport. Since 1979 Skyhawks Sports Academy, Inc. has taught over one million boys and girls life lessons through sports.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion regarding the first two Work Authorizations for Halff Associates under the Master General Services Agreement to renovate the city parks.

ORIGINATING DEPARTMENT AND CONTACT: Parks & Recreation - Travis Hughes

ACTION REQUESTED: Consensus

BACKGROUND/SUMMARY/DISCUSSION: Halff Associates has been contracted to provide General Services for the Parks & Recreation Department to renovate the city parks and assist with ongoing projects. The two Work Authorizations being presented provide for the specific scope of work and associated fees as follows:

A. Work Authorization #1 -provides scope of work for the update of our Open Space Master Plan.

B. Work Authorization #2 -provides scope of work for current projects that include splash pad amenities, skatepark repairs, and aquatics facility project guidance/support.

PROJECT SCHEDULE (if applicable): Projects to begin immediately

AMOUNT & SOURCE OF FUNDING:

Funds Required: \$54,400

Account Number: 202-5799-801-00

Funds Available: \$750,000

Account Name: ARPA General Fund Capital Projects - Parks

FISCAL NOTE (if applicable): Funds for this project have been allocated from ARPA funds and approved in the last Council meeting (3/7/2023).

PREVIOUS COUNCIL ACTION: Council approved the Master General Services Agreement for Halff Associates in the last meeting (3/7/2023).

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Consensus to begin work

LIST OF SUPPORTING DOCUMENTS: Work Authorization 1_MP Summary, Work Authorization 2_Project Management

EXHIBIT A

SCOPE OF SERVICES

Parks Master Plan 5-Year Update– City of Lockhart, TX

The primary purpose of this planning effort is to prepare a document that will serve as a five-year update to the previously adopted and Texas Parks & Wildlife Department (TPWD) approved City of Lockhart 2018 Parks, Recreation and Open Space Master Plan. This update document will include a brief summary of accomplishments since completion of the last plan, new public input, updated inventory data, updated demographic snapshot, population projections, and updated changes to goals, objectives, standards, and maps as may be applicable so that progress can be measured.

PROJECT ASSUMPTIONS

This scope of work has been prepared using the following assumptions as a basis for its preparation:

- This stand-alone document will serve as a supplement to the previously adopted master plan.
- Staff will prepare a summary of accomplishments by marking up the implementation action plan and individual recommendations as may be appropriate.
- The City will be responsible for scheduling all meetings and posting and advertising requirements.
- The memo-style document will be prepared in Microsoft Word with the information necessary to meet minimum TPWD requirements for a five-year update.

SCOPE OF WORK FOR BASE SERVICES

The planning effort scope of work for base services is as follows:

Demographics

Halff will update the demographic profile using the latest Census data.

PUBLIC ENGAGEMENT

Public Survey

Updated public input is required to update recommendations and priorities for moving forward over the next five years. Halff will conduct one (1) public survey over the course of the project.

- One (1) online community-wide public survey (a short, broadly advertised online survey focusing on changes in satisfaction and priorities for the next five years).

Virtual Meetings with Staff

Halff will also conduct four (4) virtual meetings with staff over the course of the planning process.

- One (1) project initiation meeting
- Two (2) check-in calls
- One (1) document review call

Meetings with City Council and Parks & Recreation Board

Halff will attend three (3) meetings with City Council and/or Parks & Recreation Board over the course of the planning process.

- One (1) joint meeting with City Council and Parks & Recreation Board
- One (1) City Council Workshop
- One (1) City Council Meeting for Adoption

PARKS CONDITIONS ASSESSMENTS

Halff will conduct park condition assessments (a park-by-park conditions assessment which develops a numerical ranking for each facility/property to objectively determine where facility replacement, rehabilitation, or reconstruction is most warranted). The assessments will also include recommendations for relatively low cost but high impact

RECOMMENDATIONS

Halff will create an updated set of plan recommendations. This includes first working with staff to understand what has been accomplished from the current set of recommendations. Recommendations from the previous 2018 Plan which have not been achieved, yet are still applicable, will be integrated into the 5-Year Plan Update and reprioritized. Based on conversations with the City Council and input from staff and the public, Halff will draft additional plan recommendations working within the established 2018 Goals and Objectives framework. In other words, new actions will be numbered sequentially as new recommendations working within the established categories of the 2018 Parks Master Plan.

FINAL DELIVERABLES

The final deliverable will be an independent document titled 2023 Lockhart Parks Master Plan - 5-Year Update. This document will be developed in a manner which meets the requirements of a TPWD compliant plan for a five-year update. The general outline of the document will be as follows:

- Updated resolution
- Updated transmittal letter
- Updated acknowledgements
- Updated demographics
- Summary of new engagement

- New recommendations (including the two concept plans)
- Updated prioritized implementation action plan
- Appendix – Parks Conditions Assessments

Halff will give the City the final deliverable in Adobe PDF and Microsoft Word format. The final deliverable would also include all original digital documents. Including a compilation of Halff's park by park photo library, Halff's generated GIS shapefiles, raw public engagement data, etc. Post-adoption, Halff would submit the plan on behalf of the City for conformance review by the TPWD.

End of Attachment "A"

Exhibit B - Basis of Compensation

2023 Lockhart Parks Master Plan - 5-Year Update Lockhart, Texas

Halff Associates, Inc. will provide labor and personnel to perform the base services outlined in Exhibit "A" on a lump sum basis as shown below. Fees for services will be billed on a monthly basis, based on percentage of work completed.

BASE SERVICES

• 5-Year TPWD Compliant Summary	\$26,824
• Parks Conditions Assessments	<u>\$ 7,586</u>
	\$34,410

OPTIONAL SCOPES OF SERVICES

During the course of, or at the conclusion of, a park master planning project, many cities consider it important to request further research or otherwise engage Halff in additional or optional work efforts not anticipated at project initiation or through the original scope of services. These optional services are in addition to a base scope of work but allow a city to utilize Halff's in-depth parks planning, design, and operational expertise to further advance their City's parks, recreation, and trails system. Potential additional or continuing services could include the following:

- Drafting a parkland dedication and development ordinance or other city ordinance review as it may be related to the development of parks, trails, and open space protection.
- Parks Concept Planning
- M.O.R.E. - Maintenance, Operations, Revenues, and Expenditures Analysis for some (e.g., just the community parks) or all of the parks.
- Additional meetings beyond base services. Each additional meeting or visit beyond those described in the scope will require additional fees to accommodate the request.

End of Attachment "B"

Exhibit C – Anticipated Schedule for Completion

2023 Lockhart Parks Master Plan - 5-Year Update Lockhart, Texas

SCHEDULE FOR COMPLETION OF THE PLANNING EFFORT

Halff Associates, Inc. will perform the base services outlined in Exhibit 'A' within four (4) calendar months from the date of Lockhart's notice to proceed. A complete project schedule will be prepared as part of the kick-off discussions set out in Exhibit "A." This schedule of completion acknowledges that Halff does not have control over the City's adoption schedule.

End of Attachment "C"

WORK AUTHORIZATION NUMBER 1

This Work Authorization is made as of this 21st day of March, 2023, under the terms and

conditions established in the Master Agreement for Professional Services (Lockhart Parks & Recreation General Services), dated March 7th, 2023 (the Agreement), between Lockhart, Texas (City) and Halff Associates, Inc. (HALFF). This Work Authorization is made for the following purpose, consistent with the Project defined in the Agreement:

The City has retained HALFF to provide professional services necessary to provide Project Management, Planning, Design and Construction Management of park renovations, (the "Project")

Section A. - Scope of Services

A.1. HALFF shall perform the following Services:

Per Exhibit A - Scope of Work

A.2. The following Services are not included in this Work Authorization, but shall be provided as Additional Services if authorized or confirmed in writing by the City:

Per Exhibit A – Scope of Work

A.3. In conjunction with the performance of the foregoing Services, HALFF shall provide the following submittals/deliverables (Documents) to City:

Per Exhibit A – Scope of Work

Section B. - Applicable Period and Schedule

This Work Authorization shall be effective as of March 24th, 2023 and continue until August 16, 2023. HALFF shall perform the Services and deliver the related Documents (if any) according to the following schedule:

Section C. - Compensation

C.1. In return for the performance of the foregoing obligations, City shall pay to HALFF the not-to-exceed amount of \$34,410.00, payable according to the Rate Schedule and terms of the Agreement.

C.2. Compensation for Additional Services (if any) shall be paid by City to HALFF according to the Rate Schedule and terms of the Agreement.

Section D. - City's Responsibilities

City shall perform and/or provide the following in a timely manner so as not to delay the Services of HALFF. Unless otherwise provided in this Work Authorization, City shall bear all costs incident to compliance with the following:

D.1. The City will provide any available data and supporting information that the City has in its possession relevant to the work and necessary for use by HALFF to complete this work authorization.

D.2. The City will render decisions expeditiously for the orderly progress of HALFF's services, including placing items on agendas to be considered by the City Council as necessary.

Section E. - Other Provisions

The parties agree to the following provisions with respect to this specific Work Authorization:

E.1. Not applicable.

IN WITNESS WHEREOF, the City and HALFF have executed this Work Authorization.

Lockhart, Texas
(City)

By: _____

Name: _____

Title: _____

Date: _____, 20__

Halff Associates, Inc.
(HALFF)

By:  _____

Name: James Hemenes

Title: Director of Landscape Architecture

Date: March 15, 2023

EXHIBIT A
SCOPE OF SERVICES TO BE PROVIDED
HALFF ASSOCIATES, INC

Project Description / Background:

Lockhart is located approximately 30 miles from Austin and 20 miles from the I-35 corridor and has a population of 14,681 according to the 2020 census. The current parks and recreation system includes 10 parks of various sizes, 1 soccer complex, 1 little league baseball complex, 1 public pool facility with splash pad, and the beginnings of a city-wide trail system with 1.5 miles of hard surface trails and 35 miles of sidewalks.

On March 7, 2023, a Master Service Agreement was entered into between HALFF and the City of Lockhart (City) for a Parks & Recreation Department General Services Contract. The City has retained HALFF to provide Project Management Services to support management and implementation of the City's Parks and Recreation projects in the areas of planning, design, construction administration services and may involve operations and maintenance analysis as needed of the various capital improvements.

A. General Project Management

HALFF shall furnish all materials required to perform the services specified below.

1. Identify specific project activities and update/modify projects organizational and management documents, agreements, processes.
2. Meet with City leaders and City staff to discuss projects.
3. Develop cost estimates and implementation schedules for projects.
4. Assist in providing updates to City staff to update the City website, as appropriate; assist in developing a location on the City website focusing on the City's project design and construction updates.
5. Review all State and Federal funding programs to identify "partnering" opportunities.
6. Assist City staff with information for appearances and presentations to elected officials, government bodies, service organizations, chambers of commerce, neighborhood groups, school groups, various citizen groups, church groups, etc.
7. Provide preliminary planning activities related to establishing the systems and procedures to implement the City projects. Including:
 - a) Meet and coordinate with various city departments and staff to establish goals, constraints, priorities, and responsibilities.
 - b) Develop and maintain a filing system to include project management materials, planning documents, design documents and bid documents.

GENERAL MONTHLY ACTIVITIES

The following is a summary of general monthly activities and work tasks that fall under General Project Management:

- a) Ongoing meetings and phone calls with the Parks and Recreation Director (Director) and Staff to review the Park projects, development schedules, and cost estimates for priority projects;
 - b) Attend City Council meetings, when necessary;
 - c) Prepare budgets and related materials for City Council and work sessions;
 - d) Provide construction administration duties including coordination of bid openings, bid awards, pre-construction meetings, and contractor work authorizations;
 - e) Prepare correspondence for City Staff;
 - f) Meetings/Phone Calls/E-Mails with the Director
 - g) Review/recommend for approval or disapproval of construction payments
 - h) Review/recommend for approval or disapproval outside design consultant invoices (not Halff's)
 - i) Review/recommend for approval or disapproval miscellaneous consultant invoices (geotechnical, irrigator, etc.)
 - j) Approve and recommend for approval or disapproval Professional Services Agreements (PSA's) for outside consultants
 - k) Present design contracts to City Council
 - l) Negotiate PSA Scope and Fee for outside consultants
 - m) Review and Process Work Authorizations for submittal to City Council for approval
 - n) Review /recommend approval or disapproval/process construction change orders
 - o) Review monthly budget reports, track expenditures, project budget amendments
 - p) Prepare advertisements and review bids for City Parks Construction Projects
 - q) Utilize ProjectWise or other Internet project database to facilitate project management and coordination efforts
1. Provide Procurement Phase Bid / Negotiation Management Services focusing on coordination of bid activities and contractor / subcontractor engagement efforts to maximize bidder participation resulting in cost competitiveness. HALFF shall provide these professional services for the Splash Pad and Skate Park projects:
- a) Securing bids by coordinating issuance of Notice to Bidders to prospective contractors and vendors utilizing Civcast or approved City solicitation method. Project bidding registration cost for Civcast will be paid by the City.
 - b) Conducting a pre-bid conference, if necessary, for the construction projects and coordinate responses to contractor questions. Response to the pre-bid conference will be in the form of addenda issued after the conference.
 - c) Tabulating and analyzing of the bids received and recommendation of award for the construction contract in conjunction with preparing for City Council recommendation.
 - d) HALFF will prepare necessary items for City Council award.
 - e) HALFF will prepare notice of award of contract to successful contractor for City signature.
 - f) HALFF will furnish the awarded contractor copies of the drawings and specifications for construction pursuant to the General Conditions of the Construction Contract.

2. Provide Construction Phase Administration focusing on efforts to expedite and improve the efficiency of the construction process through professional planning and execution of the project and individual project activities affecting scope, cost, time, safety, and quality requirements. The construction contractor has total responsibility for construction means, methods, sequence and procedures used in the construction of the projects, and for the safety of its personnel and its operations. HALFF will provide observation of the constructor work, but City will be responsible for actual inspection of the work. Specific activities include:
 - a) Conduct coordination Owner, Design Professional, Contractor (“ODC”) meetings with owner, designer, and construction team no more than twice per month and during critical activities or in response to concerns.
 - b) Provide coordination amongst all project parties:
 - i. Facilitate communication among team members, owner, designer, and contractor.
 - ii. Expedite response to any agency’s requirements that could impact final completion date and occupancy including all utilities, infrastructure, and inspections.
 - iii. Monitor and update progress schedules based on feedback from Contractor and Designer.
 - iv. Review and recommend change orders to City for approval resulting from unforeseen conditions or owner requested scope changes.
 - v. Review and process contractors’ monthly applications for payment.
 - vi. Keep the City informed and provide monthly reports.
 - vii. Coordinate with third party testing, commissioning, and other specialty contractors.
 - viii. Substantial completion and any necessary occupancy coordination with owner.
 - ix. Final close-out and financial reconciliation.

WORK AUTHORIZATION NUMBER 2

This Work Authorization is made as of this 21st day of March, 2023, under the terms and

conditions established in the Master Agreement for Professional Services (Lockhart Parks & Recreation General Services), dated March 7th, 2023 (the Agreement), between Lockhart, Texas (City) and Halff Associates, Inc. (HALFF). This Work Authorization is made for the following purpose, consistent with the Project defined in the Agreement:

The City has retained HALFF to provide professional services necessary to provide Project Management, Planning, Design and Construction Management of park renovations, (the "Project")

Section A. - Scope of Services

A.1. HALFF shall perform the following Services:

Per Exhibit A - Scope of Work

A.2. The following Services are not included in this Work Authorization, but shall be provided as Additional Services if authorized or confirmed in writing by the City:

Per Exhibit A – Scope of Work

A.3. In conjunction with the performance of the foregoing Services, HALFF shall provide the following submittals/deliverables (Documents) to City:

Per Exhibit A – Scope of Work

Section B. - Applicable Period and Schedule

This Work Authorization shall be effective as of March 24th, 2023 and continue until April 24st, 2024. HALFF shall perform the Services and deliver the related Documents (if any) according to the following schedule:

Section C. - Compensation

C.1. In return for the performance of the foregoing obligations, City shall pay to HALFF the not-to-exceed amount of \$20,000.00, payable according to the Rate Schedule and terms of the Agreement.

C.2. Compensation for Additional Services (if any) shall be paid by City to HALFF according to the Rate Schedule and terms of the Agreement.

Section D. - City's Responsibilities

City shall perform and/or provide the following in a timely manner so as not to delay the Services of HALFF. Unless otherwise provided in this Work Authorization, City shall bear all costs incident to compliance with the following:

D.1. The City will provide any available data and supporting information that the City has in its possession relevant to the work and necessary for use by HALFF to complete this work authorization.

D.2. The City will render decisions expeditiously for the orderly progress of HALFF's services, including placing items on agendas to be considered by the City Council as necessary.

Section E. - Other Provisions

The parties agree to the following provisions with respect to this specific Work Authorization:

E.1. Not applicable.

IN WITNESS WHEREOF, the City and HALFF have executed this Work Authorization.

Lockhart, Texas
(City)

By: _____

Name: _____

Title: _____

Date: _____, 20__

Halff Associates, Inc.
(HALFF)

By:  _____

Name: James Hemenes

Title: Director of Landscape Architecture

Date: March 15, 2023

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discuss Resolution 2023-04 terminating the Hangar Ground Lease Agreement dated February 3, 2021 between the City of Lockhart, Texas and Lockhart Hangar Partners, LLC.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: On February 3, 2021, the City of Lockhart entered a ground lease agreement with Lockhart Hangar Partners, LLC for land at the Lockhart Municipal Airport for purposes of constructing hangars and other aviation related improvements 12 months of the City's approval of plans for such construction. Plans for the hangar improvements were submitted and were approved by the City's Engineer on November 22, 2021. As of November 22, 2022, Lockhart Hangar Partners failed to commence or complete the construction of the hangars within 12 months of the approved plans, therefore putting Lockhart Hangar Partners, LLC in default of the agreement.

Lockhart hangar Partners, LLC was provided 30 days written notice on January, 2023, allowing it to remedy the default. However, the Partners failed to construct or take the steps necessary to cure the default of the agreement.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: Entered Ground Lease Agreement with Lockhart Hangar Partners, LLC - February 3, 2021

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends approval of Resolution 2023-04 terminating the Ground Lease Agreement with Lockhart Hangar Partners, LLC.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Resolution 2023-04, Letter Dated January 12 2023

RESOLUTION 2023-04

**A RESOLUTION OF THE CITY COUNCIL OF LOCKHART, TEXAS,
TERMINATING THE HANGAR GROUND LEASE AGREEMENT DATED
FEBRUARY 3, 2021, BY AND BETWEEN THE CITY OF LOCKHART,
TEXAS AND LOCKHART HANGER PARTNERS, LLC**

WHEREAS, by agreement titled “Hangar Ground Lease Agreement, City of Lockhart, Texas, Ground Lessor and Lockhart Hangar Partners, LLC, Ground Lessee,” dated effective February 3, 2021 (“the Agreement”), the City leased to Lockhart Hangar Partners, LLC (“Partners”) a parcel of land described therein for the purpose of constructing, installing, maintaining, and operating a hangar building or buildings for the purpose of parking, storing, servicing, maintaining and modifying of aircraft thereon; and

WHEREAS, the Agreement provided that Partners would use commercially reasonable and diligent efforts to complete construction of one or more hangars and other improvements within (the earlier of) 12 months of the City's approval of the plans for such construction; and

WHEREAS, such plans for construction were approved by the City’s engineer on November 22, 2021, meaning that construction should have been completed by November 22, 2022; and

WHEREAS, Partners failed to commence or complete construction or seek an extension of time to do so by or before November 22, 2022, thereby putting Partners in default under the Agreement; and

WHEREAS, the Agreement provides that following provision of 30 days written notice and opportunity to cure a default, that the City may cancel the Agreement; and

WHEREAS, the City provided written notice to Partners of opportunity to cure within 30 days by letter to Partners dated January 12, 2023; and

WHEREAS, Partners did not complete construction or take other steps to cure the default prior to the expiration of 30 days from such notice;

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

1. The foregoing recitals are adopted and incorporated herein for all purposes.
2. Pursuant to the terms of the Hangar Ground Lease Agreement, City of Lockhart, Texas, Ground Lessor and Lockhart Hangar Partners, LLC, Ground Lessee,” dated effective February 3, 2021, the City is fully authorized to terminate said Agreement, and does so terminate and cancel by majority vote of the City Council, effective as of the date of the passage and adoption of this Resolution.

PASSED AND ADOPTED on this the 21st day of March 2023.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowerman, Interim City Secretary

Monte Akers, City Attorney



MESSER ★ FORT ★ McDONALD

THE MUNICIPAL LAW FIRM

NORTH TEXAS | AUSTIN | ABILENE

January 12, 2023

Mr. Matt Mowen
Lockhart Hangar Partners, LLC
10925 Signal Hill Rd.
Austin, TX 78737

Re: Notice of Default under Hangar Ground Lease Agreement between the City of Lockhart and Lockhart Hangar Partners, LLC, dated February 3, 2021

Dear Mr. Mowen:

I serve as city attorney for the City of Lockhart, and I've been asked to send you this Notice of Default regarding the referenced Agreement. I've also been provided with copies of the emails between you and City staff regarding the performance requirements for Lockhart Hangar Partners under the Agreement.

As you are aware, Sec. 4.4 of the Agreement provides that your company, as Lessee, shall "use commercially reasonable and diligent efforts to complete construction of the Hangars and other such Improvements within the earlier of 12 months of the City's approval" of the plans for such construction. Those plans were approved by the City's engineer, Jeff Dahm, on November 22, 2021, meaning that construction should have been completed by November 22, 2022. However, despite repeated communications and suggestions that you seek an extension of the deadline, Lockhart Hangar Partners has failed to either commence construction or seek an extension of time for commencement and completion as of the date of this letter.

Sec. 18.3 of the Agreement provides that upon default by the Lessee, and failure of the Lessee to remedy the default within 30 days of written notice from the City, that the City may cancel the Agreement by providing written notice of such cancellation. The purpose of this letter is to provide Lockhart Hangar Partners with such Notice of Default pursuant to Sec. 18.3.

I am advised that the City does not desire to terminate the lease. As demonstrated by emails from the City's Public Works Director, Sean Kelley, particularly since October 2022, City staff has encouraged your company to take action to seek an extension from the City Council. However, to date, neither commencement of construction nor a request for an extension has been received.

Accordingly, please be advised that if Lockhart Airport Hangars, LLC has not taken action to obtain an extension for completion of construction within 30 days of the date of this letter, that the City is obligated to notify your company that the Agreement is terminated.

Yours truly,

Monte Akers

Cc: Steve Lewis, Sean Kelley

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Hold a PUBLIC HEARING and discussion and/or action on an appeal to the Planning and Zoning Commission's denial of application SUP-23-03 by Catarina Gonzales on behalf of Martin Espinoza for a Specific Use Permit to allow a Manufactured Home on Lot 3, Block 1, East Side, zoned RMD Residential Medium Density District and located at 405 Neches Street.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: The Planning and Zoning Commission denied a request for a Specific Use Permit for a manufactured home at 405 Neches Street on February 8, 2023. This denial was issued despite city staff finding the application in compliance with City requirements and no neighborhood opposition to the proposed manufactured home being communicated. Staff did not receive any letters supporting the application, nor did any members of the public speak in favor of the application at the public hearing. In issuing their denial, the Commission stated that manufactured homes have a history of depreciation in comparison to site-built single-family homes. Furthermore, Commissioners stated that new manufactured homes would not be compatible with new site-built single-family home construction that has recently become more common on the city's east side.

The applicant expressed disappointment with the denial, stating that city staff had not received any letters of opposition from surrounding residents, also noting that many of the neighboring residents are relatives of the applicant. As the applicant felt aggrieved by the Commission's action, she filed an appeal within the required 10-day period. As the appeal is a public hearing before City Council, notice of the hearing was sent to all residents within 200 feet of the subject property and a notification was published in the March 8, 2023 edition of the Lockhart Post-Register. City staff has not received any letters or phone calls stating opposition to or support of the proposed Manufactured Home SUP.

Specific Use Permits (SUP) are submitted for review by the Planning and Zoning Commission. Uses allowed with an SUP are generally those that have been determined to require an additional level of approval or scrutiny due to being perceived as possibly being incompatible with other uses in the zoning district or nearby residential or institutional uses. In Lockhart, SUP cases are reviewed at a public hearing at the Planning and Zoning Commission, which renders the decision regarding the proposed use meeting the required standards and being compatible with nearby uses. The following grounds for denial are listed in Section 64-127 (6) c. of the Code of Ordinances:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

- 1 The proposed development or use does not conform with the applicable regulations and standards established in this chapter.;
2. The proposed development or use fails to conform with the objectives and the purpose of the zoning district where it is located;
3. The proposed development or use potentially creates greater unfavorable effect or impacts on other existing uses on abutting sites that those which reasonably may result from the use of the site allowed by right;
4. A written protest is received from the owners of at least 30 percent of the land area within 200 feet of the subject property; or
5. The proposed development is contrary to the public health, safety, or general welfare.

The applicant can appeal the Commission's decision if they believe they have been aggrieved by the Commission's action.

PROJECT SCHEDULE (if applicable): None

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): None

PREVIOUS COUNCIL ACTION: None

COMMITTEE/BOARD/COMMISSION ACTION: The Planning and Zoning Commission voted to deny the request for a manufactured home on the subject site by a vote of 4-2 with one member abstaining at their meeting held February 8, 2023.

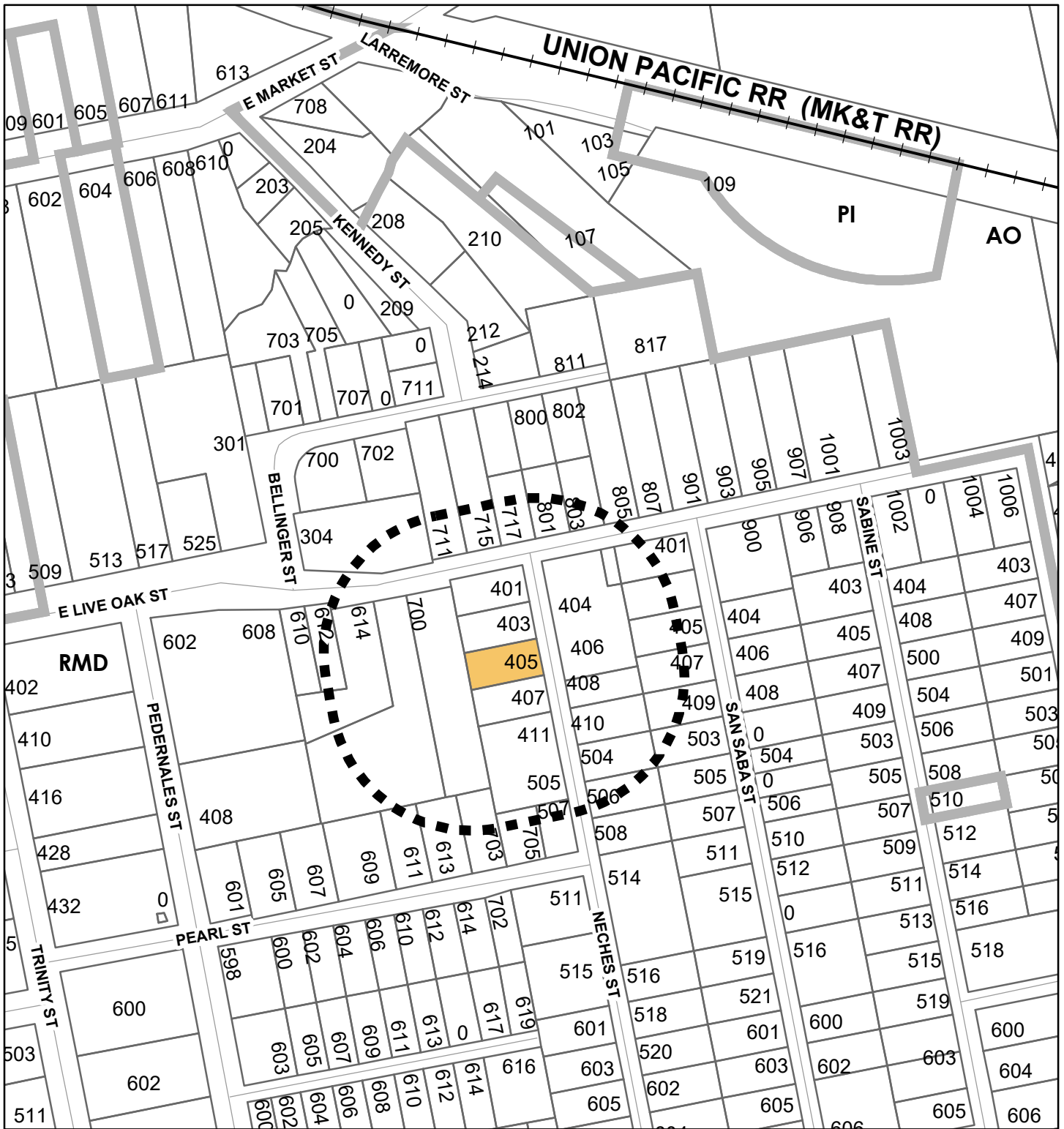
STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends that Council carefully consider the policy implications of the Planning and Zoning Commission's recent denials of three SUP requests for manufactured homes within the RMD zoning district. If the Council agrees that the recent trend of increased development of site-built homes on existing vacant lots on the east side makes future manufactured homes incompatible with emerging development, a change to the zoning ordinance to remove the option of applying for Specific Use Permits for manufactured homes within residential zoning districts should follow. If City Council disagrees with the Planning and Zoning Commission's recent actions, the granting of the appeal will send a message that SUP requests should be granted in cases where site conditions and neighborhood response are favorable to granting the application.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

LIST OF SUPPORTING DOCUMENTS: SUP2303 aerial, SUP2303 case map, Appeal letter to Letter city--signed, sup-23-03 staff report, SUP2303 denial letter-signed, 02-8-2023 pzc minutes, SUP-23-03 application materials, Lockhart, TX Code of Ordinances--SUP, Lockhart, TX Code of Ordinances--Manufactured Homes





SUP-23-03

405 NECHES ST

MANUFACTURED HOME



SUBJECT PROPERTY



ZONING BOUNDARY



200 FT. BUFFER

scale 1" = 200'

February 10, 2023

To whom it may Concern,

My name is Catarina Gonzales and on February 8, 2023 I requested to go in front of the council to see if I was able to get approval to put a 2023 palm harbor homes mobile home and the council denied me I have everything that the city needs and the requirements but I still got denied I would like to appeal their decision they made because there are people that live in the 400 block on the east side of Lockhart and at 405 neches st in Lockhart Tx 78644 there are mobile homes as well there is nothing wrong we have are requesting if you may look over it again and give us a chance to bring the mobile home in i pray you would give us the opportunity to be able to get approval thank you so much for your time and may god bless you and once again thank you so much.

Catarina Gonzales,

A handwritten signature in cursive script that reads "Catarina Gonzales". The signature is written in black ink and is positioned below the typed name.

CASE SUMMARY

STAFF: David Fowler, Planning Director
REPORT DATE: February 2, 2023
PUBLIC HEARING DATE: February 8, 2023
APPLICANT'S REQUEST: MH Manufactured Home
STAFF RECOMMENDATION: **Approval**
SUGGESTED CONDITIONS: Meet all requirements of Section 64-200.

CASE NUMBER: SUP-23-03

BACKGROUND DATA

APPLICANT: Catarina Gonzales
OWNER: Martin Espinosa
SITE LOCATION: 405 Neches Street
LEGAL DESCRIPTION: Lot 3, Block 1, East Side Supplemental Addition
SIZE OF PROPERTY: 0.129 acres
EXISTING USE OF PROPERTY: Vacant land
ZONING CLASSIFICATION: Residential Medium Density District

ANALYSIS OF ISSUES

CHARACTERISTICS OF PROPOSED USE: The subject property is currently zoned RMD. The lot's dimensions are approximately 53 feet wide by 105 feet deep, for an area of approximately 5,565 square feet. The lot covers 0.129 acres and is located in an area characterized by the same zoning and similar lot sizes. The surrounding area is a mixture of site-built and manufactured homes, with a significant number of lots currently undeveloped.

NEIGHBORHOOD COMPATIBILITY: The surrounding area is mostly smaller lot residential development, typically one-story buildings, with several vacant lots. The proposed manufactured home would be larger in size and in newer condition than most surrounding residences.

COMPLIANCE WITH STANDARDS: The manufactured dwelling must meet the requirements of Section 64-200 of the Lockhart Code of Ordinances, entitled "Same (Additional Standards for)-Manufactured Homes and Modular Dwellings. The lot that is proposed as the site for the manufactured home meets minimum acreage and road frontage requirement for a lot of its type. The orientation of the house on the included site plan is allowed due to the year the lot was platted.

ADEQUACY OF INFRASTRUCTURE: Vehicular access will be available from Neches Street. Water is available from a 6-inch line and wastewater is available via an 8-inch line, both in the Neches Street right-of-way.

RESPONSE TO NOTIFICATION: None to date.

STAFF RECOMMENDATION: Approval, subject to the standards of Section 64-200 of the Lockhart Code of Ordinances.

February 9, 2023

Ms. Catarina Gonzales
407 Neches St.
Lockhart, TX 78644

CatarinaGonzales92@gmail.com

Dear Ms. Gonzales:

On February 8, 2023, the Lockhart Planning and Zoning Commission voted unanimously to DENY your request for a Specific Use Permit (SUP-23-03) to allow a Manufactured Home on Block 1, Lot 3, East Side, located at 407 Neches Street.

Section 64-127(c)(6) provides that any person or persons aggrieved by the Commission's denial of a specific use permit application may submit in writing a request for an appeal to the City Council. Such request must be submitted to the zoning administrator (Planning Director David Fowler) within ten calendar days of the Commission's action, and the same public hearing notice requirements shall apply to the appeal as applied to the original application. The appeal is forwarded to the Council together with a record of the Commission hearing and decision. The Council may uphold, modify, or reverse the decision of the Commission. If you do not submit a request for appeal the case is closed, but you may reapply at any time if you think you have adequately addressed the reasons for the neighborhood opposition.

If you have any questions, I may be contacted by phone at 512-398-3461, ext. 2510, or by e-mail at dfowler@lockhart-tx.org.

Cordially,



David Fowler, AICP
Planning Director

City of Lockhart
Planning and Zoning Commission
February 8, 2023

MINUTES

Members Present: Philip Ruiz, Manuel Oliva, Phil McBride, Bradley Lingvai, Rick Arnic, Ron Peterson, Chris St. Ledger

Member Absent: None

Staff Present: David Fowler, Christine Banda

Visitors/Citizens Addressing the Commission: Catarina Gonzales, James Acuna, Brett Corwin, Kent Riddle, Joan Gabriel

1. Call meeting to order. Chair Ruiz 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 the January 11, 2022, meeting.

Commissioner Lingvai moved to approve the January 11, 2022, minutes. Commissioner St. Ledger seconded, and the motion passed by a vote of 7-0.

4. SUP-23-03. Hold a PUBLIC HEARING and consider a request by Catarina Gonzales on behalf of Martin Espinoza for a Specific Use Permit to allow a Manufactured Home on Lot 3, Block 1, East Side, zoned RMD Residential Medium Density District and located at 405 Neches Street.

Mr. Fowler presented the request, detailing the site and the surrounding neighborhood. He said that the applicant has requested to place a new manufactured home on the subject property. He mentioned that no communication opposing the request had been received.

Commissioner St. Ledger asked if the site plan only showed the building yard setbacks and if a two-car driveway with no covered parking would be allowed at the location.

Mr. Fowler said yes, no dimensions of the home were on the site plan that had been submitted, but the dimension of the proposed home were provided separately. Ms. Banda noted that since the property was recorded prior to 1990, covered parking is not required. However, they would provide two required off-street parking spaces.

Commissioner Oliva asked if the lot was large enough to build a site-built home.

Mr. Fowler stated that a site-built home could be built upon the lot.

Chair Ruiz made a comment to the commission that when one drives through the east side of town it is apparent that several new homes with a more modern design have been built recently. He also stated that it is known that manufactured homes do not retain their value in comparison to site-built homes. He stated that he believes that residential neighborhoods are more suitable for site-built homes.

Mr. Fowler said that manufactured homes are allowed with a specific use permit, and it is the citizen's right to apply if they so wish. The granting of the Specific Use Permit is at the discretion of the Commission.

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

Catarina Gonzales of 407 Neches Street said that they would have liked to build a site home but that it is not as economically feasible as a manufactured home. She said that many older manufactured homes in her neighborhood have been remodeled. She mentioned that they would remodel the house at 407 Neches Street where they currently live once they have a home at 405 Neches Street. The property belongs to her father, who would also live with them. She stated there are numerous manufactured homes in her neighborhood. She asked if she heard correctly from Chair Ruiz that they did not want manufactured homes in town.

Chair Ruiz said that the commission needs to weigh where they fit appropriately either in manufactured home parks or in neighborhoods.

Chair Ruiz asked if there were any other speakers, and seeing none he closed the public hearing and asked for staff recommendation.

Mr. Fowler said that staff recommends approval and that the case is consistent with the requirements.

Commissioner St. Ledger moved to approve SUP-23-03. Commissioner Peterson seconded, and the motion was denied with a vote of 2-4-1 (Commissioners Oliva, Ruiz, Arnic and Lingvai against and Commissioner McBride's abstention).

5. SUP-23-04. Hold a PUBLIC HEARING and consider a request by Chris Quintana on behalf of Lockhart ISD, for a Specific Use Permit to allow one Portable Classroom as a public/institutional use on 14.23 acres in the Francis Berry Survey, Abstract No. 2, zoned PI Public and Institutional District and located at Lockhart ISD Cub House Child Development Center, 610 San Jacinto Street.

Mr. Fowler presented his staff report. He said that Lockhart ISD is asking to place a portable classroom next to the Cub house which is located off San Jacinto Street on the same property as two elementary schools.

Chair Ruiz opened the public hearing and asked for the applicant.

James Acuna, Executive Director of Operations with Lockhart ISD came forward for any questions from the commission. He said that the district is growing fast, and the extra space is needed. The portable building will free up space at Carver Pre-K.

Commissioner Arnic asked if the portable building would be temporary or permanent.

Mr. Acuna stated that the building would be temporary. Now that a bond has passed the then they will determine which portable buildings can be removed as new schools are constructed. The proposed portable will be enclosed with fencing so that there is no outside access.

Chair Ruiz for any other speakers, and seeing none, he closed the public hearing and asked for staff's recommendation.

Mr. Fowler recommended approval because it meets the criteria for an SUP for the proposed use.

Commissioner McBride moved to approve SUP-23-04. Commissioner St. Leger seconded, and the motion passed by a vote of 7-0.

6. ZC-23-01. Hold a PUBLIC HEARING and consider a request by Austin Davis and Lockhart 1322 for a Zoning Change from AO Agricultural-Open Space District to RMD Residential Medium Density District on a total of 92.52 acres in the James George League, Abstract No. 9, located on the east side of Lay Road approximately 530 feet east of the FM 1322 intersection.

Mr. Fowler presented the staff report. He stated that the subject property was annexed on January 3, 2023. The future land use map shows the property is designated medium density residential, especially closer to Lay Road, which is consistent with the proposed zoning change. City water is located relatively close to the property. The developer would have to extend wastewater to the development, which could involve a force main and lift station.

Chair Ruiz opened the public hearing and asked the applicant to speak.

Brett Corwin of 5953 McNaughton, Kyle, said the subdivision would be similar to Summerside Subdivision located south of town. It would consist of single family homes and they could possibly use an existing drainage area on the property as an open space amenity.

Chair Ruiz asked how many housing units they would build.

Mr. Corwin said that while they are still working with the engineer, he believed that there would be roughly 380 units, which would be less than the maximum allowed under the proposed zoning district. Also, after speaking with their engineer about the wastewater, they know that they will have to provide a lift station for their development, and it would need to be diverted north and connect to Blackjack Street.

Chair Ruiz asked if any other speakers would like to state their support or opposition to the application.

Kent Riddle of 1203 Magnolia Street said that he is concerned with the narrow right-of-way along Lay Road and that it would not support the heavy traffic that would arrive with the new development.

Joan Gabriel of 93 Seawillow Road said that she is also concerned with Lay Road as well as drainage issues from a new development.

Mr. Corwin said that the first thing he discussed with city staff was how to improve Lay Road. It would need to be widened to support the increased traffic along with it being curb and gutter. He mentioned that TxDOT is requesting a left-hand turn lane off FM 1322 onto Lay Road. The project would be consistent with road improvement standards required by the City, Caldwell County, and TxDOT.

Chair Ruiz asked for any other speakers, and seeing none, he closed the public hearing and asked for staff's recommendation.

Mr. Fowler stated that staff recommends approval.

Commissioner Peterson moved to recommend approval of ZC-23-01 to City Council. Commissioner Lingvai seconded, and the motion passed by a vote of 7-0.

7. ZC-23-02. Hold a PUBLIC HEARING and consider a request by James Cotton of 2401 CR 119, LLC for a Zoning Change from AO Agricultural-Open Space District to RMD Residential Medium Density District on a total of 11.51 acres in the Byrd Lockhart League, Abstract No. 17, located at 1400 Lovers Lane.

Mr. Fowler informed the commission that the applicant withdrew the request.

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

It was announced that the Commission's next regular meeting date would be February 22, 2023, with a possible subdivision.

9. Adjourn.

Commissioner Arnic moved to adjourn, and Commissioner Oliva seconded. The motion passed by a unanimous vote, and the meeting adjourned at 7:54 p.m.

Approved: _____
(date)

Christine Banda, Recording Secretary

Philip Ruiz, Chair

SPECIFIC USE PERMIT APPLICATION

CITY OF

Lockhart

TEXAS

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

APPLICANT/OWNER

APPLICANT NAME Catarina Gonzales ADDRESS 407 Neches St
DAY-TIME TELEPHONE (512) 749-3128 Lockhart TX 78644
E-MAIL Catarina Gonzales 92@gmail.com

OWNER NAME Martin Espinoza ADDRESS Same

DAY-TIME TELEPHONE _____

E-MAIL Mevilla64@gmail.com

Hari Kunwar - email - h.kunwar@gmail.com

h.kunwar@gmail.com, 512 293 0524

PROPERTY

ADDRESS OR GENERAL LOCATION 405 Neches St

LEGAL DESCRIPTION (IF PLATTED) East Side, Block 1, Lot 3

SIZE 0.1292 ACRE(S) ZONING CLASSIFICATION City

EXISTING USE OF LAND AND/OR BUILDING(S) Vacant

REQUESTED SPECIFIC USE

PROPOSED USE REQUIRING PERMIT Manufactured home

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.

4 bedroom, 2 baths 28'x72' 1896 sq ft

single-wide model The Under

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 \$ 125 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 Martin Espinoza

DATE 01/09/2023

OFFICE USE ONLY

ACCEPTED BY Kevin Waller

RECEIPT NUMBER 201197826

DATE SUBMITTED 1/13/23

CASE NUMBER SUP - 23 - 03

DATE NOTICES MAILED 1-23-2023

DATE NOTICE PUBLISHED 1-26-2023

PLANNING AND ZONING COMMISSION MEETING DATE 2/8/23

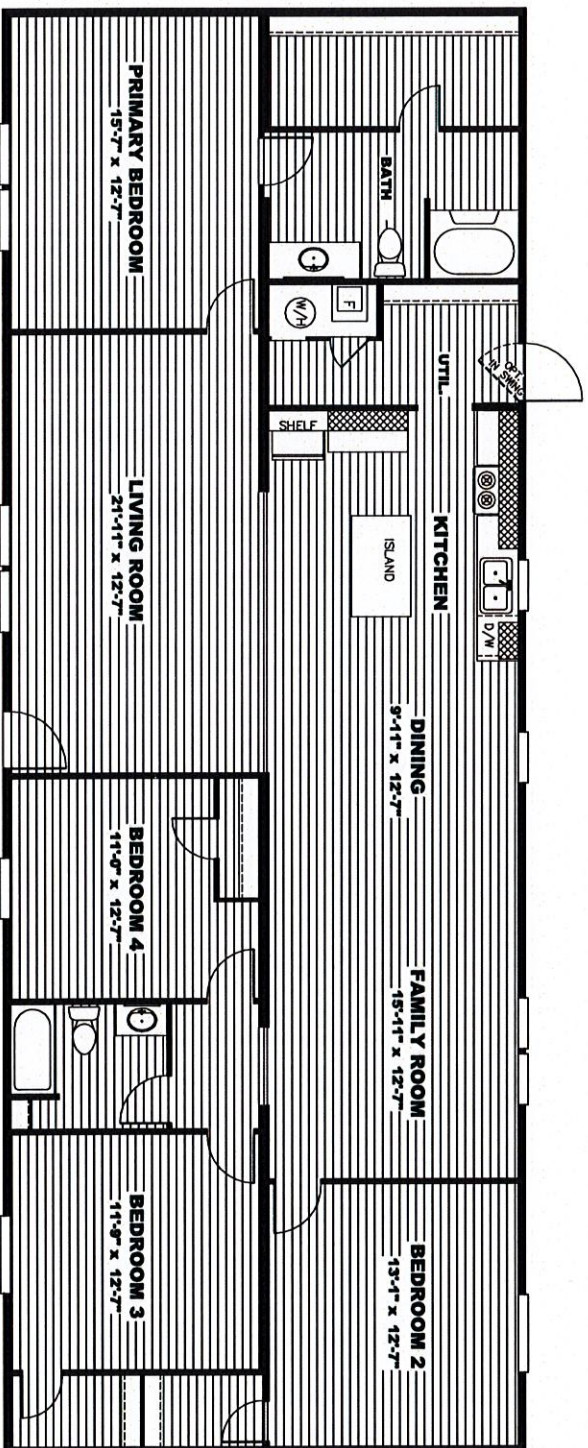
DECISION _____

CONDITIONS _____



WONDER

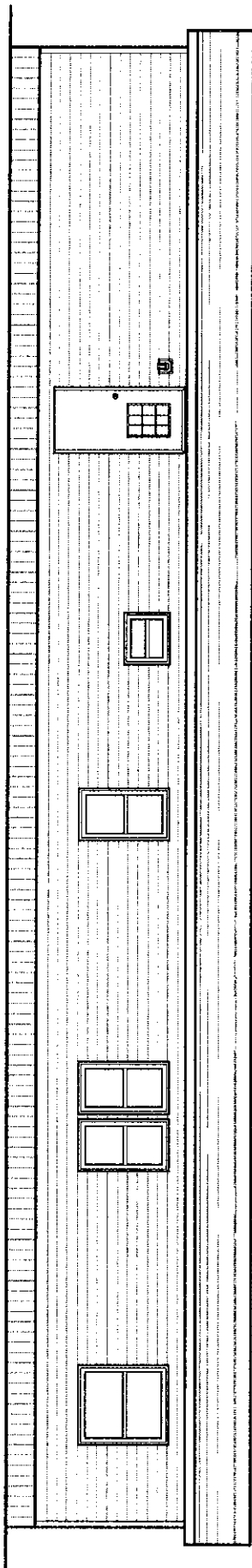
TRU28724R // 28x72 // 1,896 sq ft // 4 beds // 2 baths



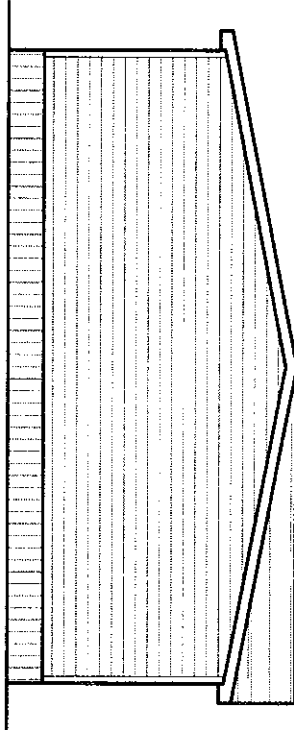
OWN IT

The home series and floor plans indicated will vary by retailer and state. Your local Home Center can quote you on specific prices and terms of purchase for specific homes. TRU invests in continuous product and process improvement. All home series, floor plans, specifications, dimensions, features, materials, availability, and starting prices shown on this website are artists' renditions or estimates, and are subject to change without notice. Dimensions are nominal and length and width measurements are from exterior wall to exterior wall.

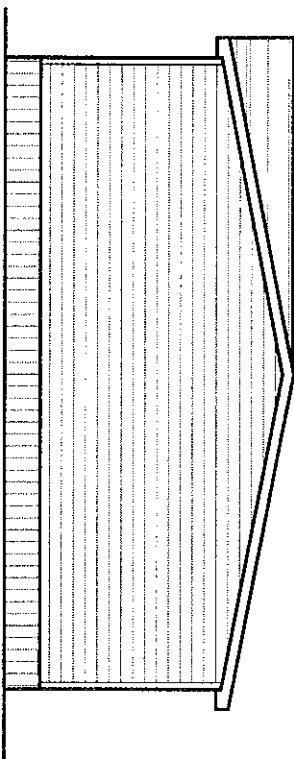
OwnTRU.com



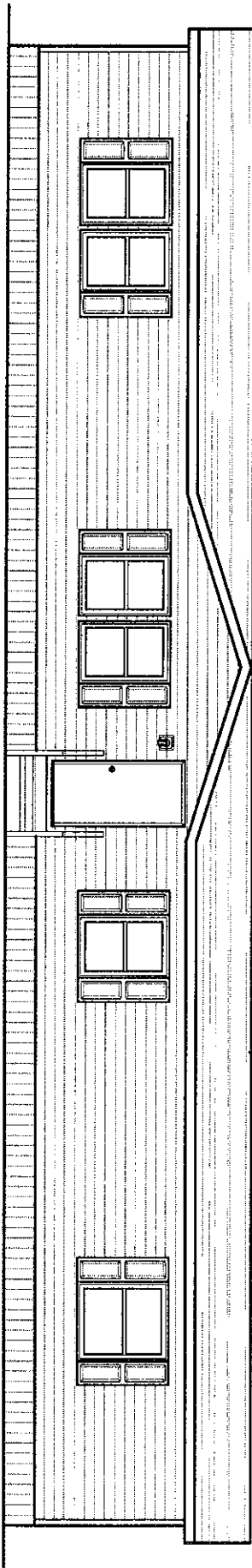
REAR ELEVATION



LEFT ELEVATION



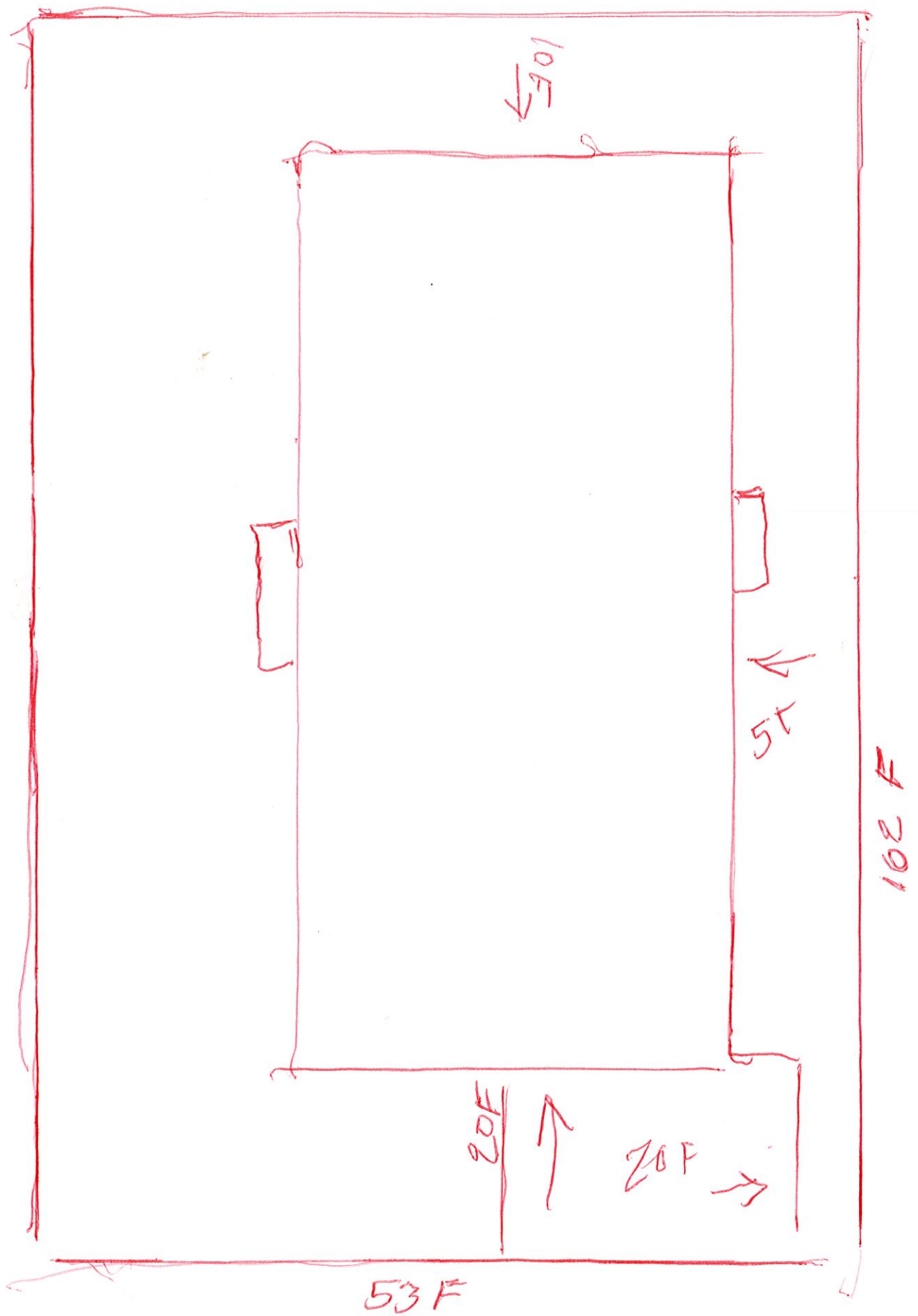
RIGHT ELEVATION



FRONT ELEVATION

1,000 SQ. FT. (STD PLAN "CONDITIONED")
N/A SQ. FT. (W/OPT. PORCH/RECESS "CONDITIONED")

Elevation		Model #		Drawing #	
Product Designer: Harmon		Date: 1/24/12		Scale: N.T.S.	
		28' x 72' Wonder		TRU-MOOR-72-4	
		REV:			



Sec. 64-127. - Specific use permits.

- (a) *Required.* To utilize a tract for those purposes which are permitted as specific uses within each zoning district, a specific use permit is required from the commission.
- (b) *Application.*
 - (1) The application for a specific use permit must be made by the title holder or their attorney in fact.
 - (2) An application for a specific use permit shall be obtained from the staff, and shall contain the following minimum information:
 - a. Name, mailing address, and contact telephone number of the applicant.
 - b. Street address and legal description of the property for which the permit is to be obtained. The legal description, with recordation data, shall be determined from a copy of a deed presented by the applicant if there is any question on the part of the city as to the legal description or ownership.
 - c. Zoning district of the property for which the permit is to be obtained.
 - d. Statement of the use which will be made of the property and of proposed modification to the property or structures located thereon.
 - e. The application shall be accompanied by maps and plans as specified in section 64-163. Such maps and plans shall become a part of the application.
 - f. The applicant shall attest to the accuracy of all information given on or accompanying the application.
- (c) *Processing.*
 - (1) The application, accompanying information, and the nonrefundable filing fee shall be submitted after consultation with the zoning administrator.
 - (2) The zoning administrator shall review the application for completeness and for compliance with this chapter. Should additional information or modification to the application be necessary to provide compliance, the zoning administrator shall assist the applicant to make such changes.
 - (3) Should the application be in obvious violation of this chapter or should the applicant refuse to make necessary modifications to bring the application into compliance, the zoning administrator shall deny such application and provide the applicant with a written statement as to the reason or reasons for such denial. Upon such denial, the applicant may appeal to the board in writing that the denial of the application for processing is contested, specifying reasons therefor, and requesting relief.
 - (4)

Upon completion of review of the application and finding the application to be correct, or upon receipt of a written order from the board setting aside such denial by the zoning administrator, the following actions shall be initiated:

- a. The building official shall prepare a list, using the current tax appraisal map and the current city tax roll, of all owners of any portion of a tract that is within 200 feet of any portion of the property for which the permit is requested.
 - b. The zoning administrator shall determine the date of the next meeting of the commission, not less than three full weeks and not more than seven full weeks from the date of the application, place such request on the agenda of the commission, and schedule a public hearing thereon.
 - c. The city secretary shall send a letter to each of the property owners, as above and including the applicant, stating the purpose of the permit; street address of the property for which a permit is requested; date, time, and place of the public hearing before the commission; and that comment about the request must be made in writing or verbally before the commission. The notification letters deposited at the post office as ordinary mail not less than two weeks prior to the meeting of the commission shall constitute constructive notice.
 - d. The city secretary shall cause to appear in the public notice section of a local newspaper a notice of a meeting of the commission. This notice shall appear not less than ten calendar days prior to the meeting date. The notice shall contain the date, time, and place of the public hearing; street address of the property for which the permit is requested; purpose of the request; and a statement that any comment about the request must be made in writing or verbally before the commission.
 - e. The agenda of the commission which includes such public hearing shall be posted in a public location at city hall in accordance with the Texas Open Meetings Act (V.T.C.A., Government Code ch. 551).
- (5) The staff shall prepare a statement for presentation at the public hearing before the commission. The statement shall contain as a minimum:
- a. Any pertinent information bearing on the application that may not be evident from the application.
 - b. Impact of approval of the request upon utility service, streets and parking, and upon the local area.
 - c. Any recommendations for modifications or any stipulations should the request be approved.
- (6) Commission action.
- a.

The commission shall hold a public hearing pertaining to the application and shall receive comment in writing or verbally, including the staff recommendation.

- b. The commission may establish reasonable conditions of approval such as:
 - 1. Requirements for special yards, lot sizes, open spaces, buffers, fences, walls, or screening;
 - 2. Requirements for installation and maintenance of landscaping or erosion control measures;
 - 3. Requirements for street improvements and dedications;
 - 4. Control of vehicular access, parking, and traffic circulation;
 - 5. Limits on signage;
 - 6. Limits on hours or other characteristics of operation;
 - 7. Establishment of development schedules or time limits for completion or for the duration of the permit; and
 - 8. Any other conditions the commission may deem necessary to ensure compatibility with surrounding uses and to preserve the public health, safety, and general welfare.
- c. A specific use permit may be denied if:
 - 1. The proposed development or use does not conform with the applicable regulations and standards established in this chapter;
 - 2. The proposed development or use fails to conform with the objectives and the purpose of the zoning district where it is located;
 - 3. The proposed development or use potentially creates greater unfavorable effects or impacts on other existing uses on abutting sites than those which reasonably may result from the use of the site by a use allowed by right;
 - 4. A written protest is received from the owners of at least 30 percent of the land area within 200 feet of the subject property; or
 - 5. The proposed development is contrary to the public health, safety, or general welfare.
- d. The commission shall by majority vote approve, approve with modification and/or condition, or deny the application. Specific use permits shall remain in effect for the duration of the authorized development or use on the premises for which they are granted unless an expiration date or time limit is established by the commission at the time of approval in accordance with subsection b, above.
- e. Any person or persons, jointly or severally, aggrieved by the commission's denial, approval, or condition of approval of any application, may submit in writing a request for an appeal to city council. Such request must be submitted to the zoning administrator within ten calendar days of the commission's action, and the same public hearing notice

requirements shall apply to the appeal as applied to the original application. The appeal shall be forwarded to the council together with a record of the commission hearing and decision.

- f. The council shall consider an appeal of the planning and zoning commission's decision at a public hearing scheduled at the earliest regular council meeting for which all notification requirements can be met after the appeal is submitted. The council shall uphold, modify, or reverse the decision of the commission.

(Ord. No. 90-03, pt. 2, 3-6-90; Ord. No. 94-03, pt. 1(7), 2-1-94; Code 1982, § 28-5-2; Ord. No. 97-21, § III, 10-7-97; Ord. No. 98-15, § I, 7-7-98)

Sec. 64-200. - Same—Manufactured homes and modular dwellings.

- (a) The installation of a manufactured home on an individual residential lot not within a manufactured home park shall comply with the following standards, except as noted. An existing nonconforming mobile or manufactured home be replaced in the same location with a manufactured home, as defined in section 64-2, not complying with one or more of the following standards if such replacement home is a newer model, is at least as large as the prior manufactured home, and as a minimum complies with subsections (3), (4), (6), (7), and (8), below. This exception does not require approval of a specific use permit, but may be used only once at the same location unless the reason for replacement is damage caused by fire or natural disaster.
- (1) The home shall be a new HUD-Code manufactured home not previously installed or occupied in any other location.
 - (2) Except where limited by the width of lots pre-existing on [effective date of adoption], the widest horizontal dimension of manufactured homes must face the street.
 - (3) The frame shall be supported by and tied to a foundation and anchoring system meeting the current requirements of the Texas Manufactured Housing Standards Act as administered by the Texas Department of Housing and Community Affairs, Manufactured Housing Division, or successor agency.
 - (4) Axle and hitch assemblies shall be removed at the time of placement on the foundation.
 - (5) The finished floor of the manufactured home shall be no more than 25 inches above the average adjacent ground level at the foundation on all sides visible from an abutting street, or from a lot containing a site-built single-family dwelling, except where the floor must be higher in order to be a minimum of 12 inches above the top of the highest abutting street curb or street crown if no curb. If necessary to maintain a minimum of 18 inches required for clearance between the ground and bottom of floor joists, the foundation may be recessed in a pit that is provided with a proper drainage system approved by a registered professional engineer, or by raising the grade of the earth in the yards where needed adjacent to the structure.
 - (6) A stoop, porch, patio or deck must be provided at each entrance to the manufactured home.
 - (7) The space between ground level and the manufactured home's floor level shall be skirted with nondegradable materials compatible in color, style and texture with the exterior of the home if a concrete foundation does not already enclose that space.
 - (8) Site-built attached additions must be compatible in color, style and materials with the exterior of the manufactured home.
 - (9) The owner shall cancel the personal property title on the manufactured home so that it can be rendered as real property for the purpose of ownership, taxes, insurance and financing.

(10) The land and structure shall be under the same ownership.

(b) The installation of a manufactured home on a leased space in a manufactured home park shall comply with the following standards:

- (1) The frame shall be supported by and tied to a foundation and anchoring system meeting the current requirements of the Texas Manufactured Housing Standards Act as administered by the Texas Department of Housing and Community Affairs, Manufactured Housing Division, or successor agency.
- (2) A stoop, porch, patio or deck must be provided at each entrance to the manufactured home.
- (3) The space between ground level and the manufactured home's floor level shall be skirted with nondegradable materials compatible in color, style and texture with the exterior of the home.
- (4) Site-built attached additions must be compatible in color, style and materials with the exterior of the manufactured home.

(c) The installation of a modular dwelling shall comply with the following standards, in addition to the regulations and codes normally applicable to site-built dwellings:

- (1) The dwelling and lot shall have an estimated taxable value after installation of the dwelling equal to or greater than the median taxable value for each single-family dwelling located within 300 feet of the lot on which the modular home is proposed to be located, as determined by the most recent certified tax appraisal roll.
- (2) The exterior siding, roofing, roof pitch, foundation fascia, and fenestration shall be compatible with single-family dwellings located within 300 feet of the lot on which the modular home is to be located.

(Ord. No. 97-21, § V(28-7-5), 10-7-97; Ord. No. 98-03, § II, 2-17-98; Ord. No. 98-15, § II, 7-7-98; Ord. No. 04-34, § II, 12-21-04; Ord. No. 08-02, § II, 3-18-08)

Cross reference— Manufactured home parks, ch. 34.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion and/or action to consider an appeal by Caroline Keifer-Bell, on behalf of Robert Mendez, to the Historical Preservation Commission's denial of CFA-23-04, an application for a Certificate for Alteration to allow an existing, temporary mural, originally approved through application CFA-22-14, to become permanent within the Courthouse Square Historic District on Part of Lot 3, Block 14, Original Town of Lockhart, zoned CCB, Commercial Central Business District and located at 200 East Market Street.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: On October 5, 2022, the Planning and Zoning Commission granted a Certificate for Alteration for a mural that was requested in conjunction with the Texas Monthly Barbecue Festival, to be held in November, 2022. At the time of the request, the Historical Preservation Commission had recently recommended revisions to Chapter 28, Historic Districts and Landmarks, Chapter 46, Sign Ordinance, that when combined would prohibit new murals within the Courthouse Square Historic District. Knowing that there was a strong possibility that City Council would adopt the Commission's recommendations (which it did on October 18, 2022), Texas Monthly and the building owner requested the approval be granted for a period of 90 days, after which the mural would be covered matching the paint color of the rest of the wall on which it had been painted. The Historic Commission granted the CFA for the temporary mural, which was completed during the Barbecue Festival.

As the deadline to remove the mural approached, building owners and the applicant contacted the City regarding the possibility of making the mural permanent. After city staff had initially directed the applicant to apply for a variance, the City Attorney issued a legal opinion that the Historic Commission should hear the request as a Certificate for Alteration application. On February 15, 2023, the Historic Preservation Commission heard the request and voted to issue a denial on the basis that the Sign Ordinance prohibits murals within the Historic District. City staff had also informed the Commission of their option to revise the Original certificate for Alteration to make the terms of the approval permanent. The Commission did not exercise this option, instead voting to deny the request, knowing that the applicant would likely file an appeal. The Historic Preservation Commission meeting was well-attended, with many attendees in support of the mural remaining in place. The applicant filed an appeal to the Commission's denial within the required 30-day period.

PROJECT SCHEDULE (if applicable): None

AMOUNT & SOURCE OF FUNDING:

Funds Required:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

Account Number:

Funds Available:

Account Name:

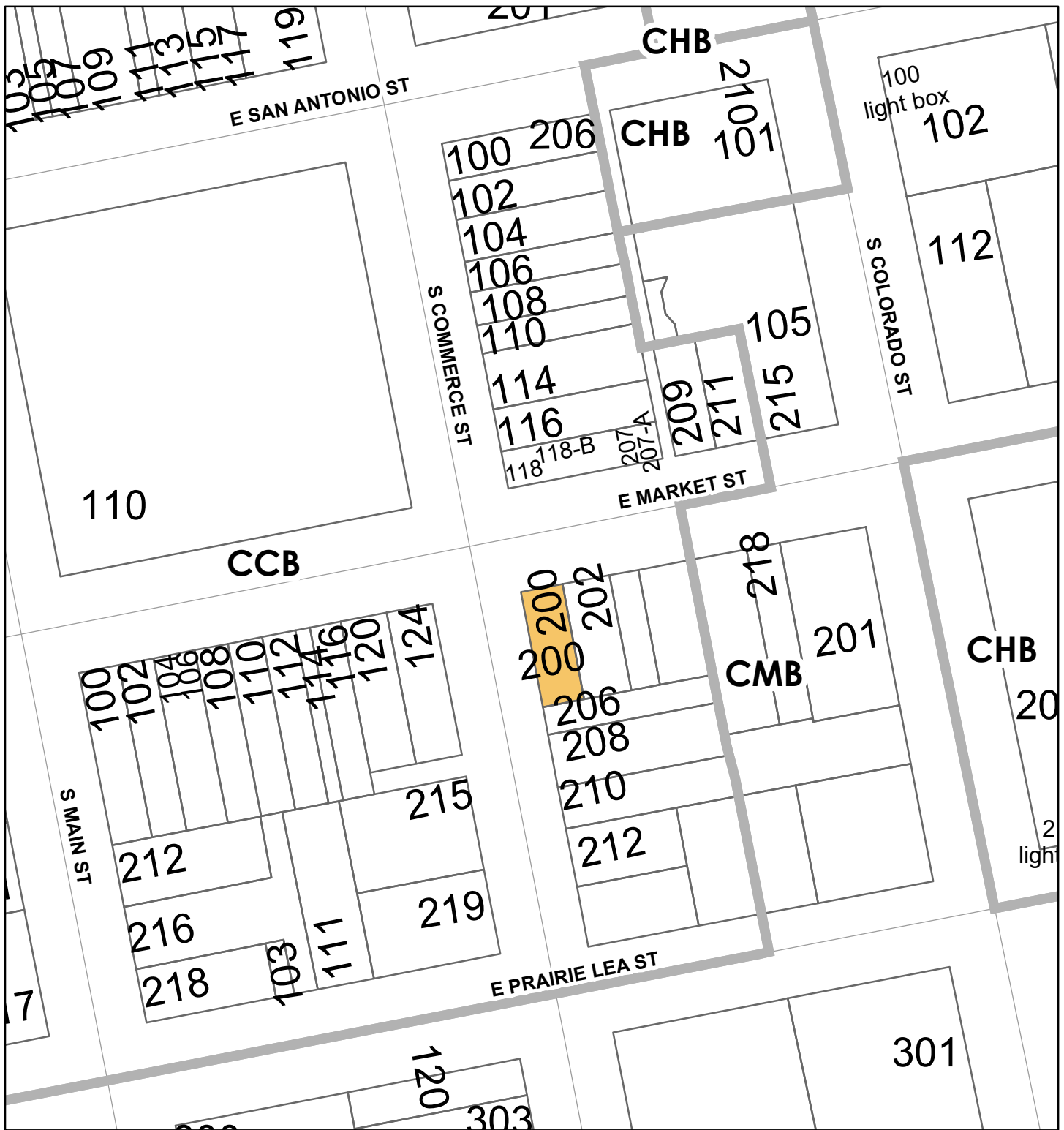
FISCAL NOTE (if applicable): None.

PREVIOUS COUNCIL ACTION: None.

COMMITTEE/BOARD/COMMISSION ACTION: On February 15, 2023, the Historical Preservation Commission denied CFA-23-04, which had requested a Certificate for Alteration to allow the mural, which had been approved for a 90 day period, to become permanent. The Commission had previously approved a temporary mural at that location, with the condition the mural be removed within 90 days.

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends DENIAL of the appeal request, due to the fact that the Historical Preservation Commission acted appropriately to deny the permit, since murals cannot be permitted within the Courthouse Square Historic District. However, since Section 28-12 (g) specifies that applicants who are "dissatisfied" with the action of the Commission may file an appeal, the applicant is within the right to appeal the Commission's action. Unlike the Historic Preservation Commission, City Council could possibly take the extenuating circumstances of the mural's initial approval into account when considering the merits of the appeal..

LIST OF SUPPORTING DOCUMENTS: CFA2304, IMG_6365, CFA 23-04 Appeal letter, CFA-23-04 Denial Letter to Kiefer-Bell, CFA-23-04 Staff Report (Kiefer-Bell), 02-15-2023 LHPC Minutes



CFA-23-04

200 E MARKET ST



Subject Property



Zoning Boundary

ALLOW AN EXISTING TEMPORARY
MURAL TO BECOME PERMANENT IN
THE COURTHOUSE SQUARE HISTORIC DISTRICT

scale 1" = 100'



Dear Lockhart City Council,

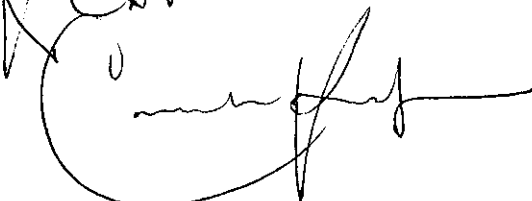
I would like to appeal the Historic Preservation Committee's recent decision to deny reconsideration of permanence in regards to the "Lockhart BBQ" mural located at 200 E. Market St.

In addition, I am also asking the City Council to reconsider the ordinance that serves as a prohibition of murals in the Historic District. In place of this ordinance, I am asking for a stronger review process for murals and anything that could potentially disrupt or be incongruent with all protected structures, features and aesthetics within the historic district.

I understand that when the Historic Preservation committee initially allowed this mural located at 200 E. Market St. It was proposed as "temporary". Being that as it may, there are five reasons why we, as a community, believe that the initial plan should be given permission for reconsideration and that this mural should become part of the Lockhart Historic District's permanent collection of murals.

1. This Mural is becoming beloved by the community, countless visiting travelers and is undoubtedly boosting commerce as an effect of people coming here to visit, taking photos with the mural, turning around and advertising this action and causing that cycle to repeat itself.
2. People who are coming to Lockhart to add a photo of themselves with this Mural to their own collection are turning this mural into an **Icon** for what defines the Lockhart experience.
3. This Mural, which is now becoming a part of our history, deserves to be protected, and has unanimous support from the community to remain in Lockhart's permanent collection.
4. The review process for this mural did still serve as a review process, although under temporary permission. I am attempting to formally and respectfully ask for reconsideration of those parameters.
5. Any mural that did not undergo a review process and could have caused a mural prohibition ordinance to take effect, should be a mural in question.

In conclusion I would like to say that taking this mural down at this point in time would be a massive disservice to our community and the portrayal of BBQ History in Lockhart. Let's work together to implement a stronger review process for art, design and aesthetics that will impact our town. I greatly appreciate your consideration. Let's work together to fortify the process of reviewing art proposed to enrich the experience of Lockhart Texas.

KAROLINE RIEFER
 3/1/2023

February 16, 2023

Caroline Kiefer-Bell
196 Kellogg Ct.
Dale, TX 78616
carolinekiefer2020@gmail.com

Dear Ms. Kiefer-Bell:

On February 15, 2023, the Lockhart Historical Preservation Commission **denied** your requested Certificate for Alteration (CFA-23-04) to allow an existing, temporary mural originally approved by the Commission on October 5, 2022 through CFA-22-14 to become permanent within the Courthouse Square Historic District, on property zoned CCB (Commercial Central Business), located at 200 East Market Street.

If you wish to appeal the decision of the Commission, a written request for appeal must be submitted to the City Council within 30 days of the date of this letter. The decision of the City Council is final (Historic Districts and Landmarks Ordinance Section 28-12(g)).

If you have any questions, I may be contacted by phone at (512) 398-3461, Ext. 2400, or by email at kwaller@lockhart-tx.org.

Sincerely,

Kevin Waller
Senior Planner

Cc: Richard Mendez (jrmendez21@yahoo.com)
Melissa Reese, Texas Monthly (mreese@texasmonthly.com)
David Fowler, Planning Director
Kelly Stilwell, Building Official
Steven Lewis, City Manager
Monte Akers, City Attorney

CASE SUMMARY

STAFF: Kevin Waller, Senior Planner

CASE NUMBER: CFA-23-04

REPORT DATE: February 10, 2023

MEETING DATE: February 15, 2023

APPLICANT'S REQUEST: Conversion of an existing mural from temporary to permanent status

STAFF RECOMMENDATION: **Denial** (see Alternatives section below)

BACKGROUND DATA

APPLICANT: Caroline Kiefer-Bell

OWNER: Robert Mendez Sr.

SITE LOCATION: 200 E. Market St.

LEGAL DESCRIPTION: Part of Lot 3, Block 14, Original Town of Lockhart

EXISTING USE OF PROPERTY: Commercial

PROPOSED USE OF PROPERTY: Same

ZONING CLASSIFICATION: CCB (Commercial Central Business)

ANALYSIS OF ISSUES

PROJECT DESCRIPTION: On October 5, 2022, the Commission approved a temporary wall mural, which was painted onto the west wall of the building located at 200 East Market Street in the days leading up to the Texas Monthly BBQ Fest on November 5, and completed that day. The mural is located on a previously painted wall that is visible to pedestrian and vehicular traffic along South Commerce, East Market, East Prairie Lea, and East San Antonio Streets. Measuring approximately 35 feet wide by 9 feet tall, or 315 square feet, the mural reads "Lockhart", with "BBQ Capital of Texas" beneath, in an all-caps font. The mural features a man in a cowboy hat eating a rib and holding a bottle of Coca-Cola®, as depicted in the attached illustration. Since the Coca-Cola® bottle and logo are a small, incidental part of the mural, the mural is not be classified as a sign for the purposes of commercial advertising. The Commission's approval was based upon the condition that the mural be removed no later than 90 days after its completion, or February 3, 2023. Following the BBQ Fest event and before the mural's expiration, the property owner approached the City about keeping the mural as a permanent fixture, which he explains has become popular with tourists and locals alike. However, murals were prohibited within the Historic District shortly after the Commission's approval of this mural by amendment of the Sign Ordinance that was passed by the City Council. Accordingly, Staff directed the applicant to submit a Sign Variance application for review by the Zoning Board of Adjustment in order to apply to keep the mural, which would be a variance to waive the prohibition of the mural in the Historic District set forth in Sign Ordinance Section 46-10(j)(1). However, in later consultation with the City Attorney, it was determined that the proposal to keep the mural should instead go back before the Historical Preservation Commission for consideration as a permanent mural, since the Commission had originally approved the mural, prior to the mural prohibition in the Historic District. The applicant then submitted the current Certificate for Alteration application on February 2, one day prior to the mural's 90-day expiration date.

COMPATIBILITY: The mural is in character with the State Legislature’s designation of Lockhart as the “Barbecue Capital of Texas” (House Resolution No. 1024, 76th Legislature, Regular Session (1999)), and does not appear to detract from the character of the Courthouse Square. One other, barbecue-themed mural is located downtown, at the corner of South Main and West Market Streets on the north wall façade of the State Farm building. As noted previously, however, murals are now prohibited within the Historic District.

COMPLIANCE WITH STANDARDS: Since murals are prohibited within the Historic District through Sign Ordinance Section 46-10(j)(1), Staff cannot support the proposal to retain it as a permanent fixture, and recommends that this application be **denied**. See the Alternatives section below for a possible solution.

ALTERNATIVES: After further consultation with the City Attorney, Staff has concluded that the Certificate for Alteration issued on September 27, 2022 could be revised by the Commission to allow a permanent mural in place of the temporary mural for which the Certificate for Alteration was issued. This would be due to the application being originally submitted prior to the prohibition of murals in the Historic District. The original application form is attached for review.

City of Lockhart
Historical Preservation Commission
February 15, 2023

MINUTES

Members Present: Christine Ohlendorf, Ronda Reagan, Michel Royal (5:31pm), John Lairsen, Ron Faulstich, Ray Ramsey, Kevin Thuerwaechter

Members Absent: None

Staff Present: Kevin Waller, David Fowler, Kelly Stilwell, Yvette Aguado

Public Present: Caroline Kiefer-Bell (applicant, Agenda Item 4), Sandy Dosier, Lee Valgarett

1. Call meeting to order. Chair Lairsen called the meeting to order at 5:30 p.m.
2. Citizen comments not related to an agenda item. None
3. Consider the minutes of the February 9, 2023, meeting.

This item was tabled to the next meeting by consensus, as the minutes were not yet ready for review.

4. CFA-23-04. Consider a request by Caroline Kiefer-Bell, on behalf of Robert Mendez, for approval of a Certificate for Alteration to allow an existing, temporary mural originally approved by the Commission on October 5, 2022 through CFA-22-14 to become permanent within the Courthouse Square Historic District on Part of Lot 3, Block 14, Original Town of Lockhart, zoned CCB (Commercial Central Business) and located at 200 East Market Street.

Planning Staff Kevin Waller provided a brief overview of the proposal via PowerPoint presentation. He gave a summary of the October 5, 2022 Commission decision to approve a temporary wall mural, which was painted onto the west wall of the building located at 200 East Market Street in the days leading up to the Texas Monthly BBQ Fest on November 5, and completed that day. The Commission's approval was based upon the condition that the mural be removed no later than 90 days after its completion, or February 3, 2023. Murals were prohibited within the Historic District shortly after the Commission's approval of this mural by amendment of the Sign Ordinance that was passed by the City Council. It was determined that the proposal to keep the mural should go back before the Historical Preservation Commission for consideration as a permanent mural, since the Commission had originally approved the mural prior to the mural prohibition in the Historic District.

Commissioner Faulstich read a statement that explained the mural was approved by the Lockhart Historical Preservation Commission as a temporary mural. Texas Monthly and the building owner also knew that the mural was to be temporary. Mr. Faulstich added that he wasn't sure if Texas Monthly notified the artist that it was to be a temporary mural. The new request to make the mural permanent violates two City ordinances. He recommended that the City Council should be the deciding factor, since they requested that the Commission draw up a City code on murals

citywide. The Commission decided it was in the best interest to prohibit murals in the Historic District, and the City Council approved the ordinance. Faulstich made the motion to send CFA-23-04 to City Council for consideration.

Chair Lairsen seconded the motion and asked for discussion.

Commissioner Ramsey stated that he also agreed that it would be best to send the proposal to City Council, and reminded all that this was an agreement for a temporary mural. He added that the mural is now a violation of the Ordinance, since murals are now prohibited in the Historic District.

Vice-Chair Reagan agreed to send the proposal to City Council, since murals are now prohibited in the Historic District due to the ordinance amendments. She reiterated that the mural was only to be temporary and to be painted over within 90 days as stated on the application submitted for approval, and that it was for an advertising gimmick to get people to attend the BBQ Fest.

Chair Lairsen agreed that the Sign Ordinance is being violated by this request for a permanent mural. Should the mural go before the City Council for consideration, the Council could either amend the ordinance in favor of the mural, or vote against the mural. Mr. Lairsen felt that his position on the Commission was not to override the City Ordinance, and that the matter should be left to the City Council.

Commissioner Ohlendorf explained that the mural was initially presented one way, which has now changed significantly. She agreed with the recommendation to send the proposal to City Council for approval, to make sure it stays in compliance with the Ordinances that currently exist.

Commissioner Royal stated that she agreed that the City Council should make the final decision. She expressed that the mural was presented as temporary, and that the owner would be repainting their building in a few months. Mrs. Royal explained that the Commission is not against the mural by any means, but it is on a building located in the Historic District which is what they as the Commission are responsible for.

Commissioner Thuerwaechter said he concurred and didn't have anything else to add, but was happy to see so many people passionate about the mural and the city of Lockhart. He added that this is why we're on the Historic Commission, and agreed that it needs to go before the City Council.

Planning Staff David Fowler explained that in order to send the proposal to City Council, the process would be to make the motion to deny the application, and then the applicant would need to apply for an appeal to Council.

Applicant Caroline Kiefer-Bell, 196 Kellogg Ct., Lockhart, shared her thoughts about why she felt the mural should remain. She mentioned her support for art in the community, as they give the locals and patrons opportunity to identify with the history. Ms. Kiefer-Bell stated that murals are a part of Lockhart's history. She recommended that the Commission revisit the policy that prohibits new murals, as murals play an important role in commerce and tourism.

Sandy Dosier, 1207 Maple St., asked if the mural would be able to remain while it is reviewed by the City Council.

Commissioner Ohlendorf stated that the Commission is a representation to the community, and that the proposal was initially presented as a temporary mural. She added that the Commission was appointed to preserve the Historic aspect of the downtown area, and that they are not against art, as they too take pride in the community. The mural was an advertisement for a community event.

Lee Valgarett, 400 W. Prairie Lea, asked if there were standards for the approval of murals. He also asked if they could repaint the existing murals.

Chair Lairsen responded that murals were prohibited in the Historic District but not in any other areas of the community.

Commissioner Faulstich moved to deny the application for CFA-23-04 and send to City Council for consideration. Chair Lairsen seconded, and the motion passed by a vote of 7-0.

5. CFA-23-05. Consider a request by Teresa Charnichart for approval of a Certificate for Alteration for a hanging sign of the non-pre-approved variety on Part of Lot 1, Block 13, Original Town of Lockhart, zoned CCB (Commercial Central Business) and located at 200 East Market Street.

Mr. Waller explained that the applicant proposes a wooden hanging wall sign, to be hung by chains on the existing hooks above the front window. He added that since the sign is not of a shape that can be considered "Pre-Approved", nor does it contain a border, the sign is to be considered by the Commission through the Certificate for Alteration review procedures. He provided a brief overview of the proposal via PowerPoint presentation. Staff recommends approval.

Chair Lairsen asked for Commission discussion. Hearing none, he asked for a motion.

Vice-Chair Reagan moved to approve CFA-23-05 as presented. Chair Lairsen seconded, and the motion passed by a vote of 7-0.

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

Mr. Waller stated that the next regularly scheduled meeting would be held March 1, with five applications submitted.

7. Adjournment.

Vice-Chair Reagan moved to adjourn the meeting, and Commissioner Royal seconded. The motion passed by a vote of 7-0, and the meeting adjourned at 6:06 p.m.

Approved: _____
(date)

Yvette Aguado, Recording Secretary

John Lairsen, Chairman

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion and/or action to consider the preliminary Budget and Tax Calendar for Fiscal Year 2022--2023.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Pam Larison

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: This document is the preliminary budget and tax calendar for the fiscal year 2022-2023. Tentative dates are subject to Council acceptance of the Council workshop. This year's budget workshops will have two dedicated days (as has been recent practice) for management to present and discuss the City Manager's proposed budget for fiscal year 2022-2023.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: Budget and tax calendar 23-24

CITY OF LOCKHART

BUDGET CALENDAR

(TENTATIVE)

FY 2023-24

March 20	Budget kick-off - Departmental operating budget requests; justifications with written quotes due to the Finance department and City Manager.
April 10-20	Meetings with Department Heads to discuss budget expenses & needs.
April 28	Chief appraiser prepares and certifies estimate of taxable values.
April 28	Revised Budgets due to Finance Director from departments.
May 8	Budget Workshops to discuss budget with Council. Presentation of CCAD Budget
May 9	Budget Workshop to discuss budget with Council. Presentation of GBRA Budget
June 12	LEDC meeting w/Budget workshop
June 20	Distribution of City Manager's Proposed Budget – no action Non-Profits Presentation to Council
July 1	File City Manager's Proposed Budget with City Secretary
July 5	Appointment of Caldwell County Tax Assessor/Collector to calculate and prepare the 2023 Effective and Rollback Tax rates.
July 25	Chief Appraiser certifies the appraised roll to taxing units.
August 1	City Manager presents Proposed Budget to Council; LEDC presents LEDC Budget to Council; set two public hearings on proposed budget.
August 3	Publish notice of Effective and Rollback Tax Rates
August 15	Public hearing on Budget #1; <u>City Council sets proposed tax rate; record vote; schedule Public hearing.</u>
August 30	<u>Notice of Public Hearing</u> on Tax Rate (at least 5 days before public hearing).
September 5	Public hearing #2 on budget; Public hearing #1 on tax rate. City Council to adopt Budget, approve LEDC Budget; and adopt tax rate.
September 19	Public hearing #2 on tax rate if rate exceeds the No New Revenue tax rate.
October 1	New Fiscal Year
November 30	Deadline for Budget distribution to City Council, Caldwell County Clerk, City Hall, Municipal Library, and post to City's website.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Presentation, discussion and/or action for the City Council to consider acceptance of the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2021-22 Annual Comprehensive Financial Report (annual financial audit) by BrooksWatson & Company, PLLC., an independent public accounting firm.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Pam Larison

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: According to City of Lockhart's Home Rule Charter, Article 3, Section 3.14 - Audit of City books and accounts, the City shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. In addition, Section 3.14 states that the accountant shall not maintain or keep any of the city's accounts or records and shall not perform the city's annual audit for more than five years in succession. This is the second year for BrooksWatson & Company, PLLC to perform the City's annual audit.

BrooksWatson & Company, PLLC has issued an unqualified (clean) opinion. An unqualified opinion is presumed to be free from material misstatements and fairly represents its financial results, financial position, and cash flows.

The Annual Comprehensive Financial Report for FYE 2021 includes three sections: Introduction, Financial, and Statistical. The transmittal letter is one of the legal requirements for the annual report that typically includes the local government's profile, provides an economic update on the local economy, lists any major initiatives undertaken by the local government and states that the financial reports are management's responsibility. The financial section includes all necessary financial information, narratives explaining financials, and an auditor's report. The third section is the statistical section. It outlines financial trends, revenue capacity, debt capacity, demographic information and other operating indicators about the local government.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

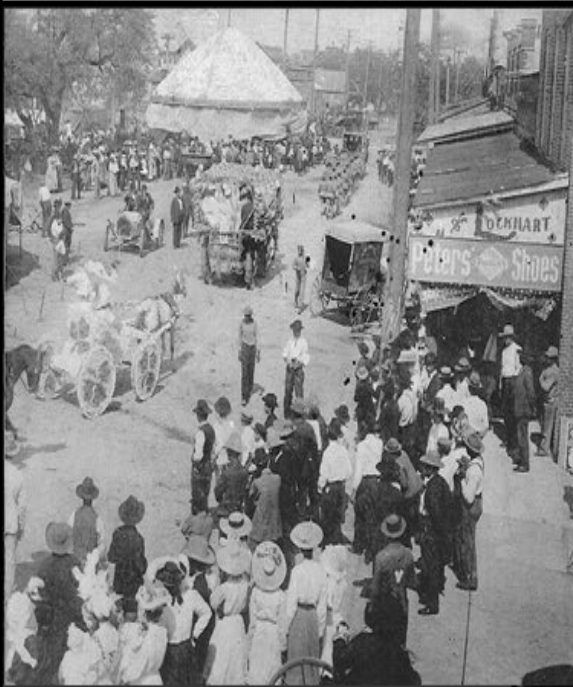
STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: Annual Comprehensive Financial Report 9.30.2022

Annual Comprehensive Financial Report

City of Lockhart

Fiscal Year Ending September 30, 2022





***ANNUAL COMPREHENSIVE
FINANCIAL REPORT***

of the

City of Lockhart, Texas

**For the Year Ended
September 30, 2022**

Prepared by

Pam Larison
Finance Director

Robert Eggimann
Controller



City of Lockhart, Texas

TABLE OF CONTENTS

September 30, 2022

INTRODUCTORY SECTION	<u>Page</u>
Letter of Transmittal	1
GFOA Certificate of Achievement	7
Organizational Chart	8
List of Elected and Principal Officials	9
 FINANCIAL SECTION	
Independent Auditor's Report	11
Management's Discussion and Analysis	15
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	28
Statement of Activities	32
Fund Financial Statements:	
Balance Sheet - Governmental Funds	34
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	35
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	36
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances	
Governmental Funds to the Statement of Activities	37
Statement of Net Position - Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	42
Statement of Cash Flows - Proprietary Funds	44
Fiduciary Funds Financial Statements	
Statement of Fiduciary Net Position	48
Statement of Changes in Fiduciary Net Position	50
Notes to the Financial Statements	51
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget (GAAP Basis) and Actual - General Fund	100
Schedule of Changes in Net Pension Liability and Related Ratios	102
Schedule of Employer Contributions to Pension Plan	104
Schedule of Changes in OPEB Liability and Related Ratios-SDBF	106
Schedule of Changes in OPEB Liability and Related Ratios-Retiree Healthcare	108
Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -	
Nonmajor Governmental Funds	113

Combining Balance Sheet - Nonmajor Special Revenue Funds	114
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Special Revenue Funds	118
Combining Balance Sheet - Nonmajor Capital Projects Funds	122
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Capital Projects Funds	124
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Radio Tower Equipment Replacement	127
Forfeited Property	128
Hotel/Motel Tax Fund	129
Road Impact Fees #1	130
Road Impact Fees #2	131
Court Technology	132
Radio System Maintenance	133
Court Security	134
Child Safety	135
Court Efficiency	136
Juvenile Case Manager	137
Truancy Court	138
Cable Education	139
Transportation	140
Drainage	141
LEOSE	142
Clearfork Section 1 Sidewalk	143
Maple 2201 Trail Project	144
2015 Certificates of Obligation	145
Combining and Nonmajor Enterprise Funds	
Combining Schedule of Net Position - Nonmajor Enterprise Funds	148
Combining Schedule of Revenues, Expenses, and Changes in Net Position - Nonmajor Enterprise Funds	152
Combining Schedule of Cash Flows - Nonmajor Enterprise Funds	154
Combining Statement of Fiduciary Net Position	
Private-Purpose Trusts	160
Combining Statement of Changes in Fiduciary Net Position	
Private-Purpose Trusts	161
Combining Statement of Fiduciary Net Position	
Custodial Funds	162
Combining Statement of Changes in Fiduciary Net Position	
Custodial Funds	163

STATISTICAL SECTION

Financial Trends:

Net Position by Component	166
Changes in Net Position	168
Fund Balances of Governmental Funds	172
Changes in Fund Balances of Governmental Funds	174

Revenue Capacity:

Tax Revenues by Source - Governmental Funds	177
Assessed Value and Estimated Actual Value of Taxable Property	178
Direct and Overlapping Property Tax Rates	180
Principal Property Taxpayers	181
Property Tax Levies and Collections	182
Electricity Purchased and Consumed	185
Electric Rates	186
Largest Electric Customers	189
Water Produced and Consumed and Wastewater Treated	190
Largest Water Customers	193
Water and Sewer Rates	194

Debt Capacity:

Ratios of Outstanding Debt by Type	196
Ratios of Net General Bonded Debt Outstanding	198
Direct and Overlapping Governmental Activities Debt	200

Demographic and Economic Information:

Demographic and Economic Statistics	201
Principal Employers	203

Operating Information:

Full-Time Equivalent City Government Employees by Function	204
Operating Indicators by Function	206
Capital Asset Statistics by Function	208



INTRODUCTORY SECTION





March 21, 2023

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

The Texas Local Government Code states that a municipality shall have its records and accounts audited annually and shall have annual financial statements prepared based on the audit. The Code also states that the annual financial statements, including the auditor's opinion on the statements, shall be filed in the office of the municipal city secretary or clerk within 180 days after the last day of the municipality's fiscal year. The Annual Comprehensive Financial Report of the City of Lockhart, Texas (the City) for the year ended September 30, 2022, is hereby submitted to fulfill that requirement.

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

BrooksWatson & Company, PLLC has issued an unmodified ("clean") opinion on the City of Lockhart financial statements for the year ended September 30, 2022. The independent auditors' report is located at the front of the financial section of this report.

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

Profile of the Government

The City of Lockhart was founded in 1826 and officially incorporated as a city in 1852. Located in central Texas, Lockhart is 30 miles south of downtown Austin on U.S. Highway 183. It is 70 miles northeast of San Antonio and 156 miles west of Houston. According to the 2020 U.S. Census Bureau, the estimated population of the City of Lockhart is 14,379, and serves as the county seat of Caldwell County, Texas. Lockhart is a Home Rule Charter City and operates under the Council-Manager form of government. Lockhart is served by a seven-person city council. The elected body is made up of the mayor and two council members that are elected at large. The remaining four council members are elected from single-member districts. The length of office for all Council members and the Mayor are three-year terms. The City Council appoints the City Manager, the City Attorney, and the Municipal Court Judge. All other staff members work either directly or indirectly under the direction of the City Manager.

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

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

The City provides a full range of municipal government services to more than 14,379 residents and numerous visitors annually. Municipal services provided include police and fire protection; crime prevention, enforcement, and adjudication; electric services; water production and distribution; wastewater collection and treatment; solid waste collection, curbside recycling and disposal; city code enforcement and building inspection; maintenance of streets; maintenance of park land and recreational facilities; library services; cemetery; airport; and economic development.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The City of Lockhart is the county seat for Caldwell County. With this designation comes commercial growth not typically seen for population of approximately 14,379 residents. Major industries located within the government's boundaries, or close proximately, include small and advanced manufacturing industries, information technology industries, retail and service industries, and agriculture. The school district has significant economic presence, employing in total more than 731 teachers, professionals, and support staff.

In 2020, the COVID-19 pandemic created an unprecedented situation for the City of Lockhart and for every municipality across the United States, but with it brought the passage of the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 and the American Rescue Plan Act (ARPA) of 2022. Through these federal programs, states received money to distribute to local governments.

The City of Lockhart received an allotment from CARES of \$763,895. After the final draw from the CARES Relief Program in 2021, the City of Lockhart was awarded federal grant money from the American Rescue Plan Act (ARPA). The total award was for \$3,501,959.00 to be used for further economic relief from the COVID-19 pandemic. The broad eligible uses for ARPA funds include COVID-related expenses (directly or indirectly), premium pay for essential workers, government service programs under certain circumstances, necessary improvements in water, sewer, or broadband infrastructure (whether related or not to COVID-19), and revenue

replacement. The City Council approved the spending of ARPA funds for the much needed improvements to water and sewer infrastructure and revenue replacement. Revenue replacement funds have been allocated towards multiple park improvements.

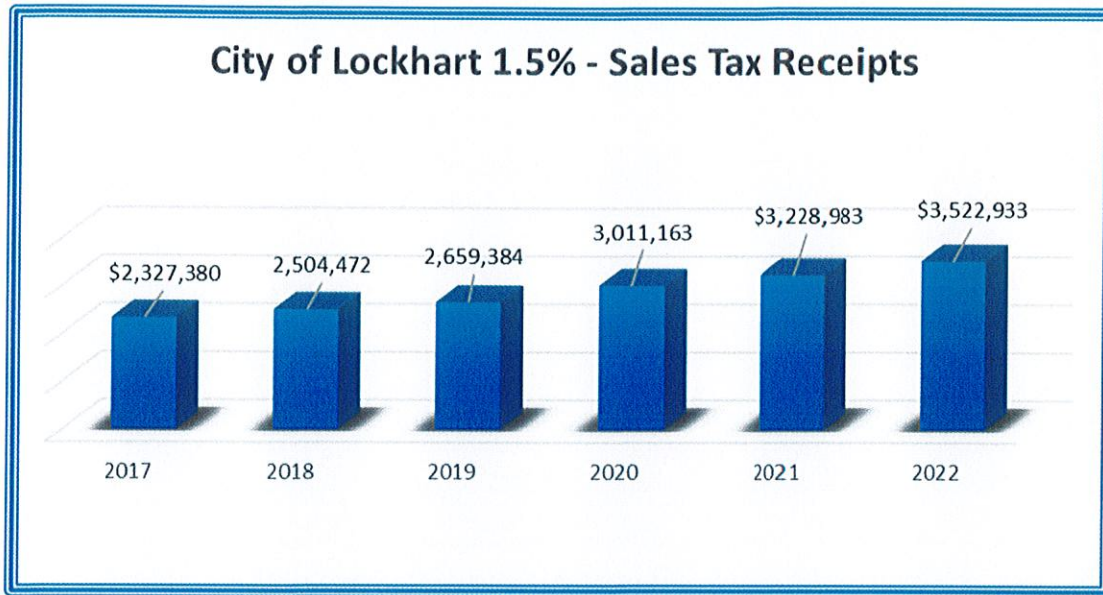
Due to the healthy economy, the City of Lockhart has a credit rating of AA- from Standard and Poor's as of March 2016. Over the past 10 years, the City has experienced significant economic growth and investment. The City is growing at a steady rate, increasing more than 9% over ten years. The growth of Austin and San Antonio metro areas is spreading toward Lockhart but at a slower pace than neighboring counties.

In 2020, the Lockhart Economic Development Corporation completed a Strategic Plan to assist in attracting businesses; helped Iron Ox, a robotic farming company to expand operations in Lockhart; established a new economic development office downtown; created the BIG Grant Program to improve downtown businesses and buildings and purchased property for a new 75-acre industrial/distribution park near SH 130. The SH 130 Industrial Park III began construction in 2021 and the Lockhart Economic Development Corporation sold its first ten acres to McElroy Metals.

The City of Lockhart's sound financial position is apparent because of its conservative budgeting practices, as evident from its strong fund balances. The City experienced growth in assessed valuation of property taxes and collection of 1.5% sales taxes from Fiscal Year 2016 through 2022 and continues to grow. (See charts below). Valuation of property continues to increase at a steady rate. This increase is attributable to construction of multiple subdivisions due to population growth and the increase in assessed values of current properties including new commercial growth.



The last five years the City of Lockhart has seen a significant increase in sales tax revenues due to new businesses and a healthy area economy. Sales tax revenues for 2022 have recorded all-time highs according to the City's revenue history.



Long-term Financial Planning

The City Council approved a budget that maintained fund balance at 33% for Fiscal Year 2022. This is above the 25% minimum reserve required by the Fund Balance – Stabilization and Excess of Reserves Policy.

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

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

Relevant Financial Policies

The City of Lockhart practices a comprehensive set of financial policies and procedures. Annually or as needed, the City Council approves its financial policies, and an extensive review and revisions are provided to the City Council and the City Manager from the Finance Department. Each year the City Council approves the Investment Policy, which is intended to protect City assets by identifying investment objectives, addressing the issues of investment risks versus rewards, and providing the framework for the establishment of controls, limitations, and responsibilities of City employees in the performance of their fiduciary responsibilities. In Fiscal Year 2022, a revised purchasing policy was approved to maintain a cost-effective purchasing system conforming to good management practice. The establishment and maintenance of an effective purchasing policy is possible only through a cooperative effort. This policy reaffirms the City of Lockhart's commitment to strengthen purchasing

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

Major Initiatives

The City of Lockhart issued debt in 2022 by a Limited Tax Note Series for \$4,050,000. The purpose of the debt is 1) improvement to wastewater system lines, 2) acquiring and equipping a bucket truck, 3) public safety improvement including acquisition of a fire truck, and 4) street and sidewalk improvements.

The City of Lockhart Council placed a Strategic Goals Plan in action for Fiscal Year 2021-22, which focuses on 1) City facilities by beginning plan to replace/update City Hall; 2) Human Resources/Staffing by hiring Assistant City Manager and support staff and consider additional staffing needs; 4) Parks and Recreation – develop youth programs, consider new park activities and facilities, and update Parks and Open Space Master Plan; 4) Infrastructure – approve the historic downtown revitalization design and construction; 5) Modernization and Communication – new website design by including online forms, applications and mobile platform ease; and 6) Development & Quality of Life – consider sidewalk maintenance ordinance, more housing option incentives, and promote more family friendly events.

Financial Procedures and Internal Controls

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

Budgetary Controls

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

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lockhart for its annual comprehensive financial

report for the fiscal year ended September 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Other Acknowledgements

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

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

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Steve Lewis".

Steve Lewis, City Manager

A handwritten signature in blue ink, appearing to read "Pam M. Larison".

Pam M. Larison, Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Lockhart
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

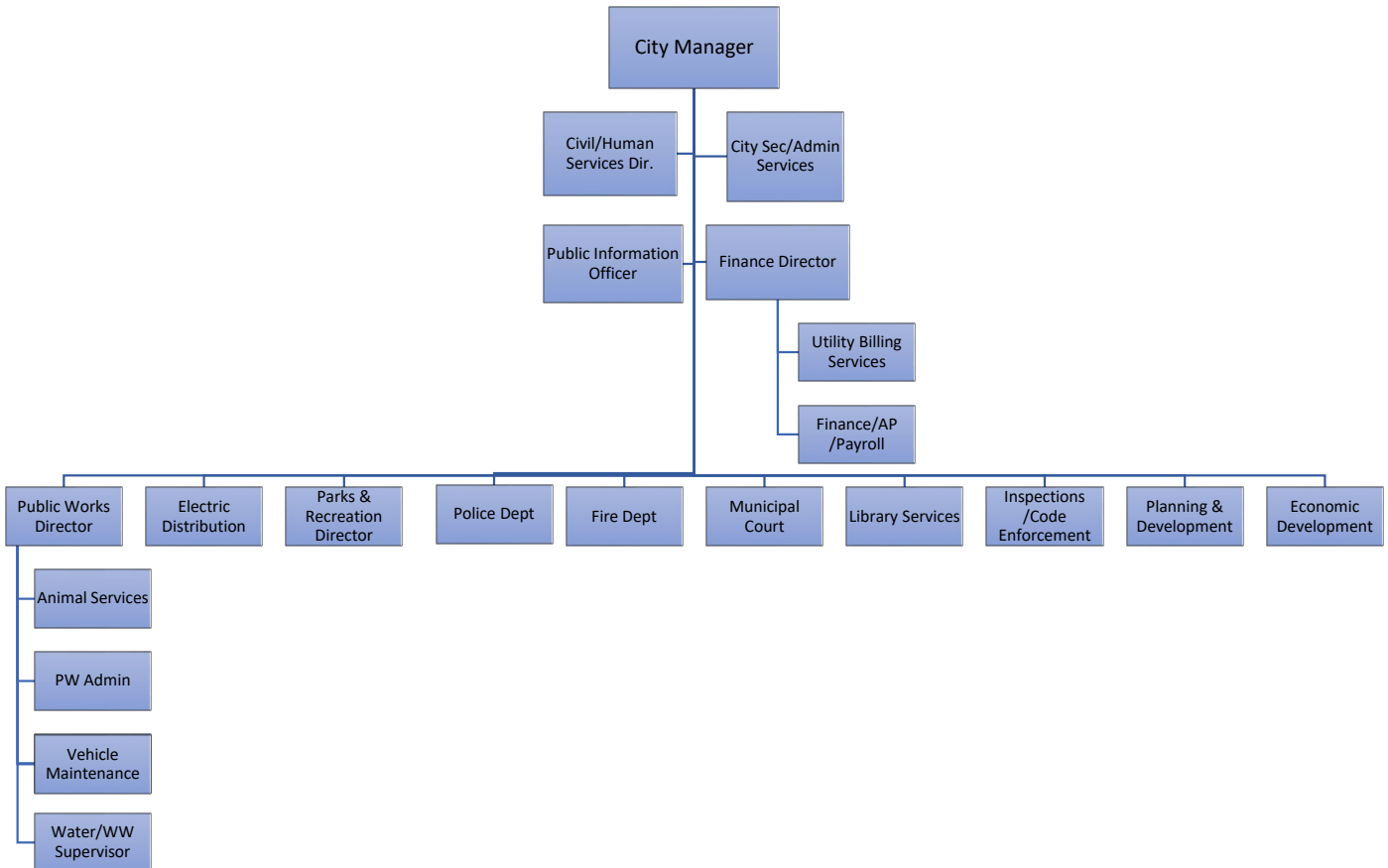
September 30, 2021

Christopher P. Morill

Executive Director/CEO

City of Lockhart

Organizational Chart



City of Lockhart, Texas
ELECTED AND PRINCIPAL OFFICIALS
September 30, 2022

City Council

Lew White	Mayor
Angie Gonzales-Sanchez	At-Large
Juan Mendoza	District 1
David Bryant	District 2
Kara McGregor	District 3
Jeffry Michelson	District 4
Brad Westmoreland	At-Large

Principal Officials

Steve Lewis	City Manager
Pam Larison	Finance Director
Connie Constancio	City Secretary
Vacant as of yearend	Police Chief
Randy Jenkins	Fire Chief
Sean Kelley	Director of Public Works



FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Lockhart, Texas:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, the 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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Lockhart, Texas, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Lockhart, Texas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As discussed in Note V.G. to the financial statements, due to the implementation of GASB Statement No. 87, *Leases*, the LEDC restated capital assets and long-term liabilities for component unit activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of employer contributions to pension plan, schedules of changes in other postemployment benefits liability and related ratios, and budgetary comparison information for the general fund 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 conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This accompanying supplementary information is the responsibility of management and was derived from and relates 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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



BrooksWatson & Co.
Certified Public Accountants
Houston, Texas
March 21, 2023



City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2022

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, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-6 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources (net position) at September 30, 2022 by \$47,114,214. Of this amount, \$14,173,314 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$3,167,677. The majority of the City's net position is invested in capital assets and restricted for specific purposes.
- The City's governmental funds reported combined ending fund balances of \$18,050,212 at September 30, 2022, an increase of \$4,302,864 from the prior fiscal year; this includes an increase of \$3,200,877 in the general fund and an increase of \$1,101,987 in the nonmajor governmental funds.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$10,143,227 or 85% of total general fund expenditures.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide 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. The difference between the two is 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. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2022

The *statement of activities* presents information showing how the City'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 for some items that will only result in cash flows in future fiscal periods (e.g., 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, culture and recreation, community development, public safety, and public works. The business-type activities of the City include electric, water, wastewater, sanitation, airport, and EMS operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate component unit, the Lockhart Economic Development Corporation, which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 28-33 of this report.

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

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 assessing 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 *governmental funds* and *governmental activities*.

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2022

The City maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in a separate section of the report.

The City adopts an annual appropriated budget for its general, debt service, three capital projects, and various special revenue funds. A budgetary comparison statement has been provided for each governmental fund with an adopted budget to demonstrate compliance with their respective budget.

The basic governmental fund financial statements can be found on pages 34-37 of this report.

Proprietary Funds

The City's proprietary funds are all enterprise funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its utility, golf course, and storm water utility operations. All activities associated with providing such services are accounted for in these funds, including administration, operation, maintenance, debt service, capital improvements, meter maintenance, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise.

Proprietary financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water, and wastewater funds, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 38-47 of this report.

Component Units

The City maintains the accounting and financial statements for one component unit. The Lockhart Economic Development Corporation is a discretely presented component unit, which is displayed on the government-wide financial statements.

Notes to Financial Statements

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

The notes to the financial statements can be found on pages 53-98 of this report.

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

September 30, 2022

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The required RSI includes a budgetary comparison schedule for the general fund, schedule of changes in the net pension liability and related ratios and schedule of employer contributions for the Texas Municipal Retirement System and schedule of changes in the OPEB liabilities. RSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City of Lockhart, Texas, assets and deferred outflows exceeded liabilities and deferred inflows by \$47,114,214 as of September 30, 2022, in the primary government.

The largest portion of the City's net position, \$26,951,524 reflects its investments in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment, construction in progress), less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to 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 assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Lockhart, Texas's net position of \$5,989,376 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$14,173,314 is unrestricted and 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 of Lockhart, Texas is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2022			2021		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and						
other assets	\$ 19,516,345	\$ 18,990,527	\$ 38,506,872	\$ 15,249,321	\$ 16,497,800	\$ 31,747,121
Capital assets, net	20,594,127	67,193,926	87,788,053	20,636,233	54,425,350	75,061,583
Total Assets	40,110,472	86,184,453	126,294,925	35,885,554	70,923,150	106,808,704
Deferred Outflows of Resources	1,284,768	418,436	1,703,204	923,299	338,339	1,261,638
Other liabilities	2,965,820	4,086,685	7,052,505	2,573,267	3,519,408	6,092,675
Long-term liabilities	14,208,500	57,292,569	71,501,069	14,169,384	42,920,839	57,090,223
Total Liabilities	17,174,320	61,379,254	78,553,574	16,742,651	46,440,247	63,182,898
Deferred Inflows of Resources	1,848,364	481,977	2,330,341	735,928	204,979	940,907
Net Position:						
Net investment in						
capital assets	11,546,567	15,404,957	26,951,524	11,816,033	15,721,677	27,537,710
Restricted	3,362,595	2,626,781	5,989,376	3,598,451	2,008,737	5,607,188
Unrestricted	7,463,394	6,709,920	14,173,314	3,915,790	6,885,849	10,801,639
Total Net Position	\$ 22,372,556	\$ 24,741,658	\$ 47,114,214	\$ 19,330,274	\$ 24,616,263	\$ 43,946,537

Current and other assets of the primary government increased by \$6,759,751 or 21% due to greater cash on hand resulting from current year operating surpluses and unspent debt funds as of yearend. Other liabilities of the primary government increased \$959,830 or 16% primarily as a result of an increase in the current portion of long-term debt obligations. Long-term liabilities for business-type activities increased by \$14,371,730 or 33% primarily due the issuance of contract revenue bonds with the Guadalupe-Blanco River Authority that occurred in the current year. Capital assets in business-type activities increased by \$12,768,576 or 19% primarily due to new infrastructure improvements during the year, as well as the capitalization of the Carrizo water supply project associated with the Guadalupe-Blanco River Authority.

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

Statement of Activities:

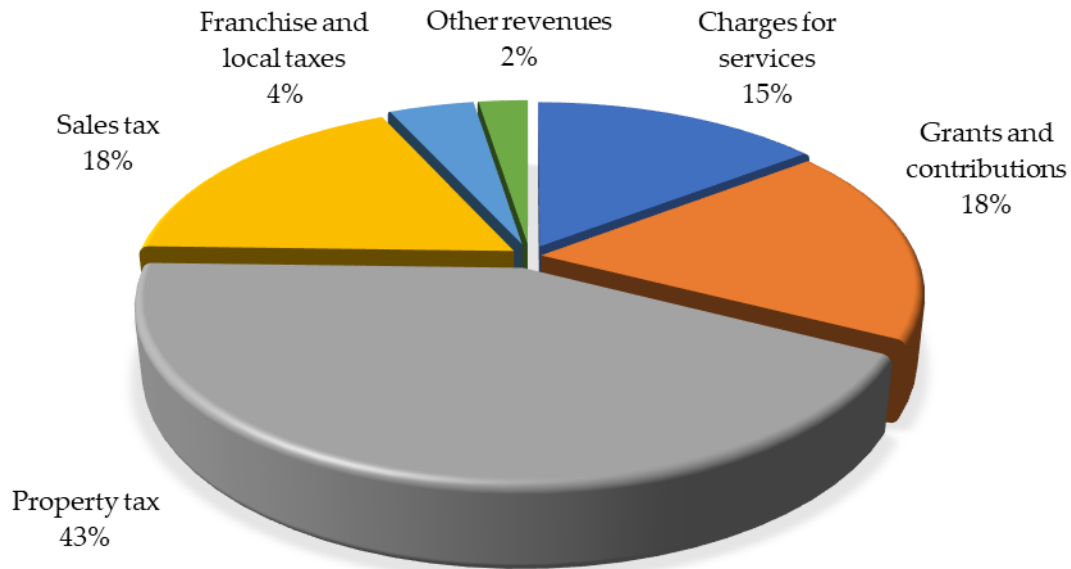
The following table provides a summary of the City's changes in net position:

	For the Year Ended September 30, 2022			For the Year Ended September 30, 2021		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 1,976,561	\$ 23,034,726	\$ 25,011,287	\$ 1,756,277	\$ 21,059,834	\$ 22,816,111
Operating grants	2,205,060	-	2,205,060	2,485,671	-	2,485,671
Capital contributions	211,854	196,038	407,892	177,865	432,657	610,522
General revenues:						
Property tax	5,801,092	-	5,801,092	5,250,047	-	5,250,047
Sales tax	2,392,769	-	2,392,769	2,143,239	-	2,143,239
Franchise & local taxes	585,018	-	585,018	511,709	-	511,709
Investment income	125,718	114,001	239,719	20,739	21,947	42,686
Other revenues	213,151	149,689	362,840	102,830	199,136	301,966
Total Revenues	13,511,223	23,494,454	37,005,677	12,448,377	21,713,574	34,161,951
Expenses						
General government	1,967,143	-	1,967,143	1,931,497	-	1,931,497
Public safety	6,168,414	-	6,168,414	6,202,140	-	6,202,140
Public works	2,684,964	-	2,684,964	2,970,230	-	2,970,230
Health and welfare	23,439	-	23,439	26,352	-	26,352
Culture and recreation	1,215,110	-	1,215,110	1,189,072	-	1,189,072
Comm. development	905,103	-	905,103	683,483	-	683,483
Interest & fiscal chrgs.	390,198	1,544,855	1,935,053	371,174	1,235,626	1,606,800
Electric	-	9,953,109	9,953,109	-	11,329,072	11,329,072
Water	-	4,063,290	4,063,290	-	3,853,355	3,853,355
Wastewater	-	1,789,326	1,789,326	-	1,634,563	1,634,563
Nonmajor enterprise	-	3,133,049	3,133,049	-	3,174,868	3,174,868
Total Expenses	13,354,371	20,483,629	33,838,000	13,373,948	21,227,484	34,601,432
Change in Net Position						
Before Transfers	156,852	3,010,825	3,167,677	(925,571)	486,090	(439,481)
Transfers	2,885,430	(2,885,430)	-	2,991,137	(2,991,137)	-
Total	2,885,430	(2,885,430)	-	2,991,137	(2,991,137)	-
Change in Net Position	3,042,282	125,395	3,167,677	2,065,566	(2,505,047)	(439,481)
	19,330,274	24,616,263	43,946,537	17,264,708	27,121,310	44,386,018
Beginning Net Position						
Ending Net Position	\$ 22,372,556	\$ 24,741,658	\$ 47,114,214	\$ 19,330,274	\$ 24,616,263	\$ 43,946,537

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.

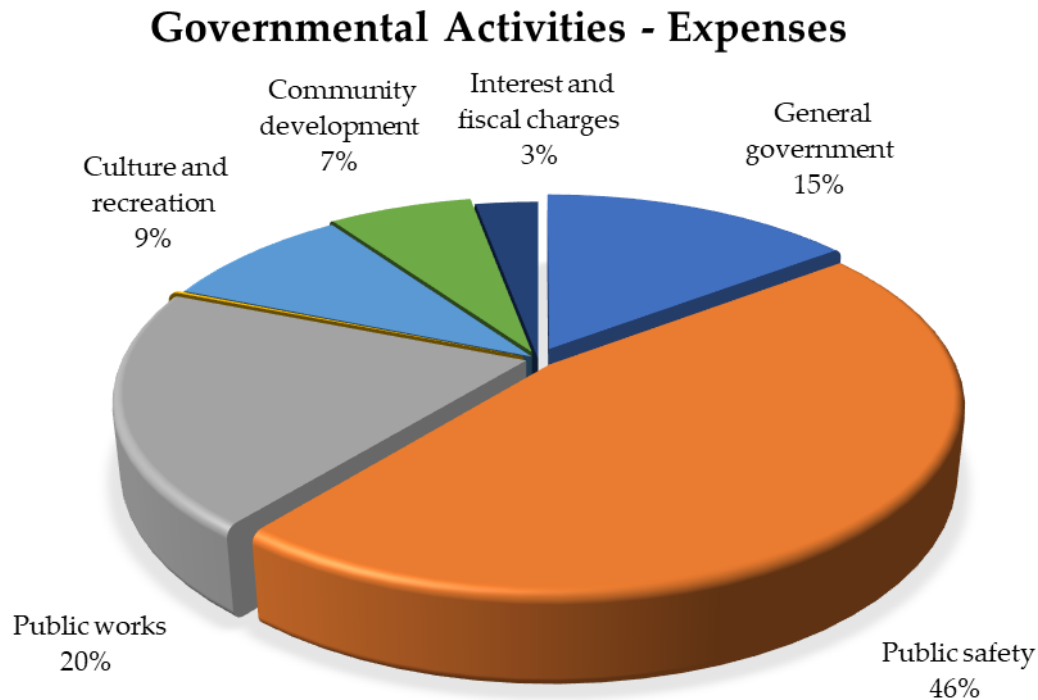
Governmental Activities - Revenues



For the year ended September 30, 2022, revenues from governmental activities totaled \$13,511,223. Property tax, grants/contributions, and sales tax are the City's largest general revenue sources. Overall revenue increased \$1,062,846 or 9% from the prior year. Charges for services also increased by \$220,284 or 13% due to greater building permit revenue and park dedication fees in the current year. Property taxes increased by \$551,045 or 10% primarily due to greater appraised values and growth within the City. Sales taxes and franchise taxes increased by \$249,530 or 12% and \$73,309 or 14%, respectively due to economic growth fueled by local purchases. Investment income increased by \$104,979 primarily as a result of higher interest rates and greater interest-bearing accounts in the current year. Other revenue increased by \$110,321 or over 100% primarily due to nonrecurring losses on capital asset disposals recognized in the prior year. All other revenues remained relatively stable when compared to the previous year.

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

This graph shows the governmental function expenses of the City:

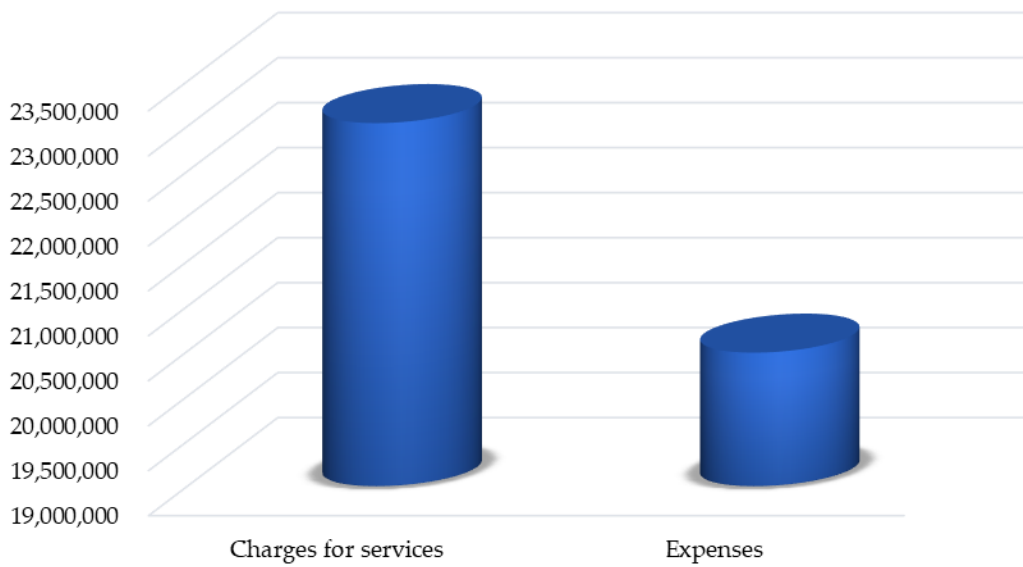


For the year ended September 30, 2022, expenses for governmental activities totaled \$13,354,371. This represents a slight decrease of \$19,577 from the prior year. The City's largest functional expense is public safety totaling \$6,168,414, which remained relatively consistent with the prior year. Public works expenses decreased by \$285,266 or 10% primarily due to nonrecurring street maintenance and repairs in the prior year. Community development increased by \$221,620 or 32% due to greater personnel costs and contract services resulting from increased building permit activity in the current year. All other governmental activities expenses remained relatively consistent with the prior year.

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2022

Business-type activities are shown comparing operating costs to revenues generated by related services.

Business-Type Activities - Revenues and Expenses



For the year ended September 30, 2022, charges for services by business-type activities totaled \$23,034,726. This represents an increase of \$1,974,892 or 9% from the previous year, which is a direct result of greater service rates in the current year and a growing customer base. Capital contributions decreased by \$236,619 as a result of nonrecurring developer contributions and impact fees received in the prior year.

Total business-type activity expenses decreased by \$743,855 or 4% to a total of \$20,483,629. Electric expenses totaled \$9,978,485, while water and wastewater operations totaled \$5,565,359 and \$1,805,990, respectively. There was a reduction in electric expenses by \$1,371,559, which is the primary driver of the overall decrease in business-type activities expenses. The decrease in electric expenses is directly related to the winter storm occurring in the prior year and the resulting decline in electricity demand and costs. Interest and fiscal charges increased by \$309,229 or 20% as a direct result of new GBRA revenue bond issuances in the current year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2022

At September 30, 2022, the City's governmental funds reported combined fund balances of \$18,050,212, an increase of \$4,302,864 in comparison with the prior year. Approximately 55% of this amount, \$10,004,484, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable*, *committed* or *restricted* to indicate that it is 1) not in spendable form \$57,433 2) committed for particular purposes \$311,949 or 3) restricted for particular purposes \$7,676,346.

As of the end of the year the general fund reflected a total fund balance of \$10,879,515. Of this, \$369,382 is considered not in spendable form, committed or restricted and \$10,143,227 is unassigned. General fund balance increased by \$3,200,877 during the current year as compared to a final budgeted decrease of \$1,246,437. The increased in fund balance was primarily a result of less than expected expenditures and greater than anticipated other financing sources, including new debt issuances, in the current year.

As a measure of the general fund's liquidity, it may be useful to compare total unassigned fund balance to total fund expenditures. The unassigned (the amount available for spending) fund balance of the general fund of \$10,143,227 is 85% of total general fund expenditures. Overall revenue in the general fund increased by \$698,429 when compared to the prior year. Property tax and sales tax showed the largest increase due to a growing City and local economy. General fund expenditures increase \$322,369 when compared to the prior year. The largest increase was in public safety of \$633,605 which was primarily due to greater personnel costs and new vehicle purchases in the current year.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position at the close of the fiscal year for all proprietary funds amounted to \$6,709,920, a decrease of \$175,929 from the previous year. Total investment in capital assets, net of related debt was \$15,404,957, and capital assets, net of depreciation totaled \$67,193,926.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted revenues of \$8,962,294 were less than actual revenues of \$9,245,783, resulting in a total positive revenue variance of \$283,489. All actual revenues were greater than the budgeted amounts, with the exception of property tax, intergovernmental, and fines and forfeitures. Total budgeted expenditures of \$13,716,563, were more than actual expenditures of \$11,951,842, resulting in a total positive expenditure variance of \$1,764,721. One significant change between the original and final budget included an increase for public safety of \$622,320 and was primarily due to the anticipated purchases of new police department vehicles.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$20,594,127 in a variety of capital assets and infrastructure, net of accumulated depreciation. The City's business-type activities funds had invested \$67,193,926 in a variety of capital assets and infrastructure, net of accumulated depreciation. This investment in capital assets includes land, buildings, vehicles, equipment, park improvements, and infrastructure.

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

September 30, 2022

Major capital asset events during the current year include the following:

- Roof replacement at the Lockhart Fire Station totaling \$26,647.
- Roof replacement at the Senior Citizen Tech Center totaling \$91,995.
- Street repairs totaling \$23,841.
- 2022 drainage projects for \$54,899.
- New construction work for downtown renovation totaling \$224,992.
- New construction on Maple Street for \$674,017.
- Commenced the TX130/FM2720 project for \$37,680.
- Extension on LK/30-LK-40 totaling \$442,075.
- Purchase of metal building for electric department for \$93,780.
- City Hall upgrades totaling \$29,761.
- Purchase of a new generator for \$37,460.
- Waterline extension project totaling \$173,802.
- Purchase of a 2022 Dodge Ram ambulance for \$246,794.
- Purchased a Stryker Power-Pro for \$27,247.
- Purchased a Stryker powerload lift for \$30,883.
- Addition of intangible water access associated with the Carrizo Groundwater Supply Project for \$14,485,000.

More detailed information about the City's capital assets is presented in note IV. C to the financial statements.

LONG-TERM DEBT

The City's outstanding bonds, tax notes, lease liabilities and certificates of obligation payable, net of all premiums, increased by \$16,605,372 from the prior year. The total bonds, leases and certificates of obligation payable at the close of the fiscal year was \$71,517,278, net of all premiums.

More detailed information about the City's long-term liabilities is presented in note IV.E to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City of Lockhart has seen a steady growth in tax revenue over the last five years. Sales tax revenue has increased by 36.3% since 2017 and property tax valuation has increased by 53.2%. Even with the 36.3% increase, the City continues to forecast sales tax in a conservative position. The total sales tax payments received in 2022 fiscal year equaled \$2,392,769. The City anticipates continued increase for 2023.

Property valuations have increased due to new additions and property on the tax roll, along with the appraisal district reassessing valuations in 2021. The certified assessed taxable property valuations for the 2023 fiscal year (2022 tax roll) total \$1,072,343,556 with a tax rate of \$0.4504 per \$100 valuation for

City of Lockhart, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*
September 30, 2022

maintenance and operations and \$0.1502 per \$100 valuation for the interest and sinking fund. The total tax rate of \$0.6006.

The City's capital plan for 2022-20236 continues to focus on infrastructure upgrades and improvements to streets, the electric distribution system and water and wastewater lines.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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 City of Lockhart, Texas, Finance Department, 308 W. San Antonio Street, Lockhart, Texas 78644. This information can also be accessed on the City's website at www.lockhart-tx.org.

BASIC FINANCIAL STATEMENTS

City of Lockhart, Texas
STATEMENT OF NET POSITION (Page 1 of 2)
September 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 17,860,296	\$ 14,630,301	\$ 32,490,597
Receivables, net	1,115,633	4,225,534	5,341,167
Internal balances	482,983	(482,983)	-
Inventories	26,240	612,196	638,436
Prepaid and other assets	31,193	5,479	36,672
Total Current Assets	19,516,345	18,990,527	38,506,872
Noncurrent assets:			
Capital assets:			
Non-depreciable	1,858,617	583,604	2,442,221
Net depreciable capital assets	18,735,510	66,610,322	85,345,832
Total Noncurrent Assets	20,594,127	67,193,926	87,788,053
Total Assets	40,110,472	86,184,453	126,294,925
<u>Deferred Outflows of Resources</u>			
Pension outflows-TMRS	1,035,179	273,769	1,308,948
OPEB outflows-TMRS	70,621	19,629	90,250
OPEB outflows-retiree healthcare	14,875	9,902	24,777
Deferred charge on refunding	164,093	115,136	279,229
Total Deferred Outflows of Resources	1,284,768	418,436	1,703,204

Component
Unit
Lockhart EDC

\$	3,546,470
	236,398
	-
	-
	686
	<u>3,783,554</u>

	2,821,404
	2,139,252
	<u>4,960,656</u>
	<u>8,744,210</u>

	26,440
	-
	-
	-
	<u>26,440</u>

City of Lockhart, Texas
STATEMENT OF NET POSITION (Page 2 of 2)
September 30, 2022

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
<u>Liabilities</u>			
Accounts payable	567,091	1,210,175	1,777,266
Accrued liabilities	400,659	181,048	581,707
Due to other governments	20,664	-	20,664
Customer deposits	-	561,010	561,010
Compensated absences, current	500,262	74,395	574,657
Accrued interest payable	71,955	582,512	654,467
Long-term debt due in one year	1,405,189	1,477,545	2,882,734
Total Current Liabilities	2,965,820	4,086,685	7,052,505
Noncurrent liabilities:			
Net pension liability	1,461,396	386,495	1,847,891
OPEB liability-TMRS	448,078	124,546	572,624
OPEB liability-Retiree healthcare	287,319	94,840	382,159
Compensated absences	55,585	8,266	63,851
Long-term debt due in more than one year	11,956,122	56,678,422	68,634,544
Total Noncurrent Liabilities	14,208,500	57,292,569	71,501,069
Total Liabilities	17,174,320	61,379,254	78,553,574
<u>Deferred Inflows of Resources</u>			
Pension inflows	1,779,216	470,542	2,249,758
OPEB inflows-TMRS	34,610	9,620	44,230
OPEB inflows-Retiree Healthcare	34,538	1,815	36,353
Total Deferred Inflows of Resources	1,848,364	481,977	2,330,341
<u>Net Position</u>			
Net investment in capital assets	11,546,567	15,404,957	26,951,524
Restricted for:			
General government	436,359	-	436,359
Public safety	20,649	-	20,649
Municipal court	126,794	-	126,794
Tourism	130,191	-	130,191
Capital projects	2,648,602	2,626,781	5,275,383
Economic development	-	-	-
Unrestricted	7,463,394	6,709,920	14,173,314
Total Net Position	\$ 22,372,556	\$ 24,741,658	\$ 47,114,214

See Notes to Financial Statements.

Component	
Unit	
Lockhart	
EDC	
	6,253
	-
	-
	-
	-
	8,708
	133,067
	148,028
	37,327
	-
	-
	-
	2,961,713
	2,999,040
	3,147,068
	45,444
	-
	-
	45,444
	2,216,188
	-
	-
	-
	-
	-
	3,361,950
	-
\$	5,578,138

City of Lockhart, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 1,967,143	\$ -	\$ 1,850,386	\$ -
Public safety	6,168,414	208,287	354,674	211,854
Public works	2,684,964	664,402	-	-
Health and welfare	23,439	-	-	-
Culture and recreation	1,215,110	251,869	-	-
Community development	905,103	852,003	-	-
Interest and fiscal charges	390,198	-	-	-
Total Governmental Activities	13,354,371	1,976,561	2,205,060	211,854
Business-Type Activities				
Electric	9,978,485	12,608,272	-	-
Water	5,565,359	4,132,398	-	179,228
Wastewater	1,805,990	2,880,275	-	-
* Nonmajor enterprise	3,133,795	3,413,781	-	16,810
Total Business-Type Activities	20,483,629	23,034,726	-	196,038
Total Primary Government	\$ 33,838,000	\$ 25,011,287	\$ 2,205,060	\$ 407,892
Component Units				
Lockhart EDC	709,997	-	2,431	-
Total Component Units	\$ 709,997	\$ -	\$ 2,431	\$ -

General Revenues:

Taxes
 Property taxes
 Sales taxes
 Franchise and local taxes
 Investment income
 Other revenues
 Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position

Ending Net Position

See Notes to Financial Statements.

* Includes sanitation, airport, and EMS activities

Net (Expense) Revenue and Changes in Net Position

Primary Government			
Governmental Activities	Business-Type Activities	Total	Lockhart EDC
\$ (116,757)	\$ -	\$ (116,757)	\$ -
(5,393,599)	-	(5,393,599)	-
(2,020,562)	-	(2,020,562)	-
(23,439)	-	(23,439)	-
(963,241)	-	(963,241)	-
(53,100)	-	(53,100)	-
(390,198)	-	(390,198)	-
(8,960,896)	-	(8,960,896)	-
-	2,629,787	2,629,787	-
-	(1,253,733)	(1,253,733)	-
-	1,074,285	1,074,285	-
-	296,796	296,796	-
-	2,747,135	2,747,135	-
(8,960,896)	2,747,135	(6,213,761)	-
			(707,566)
			(707,566)
5,801,092	-	5,801,092	-
2,392,769	-	2,392,769	1,196,384
585,018	-	585,018	-
125,718	114,001	239,719	26,760
213,151	149,689	362,840	79,792
2,885,430	(2,885,430)	-	-
12,003,178	(2,621,740)	9,381,438	1,302,937
3,042,282	125,395	3,167,677	595,370
19,330,274	24,616,263	43,946,537	4,982,768
\$ 22,372,556	\$ 24,741,658	\$ 47,114,214	\$ 5,578,138

City of Lockhart, Texas

BALANCE SHEET GOVERNMENTAL FUNDS

September 30, 2022

	General	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets</u>			
Cash and cash equivalents	\$ 10,415,556	\$ 7,444,740	\$ 17,860,296
Accounts receivable, net	893,069	222,564	1,115,633
Due from other funds	640,123	-	640,123
Inventories	26,240	-	26,240
Prepays	31,193	-	31,193
Total Assets	\$ 12,006,181	\$ 7,667,304	\$ 19,673,485
<u>Liabilities</u>			
Accounts payable	\$ 299,159	\$ 267,932	\$ 567,091
Accrued liabilities	400,659	-	400,659
Due to other governments	20,664	-	20,664
Due to other funds	-	157,140	157,140
Total Liabilities	720,482	425,072	1,145,554
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	339,149	63,056	402,205
Unavailable revenue-fines	43,270	8,479	51,749
Unavailable revenue - notes receivable	23,765	-	23,765
Total Deferred Inflows of Resources	406,184	71,535	477,719
<u>Fund Balances</u>			
Nonspendable:			
Inventories	26,240	-	26,240
Prepaid items	31,193	-	31,193
Committed for:			
Sidewalks	53,085	-	53,085
Industrial park	258,864	-	258,864
Restricted for:			
General government	366,906	69,453	436,359
Public safety	-	20,649	20,649
Municipal court	-	126,794	126,794
Tourism	-	130,191	130,191
Capital projects	-	6,962,353	6,962,353
Unassigned	10,143,227	(138,743)	10,004,484
Total Fund Balances	10,879,515	7,170,697	18,050,212
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,006,181	\$ 7,667,304	\$ 19,673,485

See Notes to Financial Statements.

City of Lockhart, Texas

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS

September 30, 2022

Fund Balances - Total Governmental Funds \$ 18,050,212

Adjustments for the Statement of Net Position:

Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.

Capital assets - non-depreciable 1,858,617

Capital assets - net depreciable 18,735,510

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.

Property tax 402,205

Fines and fees 51,749

Other receivables 23,765

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 (revenues) until that time

Pension inflows (1,779,216)

OPEB inflows-TMRS (34,610)

OPEB inflows-Retiree Healthcare (34,538)

Deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expense/ expenditures) until then

Pension outflows 1,035,179

OPEB outflows-TMRS 70,621

OPEB outflows-Retiree Healthcare 14,875

Deferred charge on refunding 164,093

Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.

Accrued interest (71,955)

Deferred charges:

Bond premium (466,738)

Net pension liability (1,461,396)

OPEB liability-TMRS (448,078)

OPEB liability-Retiree healthcare (287,319)

Compensated absences (555,847)

Non-current liabilities due in one year (1,405,189)

Non-current liabilities due in more than one year (11,489,384)

Net Position of Governmental Activities \$ 22,372,556

See Notes to Financial Statements.

City of Lockhart, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

For the Year Ended September 30, 2022

	General	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues</u>			
Property tax	\$ 4,795,142	\$ 953,087	\$ 5,748,229
Sales tax	2,392,769	-	2,392,769
Franchise and local taxes	395,527	189,491	585,018
Fines and forfeitures	249,589	26,058	275,647
License and permits	422,933	429,070	852,003
Charges for services	251,869	664,402	916,271
Intergovernmental	428,420	1,950,814	2,379,234
Investment income	82,355	43,363	125,718
Other revenue	227,179	7,913	235,092
Total Revenues	9,245,783	4,264,198	13,509,981
<u>Expenditures</u>			
Current:			
General government	1,951,658	169,851	2,121,509
Public safety	6,498,281	271,086	6,769,367
Public works	1,256,222	6,893	1,263,115
Health and welfare	114,006	-	114,006
Culture and recreation	1,038,779	24	1,038,803
Community development	955,377	-	955,377
Debt Service:			
Principal	103,723	903,038	1,006,761
Interest and fiscal charges	8,576	384,894	393,470
Bond issuance costs	25,220	-	25,220
Capital outlay	-	1,057,780	1,057,780
Total Expenditures	11,951,842	2,793,566	14,745,408
Revenues Over (Under) Expenditures	(2,706,059)	1,470,632	(1,235,427)
<u>Other Financing Sources (Uses)</u>			
Bond issuance	2,330,000	-	2,330,000
Lease issuance	322,861	-	322,861
Transfers in	3,319,534	325,459	3,644,993
Transfers (out)	(65,459)	(694,104)	(759,563)
Total Other Financing Sources (Uses)	5,906,936	(368,645)	5,538,291
Net Change in Fund Balances	3,200,877	1,101,987	4,302,864
Beginning fund balances	7,678,638	6,068,710	13,747,348
Ending Fund Balances	\$ 10,879,515	\$ 7,170,697	\$ 18,050,212

See Notes to Financial Statements.

City of Lockhart, Texas

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2022

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

Net changes in fund balances - total governmental funds	\$ 4,302,864
---	--------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	2,189,333
Capital contributions from EDC	37,680
Depreciation expense	(2,269,119)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property tax	52,863
Fines and fees	(67,360)
Other receivables	(21,941)

Some expenses 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.

Compensated absences	28,094
Accrued interest	(9,577)
Pension expense	440,769
OPEB expense-TMRS	(35,789)
OPEB expense-retiree healthcare	2,496

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt issuance	(2,330,000)
Lease issuance	(322,861)
Amortization of deferred charge on refunding	(23,442)
Amortization of premium	61,511
Principal payments	1,006,761

Change in Net Position of Governmental Activities	\$ 3,042,282
--	---------------------

See Notes to Financial Statements.

City of Lockhart, Texas
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (Page 1 of 2)
September 30, 2022

	Business-Type Activities		
	Electric	Water	Wastewater
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	\$ 2,630,374	\$ 5,934,635	\$ 4,794,424
Accounts receivable, net	2,179,870	629,324	397,896
Inventories	612,196	-	-
Prepaid items	3,260	647	647
Total Current Assets	5,425,700	6,564,606	5,192,967
<u>Noncurrent Assets</u>			
Capital assets:			
Non-depreciable	8,894	241,312	140,828
Net depreciable capital assets	3,879,892	55,506,935	5,560,758
Total Noncurrent Assets	3,888,786	55,748,247	5,701,586
Total Assets	9,314,486	62,312,853	10,894,553
<u>Deferred Outflows of Resources</u>			
Pension outflows-TMRS	172,932	38,951	38,170
OPEB outflows-TMRS	11,706	3,167	2,392
OPEB outflows-retiree healthcare	6,226	1,350	1,122
Deferred loss on refunding	-	99,811	15,325
Total Deferred Outflows of Resources	190,864	143,279	57,009

See Notes to Financial Statements.

Business-Type Activities

Nonmajor Funds	Total
\$ 1,270,868	\$ 14,630,301
1,018,444	4,225,534
-	612,196
925	5,479
<u>2,290,237</u>	<u>19,473,510</u>

192,570	583,604
1,662,737	66,610,322
<u>1,855,307</u>	<u>67,193,926</u>
<u>4,145,544</u>	<u>86,667,436</u>

23,716	273,769
2,364	19,629
1,204	9,902
-	115,136
<u>27,284</u>	<u>418,436</u>

City of Lockhart, Texas
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (Page 2 of 2)
September 30, 2022

	Business-Type Activities		
	Electric	Water	Wastewater
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ 811,280	\$ 183,596	\$ 94,682
Accrued liabilities	174,183	-	-
Customer deposits	413,352	142,608	-
Compensated absences, current	48,136	10,298	8,372
Lease liabilities, current	20,132	15,079	15,192
Long-term debt, current	279,313	1,004,356	119,747
Due to other funds	-	482,983	-
Accrued interest	6,155	565,039	11,318
Total Current Liabilities	1,752,551	2,403,959	249,311
<u>Noncurrent Liabilities</u>			
Compensated absences, noncurrent	5,348	1,144	930
Lease liabilities, noncurrent	29,607	22,178	22,343
Long-term debt, noncurrent	802,340	53,061,653	2,713,594
Net pension liability	244,138	54,989	53,887
OPEB liability-TMRS	74,269	20,099	15,175
OPEB liability-retiree healthcare	59,630	12,931	10,746
Total Noncurrent Liabilities	1,215,332	53,172,994	2,816,675
Total Liabilities	2,967,883	55,576,953	3,065,986
<u>Deferred Inflows of Resources</u>			
Pension inflows-TMRS	297,227	66,947	65,606
OPEB inflows-TMRS	5,737	1,552	1,172
OPEB inflows-retiree healthcare	1,141	247	206
Total Deferred Inflows of Resources	304,105	68,746	66,984
<u>Net Position</u>			
Net investment in capital assets	3,157,394	6,079,125	4,363,564
Restricted for:			
Capital projects	167,997	1,316,043	1,142,741
Unrestricted	2,907,971	(584,735)	2,312,287
Total Net Position	\$ 6,233,362	\$ 6,810,433	\$ 7,818,592

See Notes to Financial Statements.

Business-Type Activities			
Nonmajor			
Funds		Total	
\$ 120,617		\$ 1,210,175	
6,865		181,048	
5,050		561,010	
7,590		74,395	
23,726		74,129	
-		1,403,416	
-		482,983	
-		582,512	
163,848		4,569,668	
843		8,266	
26,707		100,835	
-		56,577,587	
33,481		386,495	
15,003		124,546	
11,533		94,840	
87,567		57,292,569	
251,415		61,862,237	
40,762		470,542	
1,159		9,620	
221		1,815	
42,142		481,977	
1,804,874		15,404,957	
-		2,626,781	
2,074,397		6,709,920	
\$ 3,879,271		\$ 24,741,658	

City of Lockhart, Texas

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

For the Year Ended September 30, 2022

	Business-Type Activities		
	Electric	Water	Wastewater
<u>Operating Revenues</u>			
Charges for services	\$ 12,608,272	\$ 4,132,398	\$ 2,880,275
Other revenue	111,228	264	-
Total Operating Revenues	12,719,500	4,132,662	2,880,275
<u>Operating Expenses</u>			
Personnel services	1,317,733	285,573	314,098
Supplies	14,176	55,521	80,713
Maintenance and repairs	221,164	211,699	148,224
Contractual services	355,578	451,924	50,789
Power, water, and water treatment	7,493,896	956,129	866,241
Non-departmental	-	-	67,293
Miscellaneous	154,250	4,920	-
Depreciation and amortization	396,312	2,097,524	261,968
Total Operating Expenses	9,953,109	4,063,290	1,789,326
Operating Income (Loss)	2,766,391	69,372	1,090,949
<u>Nonoperating Revenues (Expenses)</u>			
Insurance recoveries	1,008	-	-
Investment earnings	18,282	50,406	32,021
Interest expense	(20,670)	(1,502,069)	(1,370)
Debt issuance costs	(4,706)	-	(15,294)
Total Nonoperating Revenues (Expenses)	(6,086)	(1,451,663)	15,357
Income (Loss) Before Capital Contributions and Transfers	2,760,305	(1,382,291)	1,106,306
<u>Capital Contributions and Transfers</u>			
Capital grants	-	179,228	-
Transfers in	-	534,474	-
Transfers (out)	(2,027,379)	(99,548)	(973,250)
Total Capital Contributions and Transfers	(2,027,379)	614,154	(973,250)
Change in Net Position	732,926	(768,137)	133,056
Beginning net position	5,500,436	7,578,570	7,685,536
Ending Net Position	\$ 6,233,362	\$ 6,810,433	\$ 7,818,592

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
\$ 3,413,781	\$ 23,034,726
37,189	148,681
<u>3,450,970</u>	<u>23,183,407</u>
179,918	2,097,322
1,302,622	1,453,032
1,402,639	1,983,726
79,979	938,270
-	9,316,266
-	67,293
12,513	171,683
155,378	2,911,182
<u>3,133,049</u>	<u>18,938,774</u>
<u>317,921</u>	<u>4,244,633</u>
-	1,008
13,292	114,001
(746)	(1,524,855)
-	(20,000)
<u>12,546</u>	<u>(1,429,846)</u>
330,467	2,814,787
16,810	196,038
-	534,474
(319,727)	(3,419,904)
<u>(302,917)</u>	<u>(2,689,392)</u>
27,550	125,395
<u>3,851,721</u>	<u>24,616,263</u>
<u>\$ 3,879,271</u>	<u>\$ 24,741,658</u>

City of Lockhart, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 1 of 2)
For the Year Ended September 30, 2022

	Business-Type Activities		
	Electric	Water	Wastewater
<u>Cash Flows from Operating Activities</u>			
Payments to employees	\$ (1,386,833)	\$ (320,884)	\$ (320,806)
Payments to suppliers	(8,235,773)	(1,239,263)	(1,229,714)
Receipts from customers	12,774,047	4,229,888	2,935,885
Net Cash Provided (Used) by Operating Activities	3,151,441	2,669,741	1,385,365
<u>Cash Flows from Noncapital Financing Activities</u>			
Transfers in	-	534,474	-
Transfers (out)	(2,027,379)	(99,548)	(973,250)
Net Cash Provided (Used) by Noncapital Financing	(2,027,379)	434,926	(973,250)
<u>Cash Flows from Capital and Related Financing Activities</u>			
Acquisition and construction of capital assets	(565,615)	(285,439)	(11,572)
Capital grants	-	179,228	-
Insurance recoveries	1,008	-	-
Debt issuance	404,706	-	1,315,294
Principal paid on capital debt	(72,832)	(925,307)	(130,375)
Debt issuance costs	(4,706)	-	(15,294)
Interest paid on capital debt	(20,670)	(1,386,709)	(2,609)
Net Cash Provided (Used) by Capital and Related Financing Activities	(258,109)	(2,418,227)	1,155,444
<u>Cash Flows from Investing Activities</u>			
Interest on investments	18,282	50,406	32,021
Net Cash Provided by Investing Activities	18,282	50,406	32,021
Net Increase (Decrease) in Cash and Cash Equivalents	884,235	736,846	1,599,580
Beginning cash and cash equivalents	1,746,139	5,197,789	3,194,844
Ending Cash and Cash Equivalents	\$ 2,630,374	\$ 5,934,635	\$ 4,794,424

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
\$ (217,651)	\$ (2,246,174)
(2,925,971)	(13,630,721)
3,377,198	23,317,018
<u>233,576</u>	<u>7,440,123</u>
-	534,474
(319,727)	(3,419,904)
<u>(319,727)</u>	<u>(2,885,430)</u>
(332,132)	(1,194,758)
16,810	196,038
-	1,008
-	1,720,000
(23,442)	(1,151,956)
-	(20,000)
<u>(746)</u>	<u>(1,410,734)</u>
<u>(339,510)</u>	<u>(1,860,402)</u>
13,292	114,001
<u>13,292</u>	<u>114,001</u>
(412,369)	2,808,292
<u>1,683,237</u>	<u>11,822,009</u>
<u>\$ 1,270,868</u>	<u>\$ 14,630,301</u>

City of Lockhart, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 2 of 2)
For the Year Ended September 30, 2022

	Business-Type Activities		
	Electric	Water	Wastewater
<u>Reconciliation of Operating Income (Loss)</u>			
<u>to Net Cash Provided (Used) by Operating Activities</u>			
Operating Income (Loss)	\$ 2,766,391	\$ 69,372	\$ 1,090,949
Adjustments to reconcile operating income (loss) to net cash provided (used):			
Depreciation	396,312	2,097,524	261,968
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	(90,022)	65,676	55,610
Inventory	(124,532)	-	-
Prepaid items	(107)	155	155
Deferred outflows:			
Pension	(69,559)	(10,921)	(17,016)
OPEB	2,231	605	455
Increase (Decrease) in:			
Accounts payable and accrued liabilities	127,930	(42,208)	(16,609)
Customer deposits	144,569	31,550	-
Compensated absences	(5,153)	(1,056)	453
Due to other funds	-	482,983	-
Deferred inflows:			
Pension	182,382	35,807	42,105
OPEB	(483)	(132)	(99)
Net pension liability	(182,700)	(60,746)	(33,460)
OPEB Liability	4,182	1,132	854
Net Cash Provided (Used) by Operating Activities	\$ 3,151,441	\$ 2,669,741	\$ 1,385,365

Schedule of Non-Cash Capital and Related
Financing Activities

GBRA debt and intangible	\$ -	\$ 14,485,000	\$ -
--------------------------	------	---------------	------

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
\$ 317,921	\$ 4,244,633
155,378	2,911,182
(73,847)	(42,583)
-	(124,532)
(506)	(303)
(2,791)	(100,287)
452	3,743
(127,712)	(58,599)
75	176,194
(735)	(6,491)
-	482,983
17,515	277,809
(97)	(811)
(52,922)	(329,828)
845	7,013
<u>\$ 233,576</u>	<u>\$ 7,440,123</u>

\$ - \$ 14,485,000

City of Lockhart, Texas
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2022

	Private Purpose Trusts	Custodial Funds
<u>Assets</u>		
Cash and cash equivalents	\$ 557	\$ 32,810
Prepays	-	1,211
Total Assets	\$ 557	\$ 34,021
<u>Liabilities</u>		
Due to others	-	29,108
Total Liabilities	-	29,108
<u>Net Position</u>		
Restricted for various purposes:	\$ 557	\$ 4,913
Total Net Position	\$ 557	\$ 4,913

See Notes to Financial Statements.

City of Lockhart, Texas

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

For the Year Ended September 30, 2022

	Private Purpose Trusts	Custodial Funds
<u>Additions</u>		
Investment income	\$ 5	\$ 207
Other revenue	-	4,943
Total Additions	<u>5</u>	<u>5,150</u>
<u>Deductions</u>		
General government	-	1,188
Total Deductions	<u>-</u>	<u>1,188</u>
Net Change in Net Position	5	3,962
Beginning Net Position	552	951
Ending Net Position	<u><u>\$ 557</u></u>	<u><u>\$ 4,913</u></u>

See Notes to Financial Statements.

(This page intentionally left blank.)

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2022

I. 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.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) applicable to government units. The following is a summary of the more significant accounting policies.

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting Entity

For financial reporting purposes, management has considered all potential component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The criteria used are as follows:

Financial Accountability – The primary government is deemed to be financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government. Additionally, the primary government may be financially accountable if an organization is fiscally dependent on the primary government and there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government or a jointly appointed board.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Discretely Presented Component Unit

Lockhart Economic Development Corporation ("LEDC")

The 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. 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.

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, 2022.

This component unit is discretely presented in the financial statements. Complete financial statements of the individual component unit can be obtained from Pam Larison, Finance Director, at 308 W. San Antonio St. Lockhart, TX 78644.

C. Basis of Presentation - Government-Wide and Fund Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and the proprietary funds.

As discussed earlier, the government has one discretely presented component unit which is shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category;

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

General Fund

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, public works, health and welfare, culture and recreation, and community development.

The government reports the following major enterprise funds:

Electric Fund

The electric fund accounts for the activities of the City related to its provision of electricity. Activities of the fund include administration, operation and maintenance of the electric system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for electric debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the funds.

Water Fund

The water fund is used to account for the establishment and maintenance of water facilities within the municipal boundaries of the City. Activities of the fund include administration, operation and maintenance of the water system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the funds.

Wastewater Fund

The wastewater fund is used to account for the establishment and maintenance of sewage and drainage facilities within the municipal boundaries of the City. Activities of the fund include administration, operation and maintenance of the wastewater system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of,

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

long-term debt principal and interest for wastewater debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the funds.

Additionally, the government reports the following fund types:

Debt Service Funds

The City accounts for the accumulation of financial resources for the payments of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance is restricted exclusively for debt service expenditures.

Capital Project Funds

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

Special Revenue Funds

The City accounts for resources restricted to, or designated for, specific purposes in a special revenue fund. As of September 30, 2022, the City is maintaining eighteen special revenue funds.

Fiduciary Funds

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. These funds include the Glosserman Trust and Brock Cabin Trust fund.

Custodial 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 custodial funds include the confiscated property, unclaimed property, and bicycle helmet funds.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are 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. 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.

The 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 government 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary, pension and other postemployment benefit trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting its assets and liabilities.

E. Assets, Liabilities, Deferred Outflows/Inflows, and Fund Equity or Net Position

1. 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. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code.

In summary, the City is authorized to invest in the following:

Direct obligations of the U.S. Government
Fully collateralized certificates of deposit and money market accounts
Statewide investment pools
SEC registered, no load money market mutual funds

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

2. Fair Value

The City has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds are offset by a nonspendable fund balance account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Inventories and Prepaid Items

Inventory of the general fund and the electric fund consists of supplies held for the City's use and are carried at cost. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

5. Restricted Assets

Certain proceeds of re classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants or other restrictions.

6. Capital Assets

Capital assets, are tangible and intangible assets which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and rights to water access are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and capital items received in a service concession arrangement are reported at acquisition value. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

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

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years.

Asset Description	Estimated Useful Life
Building and improvements	10 to 50 years
Machinery and equipment	5 to 10 years
Public domain infrastructure	10 to 40 years
Utility system infrastructure	30 to 50 years
Intangible assets	15 to 40 years

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows / inflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government only has three items that qualify for reporting in this category. One example is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge 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.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, fines and forfeitures and ambulance fees. These amounts are deferred and

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumption used within the pension actuarial valuation model.

8. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable, pension and OPEB liabilities and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed when incurred.

The net pension liability is included within long term debt. This liability is valued using an actuarial model and represents the difference between the plan fiduciary net position and the net pension liability consistent with GASB statement no. 68. The portion of this liability presented as a current liability is based on actuarial calculations for estimated future payments of benefits and refunds over the twelve months following yearend.

Assets acquired under the terms of leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

9. 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.

10. Other Postemployment Benefits ("OPEB")

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. 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 on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

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

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

11. Leases

Lessee: The City and LEDC are lessees for noncancellable leases of building and equipment. The City and LEDC recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the full-accrual financial statements. The City and LEDC recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City and LEDC initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City and LEDC determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City and LEDC uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City and LEDC uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City and LEDC is reasonably certain to exercise.

The City and LEDC monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

12. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

13. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

14. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

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.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (Council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

15. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as 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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

3. 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

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

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.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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 utility fund, golf course fund, and storm water utility funds are charges to customers for sales and services. The utility fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the 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.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, "the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, debt service, three capital projects, various special revenue funds, and the enterprise funds. A budget was not adopted for the local municipal jury, the CARES Relief Act, the 2009 certificates of obligation, or the Maple Street park improvements funds. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the City Charter is the fund level. No funds can be transferred or added which affect the total fund expenditures without City Council approval. Appropriations lapse at the end of the year. One supplemental budget amendment was made during the year. All governmental funds with a legally adopted budget have been presented. The following funds exceeded appropriations at the level of control:

Hotel/Motel Tax	\$60,391
Radio System Maintenance	\$26,566

No other fund expenditures exceeded appropriations at the legal level of control.

A. Restricted Fund Balance

The City records restricted fund balance on amounts with externally imposed restrictions (e.g., through debt covenants or by grantors) or restrictions imposed by law through constitutional provisions or enabling legislation. Total restricted fund balance for governmental funds was \$7,676,346, of which, \$126,794 is restricted by enabling legislation.

B. Deficit Fund Equity

As of September 30, 2022, three nonmajor governmental funds, the debt service, court technology, and radio system maintenance, reported deficit fund balances of \$104,477, \$4,425, and \$29,841, respectively. The deficits will be replenished through interfund transfers and future operating surpluses.

C. Public Funds Investment & Collateral Acts

State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. As of September 30, 2022, the market values of pledged securities and FDIC exceeded bank balances. In addition, the City is required to adopt certain standards as it relates to the investment and maintenance of public funds. The City was in compliance with the requirement Public Funds Investment Act and the Public Funds Collateral Act.

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits - The City's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas Public Funds Investment Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the City's and the depository bank's agent bank. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of FDIC insurance. The City's deposits, as well as those of the City's component unit were fully insured or collateralized as required by the state statutes at September 30, 2022.

As of September 30, 2022, the primary government and component unit had the following investments:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	\$ 35,620,010	0.07
Total value	<u>\$ 35,620,010</u>	
Portfolio weighted average maturity		0.07

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

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 nonoperating funds to less than five years from the time of purchase. The weighted average maturity of investments of the City's operating funds cannot exceed one year from the time of purchase. The weighted average maturities of the investment pools did not exceed 60 days.

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. It

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

is LEDC policy to limit its investment 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, 2022, the investment pools were rated AAAM by Standard and Poor's.

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 and LEDC'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, 2022.

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 it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAM. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. At September 30, 2022, the fair value of the portion in TexPool approximates fair value of the shares. There were no limitations or restrictions on withdrawals.

TexSTAR

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract for services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. Board oversight of TexSTAR is maintained through daily, weekly, and monthly reporting requirements. TexSTAR is rated AAAm by Standard & Poor's. The City's fair value position is stated at the value of the position upon withdrawal. There were no limitations or restrictions on withdrawals.

Texas CLASS

MBIA is a participant of the Texas CLASS program. Texas CLASS has been established for governmental entities pursuant to the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Texas CLASS is supervised by a Board of Trustees who are elected by the Participants. The Board of Trustees supervises the Trust and its affairs and acts as the liaison between the Participants, the Custodian and the Program Administrator. The Board administers the affairs of the Trust and enters into contracts and agreements on behalf of the Trust in order to effectuate the terms of the Trust Agreement. It also selects consultants for Texas CLASS, including the Program Administrator and the Custodian. MBIA's Texas CLASS is rated AAA by Fitch. There were no limitations or restrictions on withdrawals.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

B. Receivables

The following comprise receivable balances of the primary government at year end:

Governmental Activities					
		Nonmajor			
	General	Governmental	Total		
Property taxes	\$ 402,252	\$ 63,055	\$ 465,307		
Sales tax	436,234	-	436,234		
Other taxes	49,857	44,642	94,499		
Fines and fees	420,407	83,576	503,983		
Accounts	-	31,291	31,291		
Other	201,244	-	201,244		
Allowance	(616,925)	-	(616,925)		
	<u>\$ 893,069</u>	<u>\$ 222,564</u>	<u>\$ 1,115,633</u>		

Business-Type Activities					
	Electric	Water	Wastewater	Nonmajor	Total
Accounts	\$ 2,350,208	\$ 671,369	\$ 427,206	\$ 312,581	\$ 3,761,364
EMS	-	-	-	4,404,835	4,404,835
Allowance	(170,338)	(42,045)	(29,310)	(3,698,972)	(3,940,665)
	<u>\$ 2,179,870</u>	<u>\$ 629,324</u>	<u>\$ 397,896</u>	<u>\$ 1,018,444</u>	<u>\$ 4,225,534</u>

The component unit receivables balance consisted entirely of sales tax.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

C. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 1,587,394	\$ -	\$ -	\$ 1,587,394
Construction in progress	421,490	937,691	(1,087,958)	271,223
Total capital assets not being depreciated	<u>2,008,884</u>	<u>937,691</u>	<u>(1,087,958)</u>	<u>1,858,617</u>
Capital assets, being depreciated:				
Machinery and equipment	7,687,550	757,249	(194,321)	8,250,478
Buildings and improvements	13,150,877	123,675	-	13,274,552
Infrastructure	77,768,483	85,537	1,087,958	78,941,978
Right to use assets	431,507	322,861	-	754,368
Total capital assets being depreciated	<u>99,038,417</u>	<u>1,289,322</u>	<u>893,637</u>	<u>101,221,376</u>
Less accumulated depreciation				
Machinery and equipment	6,179,769	424,795	(194,321)	6,410,243
Buildings and improvements	5,255,180	323,238	-	5,578,418
Infrastructure	68,906,606	1,372,932	-	70,279,538
Right to use assets	69,513	148,154	-	217,667
Total accumulated depreciation	<u>80,411,068</u>	<u>2,269,119</u>	<u>(194,321)</u>	<u>82,485,866</u>
Net capital assets being depreciated	<u>18,627,349</u>	<u>(979,797)</u>	<u>1,087,958</u>	<u>18,735,510</u>
Total Capital Assets	<u><u>\$ 20,636,233</u></u>	<u><u>\$ (42,106)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 20,594,127</u></u>

Depreciation was charged to governmental functions as follows:

General government	\$ 226,243
Public safety	390,873
Public works	1,429,546
Health and welfare	9,178
Culture and recreation	213,279
Total Governmental Activities Depreciation Expense	<u><u>\$ 2,269,119</u></u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

A summary of changes in business-type activities capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 574,710	\$ -	\$ -	\$ 574,710
Construction in progress	366,000	442,074	(799,180)	8,894
Total capital assets not being depreciated	<u>940,710</u>	<u>442,074</u>	<u>(799,180)</u>	<u>583,604</u>
Capital assets, being depreciated:				
Machinery and equipment	7,642,244	334,096	-	7,976,340
Buildings and improvements	4,500,538	-	-	4,500,538
Infrastructure	44,802,298	418,588	799,180	46,020,066
Intangibles	32,775,000	14,485,000	-	47,260,000
Total capital assets being depreciated	<u>89,720,080</u>	<u>15,237,684</u>	<u>799,180</u>	<u>105,756,944</u>
Less accumulated depreciation				
Machinery and equipment	6,257,963	299,651	-	6,557,614
Buildings and improvements	3,204,347	41,684	-	3,246,031
Infrastructure	22,677,818	984,027	-	23,661,845
Intangibles	4,095,312	1,585,820	-	5,681,132
Total accumulated depreciation	<u>36,235,440</u>	<u>2,911,182</u>	<u>-</u>	<u>39,146,622</u>
Net capital assets being depreciated	<u>53,484,640</u>	<u>12,326,502</u>	<u>799,180</u>	<u>66,610,322</u>
Total Capital Assets	<u><u>\$ 54,425,350</u></u>	<u><u>\$ 12,768,576</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 67,193,926</u></u>

Depreciation and amortization was charged to business-type activities as follows:

Electric	\$ 396,312
Water	2,097,524
Wastewater	261,968
EMS	77,817
Sanitation	22,609
Airport	54,952
Total Business-type Activities Depreciation Expense	<u><u>\$ 2,911,182</u></u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

A summary of changes in component unit (LEDC) capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 3,146,404	\$ -	\$ (325,000)	\$ 2,821,404
Construction in progress	380,917	1,257,344	(1,638,261)	-
Total capital assets not being depreciated	<u>3,527,321</u>	<u>1,257,344</u>	<u>(1,963,261)</u>	<u>2,821,404</u>
Capital assets, being depreciated:				
Buildings	612,000	-	1,638,261	2,250,261
Right to use assets	56,020	-	-	56,020
Total capital assets being depreciated	<u>668,020</u>	<u>-</u>	<u>1,638,261</u>	<u>2,306,281</u>
Less accumulated depreciation				
Buildings	122,400	28,623	-	151,023
Right to use assets	-	16,006	-	16,006
Total accumulated depreciation	<u>122,400</u>	<u>44,629</u>	<u>-</u>	<u>167,029</u>
Net capital assets being depreciated	545,620	(44,629)	1,638,261	2,139,252
Total Capital Assets	<u><u>\$ 4,072,941</u></u>	<u><u>\$ 1,212,715</u></u>	<u><u>\$ (325,000)</u></u>	<u><u>\$ 4,960,656</u></u>

Depreciation was charged to the following activities as follows:

Lockhart EDC	\$ 44,629
Total Depreciation Expense	<u><u>\$ 44,629</u></u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

D. Long-term Debt

The following is a summary of changes in the City's total long-term liabilities for the year ended September 30, 2022. In general, the City uses the general fund to liquidate governmental long-term liabilities.

	Beginning Balance	Additions	Retired	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, notes and other payables:					
General Obligation Bonds	\$ 4,224,718	\$ -	\$ (538,848)	\$ 3,685,870	\$ 565,042
Certificates of Obligation	6,691,415	-	(364,190)	6,327,225	382,630
Tax notes	-	2,330,000	-	2,330,000	304,914
Less deferred amounts:					
For premiums	528,249	-	(61,511)	466,738	-
Total Bonds Payable	11,444,382	2,330,000	(964,549)	12,809,833	1,252,586
Lease liabilities	332,340	322,861	(103,723)	551,478	152,603
Total Governmental Activities	\$ 11,776,722	\$ 2,652,861	\$ (1,068,272)	\$ 13,361,311	\$ 1,405,189
Long-term liabilities due in more than one year				\$ 11,956,122	
Business-Type Activities:					
General Obligation Bonds	\$ 1,420,278	\$ -	\$ (181,152)	\$ 1,239,126	\$ 189,958
Certificates of Obligation	7,823,585	-	(425,810)	7,397,775	447,370
Tax Notes	-	1,720,000	-	1,720,000	225,086
Less deferred amounts:					
For premiums	339,249	-	(32,261)	306,988	-
Total Bonds Payable	9,583,112	1,720,000	(639,223)	10,663,889	862,414
Lease liabilities	248,249	-	(73,285)	174,964	74,129
Notes payable	2,368,823	-	(171,709)	2,197,114	176,002
GBRA Obligations	30,935,000	14,485,000	(300,000)	45,120,000	365,000
Total Business-Type Activities	\$ 43,135,184	\$ 16,205,000	\$ (1,184,217)	\$ 58,155,967	\$ 1,477,545
Long-term liabilities due in more than one year				\$ 56,678,422	
Component Unit Activities (LEDC):					
Notes payable	\$ 464,426	\$ -	\$ (355,996)	\$ 108,430	\$ 22,311
Lease liabilities	56,020	-	(14,670)	41,350	15,756
Revenue bonds	1,540,000	-	(95,000)	1,445,000	95,000
County obligation	1,500,000	-	-	1,500,000	-
Total Component Unit Activities	\$ 3,560,446	\$ -	\$ (465,666)	\$ 3,094,780	\$ 133,067
Long-term liabilities due in more than one year				\$ 2,961,713	

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Long-term debt applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. The City intends to retire all of its general long-term liabilities, plus accrued interest, from property taxes and other current revenues from the debt service fund as has been done in prior years. The proprietary fund type long-term debt will be repaid, plus accrued interest, from operating revenues of the respective fund. The general fund has typically been used to liquidate the liability for compensated absences for governmental activities. Leases are secured by the underlying asset. In the event of default, the lender may demand immediate payment or take possession of the asset.

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, Texas 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, 2022, there was \$2,810,000 bonds outstanding.

Carrizo Groundwater Supply Project

The Guadalupe-Blanco River Authority (GBRA) has contracted with the City to assist with the financing for the development of the Carrizo Groundwater Supply Project. This groundwater development project will generate 15,000 acre-feet per year of groundwater which will be distributed to three customers that have contracts with GBRA – New Braunfels Utilities, City of Lockhart, and Goforth Special Utility District. The City is responsible for its proportional share of the contract revenue and board participation loans associated with the financing of the project. As of September 30, 2022, there was \$42,310,000 of obligations outstanding.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Primary government long-term debt at year end was comprised of the following debt issues:

	Governmental Activities	Business - Type Activities	Total
General Obligation Bonds:			
\$6,530,000 General Obligation Refunding Bond, Series 2016, due in annual installments through August 2028, interest at 3.6%	\$ 3,685,870	\$ 1,239,126	\$ 4,924,996
Total General Obligation Bonds	\$ 3,685,870	\$ 1,239,126	\$ 4,924,996
Certificates of Obligation:			
\$16,685,000 Certificates of Obligation, Series 2015, due in annual installments through August 2035 interest at 3.39%	\$ 6,327,225	\$ 7,397,775	\$ 13,725,000
Total Certificates of Obligation	\$ 6,327,225	\$ 7,397,775	\$ 13,725,000
Notes Payable:			
\$3,600,000 2013 State Infrastructure Bank Loan due in annual installments through June 2033, interest at 2.50%	\$ -	\$ 2,197,114	\$ 2,197,114
Total Notes Payable	\$ -	\$ 2,197,114	\$ 2,197,114
Tax Notes:			
\$4,050,000 Limited Tax Note, Series 2022, due in annual installments through 2029, interest at 2.61%	\$ 2,330,000	\$ 1,720,000	\$ 4,050,000
Total Tax Notes	\$ 2,330,000	\$ 1,720,000	\$ 4,050,000
GBRA Obligations:			
\$4,950,000 GBRA Revenue Bond, Series 2014, due in installments through 2030, interest at 3.45%	\$ -	\$ 2,810,000	\$ 2,810,000
\$7,095,000 2018 Board Participation Loan due in installments through 2053, interest at 4.24%	-	7,095,000	7,095,000
\$2,405,000 Contract Revenue Bond, Series 2018A, due in installments through 2048, interest at 3.96%	-	2,405,000	2,405,000
\$2,095,000 Contract Revenue Bond, Series 2018B, due in installments through 2048, interest at 3.23%	-	2,095,000	2,095,000
\$6,260,000 2019 Board Participation Loan due in installments through 2054, interest at 3.39%	-	6,260,000	6,260,000
\$1,720,000 Contract Revenue Bond, Series 2019, due in installments through 2049, interest at 2.47%	-	1,720,000	1,720,000
\$8,250,000 Contract Revenue Bond, Series 2020, due in installments through 2050, interest at 2.08%	-	8,250,000	8,250,000
\$14,485,000 Contract Revenue Bond, Series 2021, due in installments through 2050, interest at 2.75%	-	14,485,000	14,485,000
Total GBRA Obligations	\$ -	\$ 45,120,000	\$ 45,120,000

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

	Governmental Activities	Business - Type Activities	Total
Lease Liabilities:			
\$121,741 lease payable to Stryker Sales Corporation, due in annual installments of \$17,392 through 2024, interest at 3.5%	\$ -	\$ 34,783	\$ 34,783
\$322,861 lease payable for building, due in monthly installments of \$5,315 to \$6,218 through 2027, interest at 2.61%	313,626	-	313,626
\$610,998 lease payable to Enterprise Fleet, due in monthly installments of \$13,106 through 2025, interest at 1.5%	237,852	140,181	378,033
Total Lease Liabilities	\$ 551,478	\$ 174,964	\$ 726,442
Premiums	466,738	306,988	773,726
Total Debt	\$ 13,361,311	\$ 58,155,967	\$ 71,517,278

The component unit long-term debt at year end was comprised of the following debt issues:

	Lockhart EDC
Sales Tax Revenue Bonds:	
\$1,645,000 Sales Tax Revenue Bond, Series 2020, due in semi-annual installments through August 2035, interest at 2.47%	\$ 1,445,000
Total Sales Tax Revenue Bonds	\$ 1,445,000
County Obligations:	
\$1,500,000 County Obligation, due in annual installments of \$500,000, starting in 2026 through 2028, interest at 0%	\$ 1,500,000
Total County Obligations	\$ 1,500,000
Notes Payable:	
\$425,000 207 Economic Development Note Payable due in quarterly installments through 2027 interest at 4.25%	\$ 108,430
Total Notes Payable	\$ 108,430
Lease liabilities:	
\$76,144 lease payable for building, due in monthly installments of \$1,245-\$1,470 through March 2025, interest at 2.61%	\$ 41,350
Total Lease Liabilities	\$ 41,350
Total Debt	\$ 3,094,780

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

The annual requirements to amortize the City's long-term activities debt issues outstanding at year end were as follows:

Governmental Activities:

Year ending September 30,	2015 Tax & Rev CO		2016 GO Refunding		2022 Tax Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 382,630	\$ 216,388	\$ 565,042	\$ 131,821	\$ 304,914	\$ 62,071
2024	396,460	201,082	572,526	119,108	316,420	48,725
2025	412,595	185,224	594,978	101,932	325,049	40,354
2026	433,340	164,594	624,914	78,133	333,679	31,758
2027	447,170	151,594	647,366	53,136	339,432	22,974
2028 - 2032	2,523,975	542,482	681,044	27,242	710,506	18,656
2033 - 2035	1,731,055	120,407	-	-	-	-
	<u>\$ 6,327,225</u>	<u>\$ 1,581,771</u>	<u>\$ 3,685,870</u>	<u>\$ 511,372</u>	<u>\$ 2,330,000</u>	<u>\$ 224,538</u>

Year ending September 30,	Lease Liabilities	
	Principal	Interest
2023	\$ 152,603	\$ 10,425
2024	158,148	7,449
2025	109,665	4,533
2026	69,623	2,597
2027	61,439	737
	<u>\$ 551,478</u>	<u>\$ 25,741</u>

The City entered into leases to finance the use of building and equipment. The property is classified as right to use asset with a total carrying value as of yearend for governmental activities of \$536,701.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Business-Type Activities:

Year ending September 30,	2015 Tax & Rev CO		2016 GO Refunding		2022 Tax Note	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 447,370	\$ 253,000	\$ 189,958	\$ 44,316	\$ 225,086	\$ 45,820
2024	463,540	235,105	192,474	40,042	233,580	35,969
2025	482,405	216,563	200,022	34,268	239,951	29,789
2026	506,660	192,443	210,086	26,267	246,321	23,444
2027	522,830	177,243	217,634	17,864	250,568	16,959
2028 - 2032	2,951,025	634,268	228,952	9,158	524,494	13,773
2033 - 2035	2,023,945	140,780	-	-	-	-
	<u>\$ 7,397,775</u>	<u>\$ 1,849,403</u>	<u>\$ 1,239,126</u>	<u>171,915</u>	<u>\$ 1,720,000</u>	<u>\$ 165,754</u>

Year ending September 30,	State Infrastructure Loan		Lease Liabilities	
	Principal	Interest	Principal	Interest
2023	\$ 176,002	\$ 54,928	\$ 74,129	\$ 1,714
2024	180,402	50,528	74,986	857
2025	184,912	46,018	25,849	105
2026	189,535	41,395	-	-
2027	194,273	36,657	-	-
2028 - 2032	1,046,692	107,956	-	-
2033	225,299	5,632	-	-
	<u>\$ 2,197,114</u>	<u>\$ 343,113</u>	<u>\$ 174,964</u>	<u>\$ 2,675</u>

The City entered into leases to finance the use of equipment. The property is classified as right to use asset with a total carrying value as of yearend for business-type activities of \$192,097.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Year ending September 30,	Guadelupa-Blanco River Authority		
	Principal	Interest	Total
2023	\$ 365,000	\$ 848,444	\$ 1,213,444
2024	1,175,000	937,851	1,677,851
2025	1,200,000	911,666	1,676,666
2026	1,220,000	895,790	1,680,790
2027	1,235,000	878,995	1,678,995
2028	1,260,000	861,122	1,681,122
2029	1,280,000	842,354	1,682,354
2030	1,300,000	822,396	1,677,396
2031	915,000	808,454	1,273,454
2032	935,000	800,093	1,280,093
2033	945,000	790,529	1,275,529
2034	965,000	780,100	1,280,100
2035	985,000	768,927	1,278,927
2036	1,005,000	757,095	1,282,095
2037	1,025,000	744,556	1,279,556
2038	1,050,000	731,466	1,281,466
2039	1,425,000	717,534	1,632,534
2040	1,790,000	689,419	1,959,419
2041	1,840,000	649,348	1,959,348
2042	1,900,000	606,460	1,966,460
2043	1,955,000	561,920	1,961,920
2044	2,010,000	515,983	1,955,983
2045	2,080,000	466,500	1,961,500
2046	2,145,000	414,674	1,959,674
2047	2,210,000	360,515	1,955,515
2048	2,285,000	304,560	1,959,560
2049	2,085,000	246,389	1,686,389
2050	2,065,000	196,882	1,596,882
2051	1,720,000	147,244	1,187,244
2052	1,085,000	106,130	1,191,130
2053	1,135,000	63,234	1,198,234
2054	530,000	18,338	548,338
	<u>\$ 45,120,000</u>	<u>\$ 19,244,962</u>	<u>\$ 49,879,962</u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Lockhart Economic Development Corporation

Year ending September 30,	Lease Liabilities		Note Payable	
	Principal	Interest	Principal	Interest
2023	\$ 15,756	\$ 894	\$ 22,311	\$ 4,234
2024	16,840	470	23,283	3,262
2025	8,754	67	24,315	2,230
2026	-	-	25,384	1,161
2027	-	-	13,137	166
	<u>\$ 41,350</u>	<u>\$ 1,431</u>	<u>\$ 108,430</u>	<u>\$ 11,053</u>

The LEDC entered into a lease to finance the use of a building. The property is classified as right to use asset with a total carrying value as of yearend for component unit activities of \$40,014.

Year ending September 30,	2020 Sales Tax and Revenue Bonds		2020 Caldwell County Obligation	
	Principal	Interest	Principal	Interest
2023	\$ 95,000	\$ 35,692	\$ -	\$ -
2024	100,000	33,345	-	-
2025	100,000	30,875	-	-
2026	100,000	28,405	500,000	-
2027	105,000	25,935	500,000	-
2028-2032	570,000	89,167	500,000	-
2033-2035	375,000	18,772	-	-
	<u>\$ 1,445,000</u>	<u>\$ 262,191</u>	<u>\$ 1,500,000</u>	<u>\$ -</u>

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

G. Other Long-term Liabilities

The following is a summary of changes in the City's other long-term liabilities for the year ended. In general, the City uses the general fund and utility fund to liquidate compensated absences.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
Governmental Activities:					
Compensated absences	\$ 583,941	\$ 440,385	\$ (468,479)	\$ 555,847	\$ 500,262
Total Governmental Activities	<u>\$ 583,941</u>	<u>\$ 440,385</u>	<u>\$ (468,479)</u>	<u>\$ 555,847</u>	<u>\$ 500,262</u>
Other long-term liabilities due in more than one year				<u>\$ 55,585</u>	
Business-Type Activities:					
Compensated absences	\$ 89,152	\$ 86,169	\$ (92,660)	\$ 82,661	\$ 74,395
Total Business-Type Activities	<u>\$ 89,152</u>	<u>\$ 86,169</u>	<u>\$ (92,660)</u>	<u>\$ 82,661</u>	<u>\$ 74,395</u>
Other long-term liabilities due in more than one year				<u>\$ 8,266</u>	
EDC Activities:					
Compensated absences	\$ 4,206	\$ -	\$ (4,206)	\$ -	\$ -
Total Business-Type Activities	<u>\$ 4,206</u>	<u>\$ -</u>	<u>\$ (4,206)</u>	<u>\$ -</u>	<u>\$ -</u>
Other long-term liabilities due in more than one year				<u>\$ -</u>	

H. Deferred Charges on Refunding

Deferred charges resulting from the issuance of series 2016 GO revenue refunding bonds have been recorded as deferred outflows of resources and are being amortized to interest expense over the shorter of either the remaining term of the refunded debt or the refunding certificates of obligation. Current year balances for governmental and business-type activities totaled \$164,093 and \$115,136, respectively. Current year amortization expense for governmental and business-type activities totaled \$23,442 and \$16,447, respectively.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

I. Interfund Transactions

The compositions of interfund advances to/from balances as of the year ended September 30, 2022 were as follows:

	<u>Due from:</u>	
<u>Due to:</u>	<u>General Fund</u>	<u>Total</u>
Water Fund	\$ 482,983	482,983
Nonmajor govt.	157,140	157,140
Total	<u>\$ 640,123</u>	<u>\$ 640,123</u>

Interfund receivables and payables relate to various amounts used to cover operational and capital expenditures. All balances are expected to be resolved in the subsequent year.

Transfers between the primary government during the 2022 year were as follows:

	<u>Transfers Out:</u>						
<u>Transfers In:</u>	<u>General</u>	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Nonmajor governmental</u>	<u>Nonmajor enterprise</u>	<u>Total</u>
General	\$ -	\$ 2,027,379	\$ 99,548	\$ 382,463	\$ 490,417	\$ 319,727	\$ 3,319,534
Nonmajor govt	65,459	-	-	160,000	100,000	-	325,459
Water	-	-	-	430,787	103,687	-	534,474
Total	<u>\$ 65,459</u>	<u>\$ 2,027,379</u>	<u>\$ 99,548</u>	<u>\$ 973,250</u>	<u>\$ 694,104</u>	<u>\$ 319,727</u>	<u>\$ 4,179,467</u>

The LEDC transferred \$55,000 to the general fund during the year. In addition, the LEDC provided \$173,802 of capital contributions to the water fund during the year. Transfers between funds were primarily to support debt service requirements and operation of funds.

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City participates in the Texas Municipal League Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool that retains the risk of loss beyond the City's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the City's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess of insurance coverage.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

B. Contingent Liabilities

The City is involved in lawsuits with other parties from time to time. While the ultimate result of these matters cannot be predicted with certainty, the City does not expect them to have a materially adverse effect on the basic financial statements.

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

C. Commitments

Water Purchase Commitment

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

D. Pension Plans

Texas Municipal Retirement Systems

Plan Description

The City of Lockhart, Texas participates as one of 920 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (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 System 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 annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

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

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

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 payments 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.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

Plan provisions for the City were as follows:

	<u>Plan Year 2021</u>	<u>Plan Year 2020</u>
Employee deposit rate	6%	6%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	70% of CPI repeating	70% of CPI repeating

Employees covered by benefit terms

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	88
Inactive employees entitled to but not yet receiving benefits	132
Active employees	142
Total	362

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

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 of Lockhart, Texas were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the City of Lockhart, Texas were 12.47% and 12.33% in calendar years 2021 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2022, were \$946,174, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2021, 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, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum 16 mortality rate is applied, for males and females respectively, to reflect the impairment for

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35.0%	7.55%
Core Fixed Income	6.0%	2.00%
Non-Core Fixed Income	20.0%	5.68%
Other Public/Private Markets	12.0%	7.22%
Real Estate	12.0%	6.85%
Hedge Funds	5.0%	5.35%
Private Equity	10.0%	10.00%
Total	100.0%	

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

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. Of the total pension liability, \$1,847,891 is related to the primary government, and \$37,327 is attributable to discretely presented component unit.

Changes in the Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net	Total Net Pension	Primary Government	Component Units
Balance at 12/31/20	\$ 37,698,879	\$ 34,334,280	\$ 3,364,599	\$ 3,293,269	\$ 71,330
Changes for the year:					
Service cost	1,005,010	-	1,005,010	985,141	19,869
Interest	2,527,075	-	2,527,075	2,477,115	49,960
Change in benefit terms	-	-	-	-	-
Difference between expected and actual experience	850,154	-	850,154	833,346	16,808
Changes of assumptions	-	-	-	-	-
Contributions – employer	-	950,147	(950,147)	(931,363)	(18,784)
Contributions – employee	-	457,169	(457,169)	(448,131)	(9,038)
Net investment income	-	4,474,872	(4,474,872)	(4,386,404)	(88,468)
Benefit payments, including refunds of emp. contributions	(1,526,480)	(1,526,480)	-	-	-
Administrative expense	-	(20,710)	20,710	20,301	409
Other changes	-	142	(142)	4,617	(4,759)
Net changes	2,855,759	4,335,140	(1,479,381)	(1,445,378)	(34,003)
Balance at 12/31/21	<u>\$ 40,554,638</u>	<u>\$ 38,669,420</u>	<u>\$ 1,885,218</u>	<u>\$ 1,847,891</u>	<u>\$ 37,327</u>

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

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:

Primary Government

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 7,623,575	\$ 1,847,891	\$ (2,848,065)

Component Unit

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 153,996	\$ 37,327	\$ (57,531)

Total

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 7,777,571	\$ 1,885,218	\$ (2,905,596)

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the internet at www.tmr.com.

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

For the year ended September 30, 2022, the City recognized pension expense of \$336,169. Of this amount, \$329,513 is related to the primary government and \$6,656 is attributable to the discretely presented component unit.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

At September 30, 2022, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Primary Government:		
Difference between projected and actual investment earnings	\$ -	\$ (2,249,758)
Change in assumptions	9,994	-
Differences between expected and actual economic experience	642,692	-
Contributions subsequent to the measurement date	656,262	-
Component Units:		
Difference between projected and actual investment earnings	-	(45,444)
Change in assumptions	202	-
Differences between expected and actual economic experience	12,982	-
Contributions subsequent to the measurement date	13,256	-
Total	\$ 1,335,388	\$ (2,295,202)

The primary government and component units reported \$656,262 and \$13,256, respectively, as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2023.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Primary Government	Discretely Presented Component Units	Total
Year ended December 31:			
2022	\$ (74,866)	\$ (1,512)	\$ (76,378)
2023	(675,605)	(13,647)	(689,252)
2024	(423,668)	(8,558)	(432,226)
2025	(422,933)	(8,543)	(431,476)
2026	-	-	-
Thereafter	-	-	-
	\$ (1,597,072)	\$ (32,260)	\$ (1,629,332)

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

E. Other Postemployment Benefits

Supplemental Death Benefits Fund

The City also participates in a defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The 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 1 of any year to be effective the following January 1.

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 SDBF covers both active and retiree benefits with no segregation of assets and, therefore, doesn't meet the definition of a trust under GASB No. 75, paragraph 4b, (i.e., no assets are accumulated for OPEB). As such, the SDBF is considered to be a single-employer unfunded OPEB plan (and not a cost sharing plan) with benefit payments treated as being equal to the employer's yearly contributions for retirees.

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 retiree term life insurance during employees' entire careers.

Employees covered by benefit terms

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	22
Active employees	142
Total	223

The City's contributions to the TMRS SDBF for the years ended 2022 and 2021 were \$10,386 and \$9,355, respectively, which equaled the required contributions each year.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Schedule of Contribution Rates
(RETIREE-only portion of the rate)

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2020	0.06%	0.06%	100.0%
2021	0.15%	0.15%	100.0%
2022	0.13%	0.13%	100.0%

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2021, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5%, including inflation per year
Discount rate	1.84%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

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 males 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.

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 1.84%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

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

The following presents the total OPEB liability of the City, calculated using the discount rate of 1.84%, as well as what the City's total OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (0.84%) or 1-percentage-point higher (2.84%) than the current rate:

1% Decrease (0.84%)	Current Single Rate Assumption 1.84%	1% Increase (2.84%)
\$ 693,960	\$ 572,624	\$ 477,577

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/20	\$ 540,373
Changes for the year:	
Service Cost	28,954
Interest	10,983
Difference between expected and actual experience	(13,022)
Changes of assumptions	16,765
Benefit payments	(11,429)
Net changes	32,251
Balance at 12/31/21	\$ 572,624

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

For the year ended September 30, 2022, the City recognized OPEB expense of \$56,123.

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

At September 30, 2022, the City reported deferred outflows of resources related to the OPEB liability from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Difference between expected and actual experience	\$ -	\$ (44,230)
Changes in assumptions and other inputs	83,191	-
Contributions subsequent to measurement date	7,059	-
Total	<u><u>\$ 90,250</u></u>	<u><u>\$ (44,230)</u></u>

The City reported \$7,059 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2023.

Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:		
2022	\$	11,272
2023		17,086
2024		9,768
2025		727
2026		108
Thereafter		-
	<u><u>\$</u></u>	<u><u>38,961</u></u>

Retiree Health Benefit Plan

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

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, Continued

September 30, 2022

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

At the September 30, 2022 valuation, the following represents the active employees and retirees that are eligible to participate in the plan:

Employees covered by benefit terms

At the September 30, 2022 valuation date, the following employees were covered by the benefit terms:

<u>Status</u>	<u>Employee</u>	<u>Employee & Spouse</u>
Inactive employees or beneficiaries currently receiving benefits	5	0
Active employees	44	10
Total	49	10

Discount Rate

The discount rate used to measure the Total OPEB Liability was 4.77%. The discount rate was based on the Bond Buyer GO Bond 20 Year Index rate as of September 30, 2022, date of the actuarial valuation.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability of the City, calculated using the discount rate of 4.77%, as well as what the City's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.77%) or 1-percentage-point higher (5.77%) than the current rate:

<u>1% Decrease (3.77%)</u>	<u>Current Single Rate Assumption 4.77%</u>	<u>1% Increase (5.77%)</u>
\$ 412,464	\$ 382,159	\$ 354,665

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Healthcare Cost Trend

1% Decrease (3.5%)	Current Healthcare Cost Trend (4.5%)	1% Increase (5.5%)
\$ 350,437	\$ 382,159	\$ 418,618

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2021	\$ 426,848
Changes for the year:	
Service Cost	13,045
Interest	9,628
Difference between expected and actual experience	38,165
Changes of assumptions	(81,547)
Benefit payments	(23,980)
Net changes	(44,689)
Balance at 9/30/2022	\$ 382,159

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

For the year ended September 30, 2022, the City recognized OPEB expense of \$22,481.

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 24,777	\$ -
Change in assumptions	-	(36,353)
Total	\$ 24,777	\$ (36,353)

City of Lockhart, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2022

Amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:		
2023	\$	(192)
2024		(2,781)
2025		(6,833)
2026		(1,770)
2027		-
Thereafter		-
	\$	<u>(11,576)</u>

Funding Status and Funding Progress

Actuarial valuations of an ongoing program involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Program and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of Program, assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The current valuation dated September 30, 2022 and measured as of September 30, 2022 uses the mortality table: RPH 2014 Total Table with Projection MP-2021 and turnover: rates varying based on genera, age, and select and ultimate at 9 years. Rates based on the TMRS actuarial assumptions from the 2017 retirement plan valuation report.

Actuarial Methods and Assumptions

There have been no substantive changes in the retiree plan since the last full valuation. Therefore, the interim-year projection study is based on the census information, benefit schedules and costs for the fiscal year 2020 actuarial valuation for the development of the GASB 75 disclosures related to OPEB benefits for the year ended September 30, 2022.

Projections of benefits for financial reporting purposes are based on the substantive program (the program as understood by the employer and the Program members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Program members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

The following is a summary of the actuarial assumptions:

Actuarial Cost Method	Entry Age Normal Cost
Amortization Method	Level Percent-of-Payroll
Asset Valuation Method	N/A
Discount Rate	4.77%
Inflation Rate	2.5%
Salary Growth	3.5%
Healthcare Cost Trend Rate (Initial/Ultimate)	4.5% for medical

F. Tax Abatement Disclosures

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. The City has tax abatement/rebate agreements with three entities as of September 30, 2022:

\$6,983 of real property and personal property taxes was rebated to a manufacturing company that commercializes fiber reactor technology to enhance and improve manufacturing environments by increasing the efficiency of existing refining operations utilizing two-phase chemistry.

The City has not made any commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other governmental entities. The City has chosen to disclose information about its tax abatement agreements individually. It established a quantitative threshold of 100% percent of the total dollar amount of taxes abated during the year.

City of Lockhart, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2022

G. Restatement

Due to the implementation of GASB Statement No. 87, *Leases*, the LEDC restated capital assets and long-term liabilities for component unit activities as follows:

	Component Unit Activities
Prior year ending net position, as reported	\$ 4,982,768
Adoption of GASB 87 (lessee) - right-to-use assets	56,020
Adoption of GASB 87 (lessee) - lease liabilities	(56,020)
Restated beginning net position	<u>\$ 4,982,768</u>

H. New Accounting Pronouncements

The City has adopted the provision of Governmental Accounting Standard Board (GASB) Statement No. 87, entitled *Leases*. Due to the implementation of GASB 87 in the current year, the City recorded right to use assets and lease liabilities.

I. Subsequent Events

There were no subsequent events through March 21, 2023, the date the financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND (Page 1 of 2)

For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Property tax	\$ 4,917,565	\$ 4,917,565	\$ 4,795,142	\$ (122,423)
Sales tax	2,068,800	2,068,800	2,392,769	323,969
Franchise and local taxes	321,500	321,500	395,527	74,027
License and permits	293,500	293,500	422,933	129,433
Charges for services	82,300	82,300	251,869	169,569
Intergovernmental	894,069	894,069	428,420	(465,649)
Fines and forfeitures	275,500	275,500	249,589	(25,911)
Investment income	11,000	11,000	82,355	71,355
Other revenue	98,060	98,060	227,179	129,119
Total Revenues	8,962,294	8,962,294	9,245,783	283,489
<u>Expenditures</u>				
Current:				
General government	2,229,224	2,229,224	1,951,658	277,566
Public safety	6,263,125	6,885,445	6,498,281	387,164
Public works	2,421,075	2,421,075	1,256,222	1,164,853
Health and welfare	17,960	10,160	114,006	(103,846)
Culture and recreation	1,178,622	1,186,422	1,038,779	147,643
Community development	984,237	984,237	955,377	28,860
Debt Service:				
Principal	-	-	103,723	(103,723)
Interest and fiscal charges	-	-	8,576	(8,576)
Bond issuance cost	-	-	25,220	(25,220)
Total Expenditures	13,094,243	13,716,563	11,951,842	1,764,721
Revenues Over (Under)				
Expenditures	(4,131,949)	(4,754,269)	(2,706,059)	2,048,210

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND (Page 2 of 2)

For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Other Financing Sources (Uses)</u>				
Bond issuance	\$ -	\$ -	\$ 2,330,000	\$ 2,330,000
Lease issuance	-	-	322,861	322,861
Transfers in	3,602,832	3,602,832	3,319,534	(283,298)
Transfers (out)	(65,000)	(65,000)	(65,459)	(459)
Total Other Financing Sources (Uses)	3,537,832	3,537,832	5,906,936	2,369,104
Net Change in Fund Balance	\$ (594,117)	\$ (1,216,437)	3,200,877	\$ 4,417,314
Beginning fund balance			7,678,638	
Ending Fund Balance			\$ 10,879,515	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

City of Lockhart, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Years Ended:

	12/31/2021	12/31/2020	12/31/2019
Total pension liability			
Service cost	\$ 1,005,010	\$ 961,008	\$ 908,475
Interest	2,527,075	2,392,058	2,267,377
Differences between expected and actual experience	850,154	193,047	(28,525)
Changes of assumptions	-	-	94,975
Benefit payments, including refunds of participant contributions	(1,526,480)	(1,609,242)	(1,233,643)
Net change in total pension liability	2,855,759	1,936,871	2,008,659
Total pension liability - beginning	37,698,879	35,762,008	33,753,349
Total pension liability - ending (a)	40,554,638	37,698,879	35,762,008
Plan fiduciary net position			
Contributions - employer	\$ 950,147	\$ 933,321	\$ 884,655
Contributions - members	457,169	437,153	408,304
Net investment income	4,474,872	2,439,599	4,299,655
Benefit payments, including refunds of participant contributions	(1,526,480)	(1,609,242)	(1,233,643)
Administrative expenses	(20,710)	(15,791)	(24,299)
Other	142	(616)	(730)
Net change in plan fiduciary net position	4,335,140	2,184,424	4,333,942
Plan fiduciary net position - beginning	34,334,280	32,149,856	27,815,914
Plan fiduciary net position - ending (b)	\$ 38,669,420	\$ 34,334,280	\$ 32,149,856
Fund's net pension liability - ending (a) - (b)	\$ 1,885,218	\$ 3,364,599	\$ 3,612,152
Plan fiduciary net position as a percentage of the total pension liability	95.35%	91.08%	89.90%
Covered payroll	\$ 7,619,481	\$ 7,285,883	\$ 6,805,058
Fund's pension liability as a percentage of covered payroll	24.74%	46.18%	53.08%

Notes to schedule:

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>	¹
\$ 861,176	\$ 803,650	\$ 809,909	\$ 755,292	\$ 659,622	
2,158,275	2,050,665	1,924,544	1,840,606	1,759,695	
(144,312)	(95,374)	213,804	541,546	(275,265)	
-	-	-	143,888	-	
(1,331,302)	(1,055,658)	(1,097,681)	(1,084,811)	(987,219)	
1,543,837	1,703,283	1,850,576	2,196,521	1,156,833	
32,209,512	30,506,229	28,655,653	26,459,132	25,302,299	
33,753,349	32,209,512	30,506,229	28,655,653	26,459,132	
\$ 848,460	\$ 779,767	\$ 708,591	\$ 721,903	\$ 662,456	
385,314	358,239	358,731	352,824	321,581	
(862,453)	3,497,425	1,599,743	34,935	1,282,369	
(1,331,302)	(1,055,658)	(1,097,681)	(1,084,811)	(987,219)	
(16,669)	(18,124)	(18,076)	(21,283)	(13,388)	
(872)	(918)	(974)	(1,051)	(1,101)	
(977,522)	3,560,731	1,550,334	2,517	1,264,698	
28,793,436	25,232,705	23,682,371	23,679,854	22,415,156	
\$ 27,815,914	\$ 28,793,436	\$ 25,232,705	\$ 23,682,371	\$ 23,679,854	
\$ 5,937,435	\$ 3,416,076	\$ 5,273,524	\$ 4,973,282	\$ 2,779,278	
82.41%	89.39%	82.71%	82.64%	89.50%	
\$ 6,421,896	\$ 5,970,653	\$ 5,937,749	\$ 5,730,595	\$ 5,359,686	
92.46%	57.21%	88.81%	86.78%	51.86%	

City of Lockhart, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended:

	9/30/2022	9/30/2021	9/30/2020
Actuarially determined employer contributions	\$ 946,174	\$ 941,155	\$ 896,545
Contributions in relation to the actuarially determined contribution	\$ 946,174	\$ 941,155	\$ 896,545
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Annual covered payroll	\$ 7,648,561	\$ 7,490,384	\$ 6,972,445
Employer contributions as a percentage of covered payroll	12.37%	12.56%	12.86%

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Valuation Date:

Notes 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	24 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.5%, 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 2019 valuation pursuant to an experience study of the period 2014 - 2018

Mortality Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.

Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes There were no benefit changes during the year.

<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u> ¹
\$ 872,807	\$ 829,948	\$ 754,327	\$ 734,637	\$ 692,664
<u>\$ 872,807</u>	<u>\$ 829,948</u>	<u>\$ 754,327</u>	<u>\$ 734,637</u>	<u>\$ 692,664</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,687,118	\$ 6,300,160	\$ 5,911,532	\$ 6,129,529	\$ 5,617,224
13.05%	13.17%	12.76%	11.99%	12.33%

City of Lockhart, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM SUPPLEMENTAL DEATH BENEFITS PLAN

Years Ended:

	¹ 12/31/2021	12/31/2020	12/31/2019	12/31/2018
Total OPEB liability				
Service cost	\$ 28,954	\$ 23,315	\$ 17,693	\$ 19,266
Interest	10,983	13,308	14,621	13,571
Differences between expected and actual experience	(13,022)	(36,363)	(18,892)	(17,158)
Changes of assumptions	16,765	70,035	77,468	(27,464)
Benefit payments	(11,429)	(4,372)	(3,403)	(3,211)
Net changes	<u>32,251</u>	<u>65,923</u>	<u>87,487</u>	<u>(14,996)</u>
Total OPEB liability - beginning	<u>540,373</u>	<u>474,450</u>	<u>386,963</u>	<u>401,959</u>
Total OPEB liability - ending	² <u>\$ 572,624</u>	<u>\$ 540,373</u>	<u>\$ 474,450</u>	<u>\$ 386,963</u>
 Covered employee payroll	 \$ 7,619,481	 \$ 7,285,883	 \$ 6,805,058	 \$ 6,421,896
Fund's net position as a percentage of covered employee payroll	7.52%	7.42%	6.97%	6.03%

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

<u>12/31/2017</u>	
\$	15,524
	13,276
	-
	31,482
	<u>(3,582)</u>
	<u>56,700</u>
	<u>345,259</u>
\$	<u><u>401,959</u></u>
\$	5,970,653
	6.73%

City of Lockhart, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) LIABILITY AND RELATED RATIOS RETIREE HEALTHCARE

Years Ended:

	¹	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>
Total OPEB liability					
Service cost	\$ \$	13,045	\$ \$ 13,045	\$ \$ 11,786	\$ \$ 11,786
Interest		9,628	9,754	15,971	15,460
Differences between expected and actual experience		38,165.0	-	(9,846)	-
Changes of assumptions		(81,547.0)	-	53,744	-
Benefit payments		(23,980)	(32,804)	(32,804)	(20,086)
Net changes		<u>(44,689)</u>	<u>(10,005)</u>	<u>38,851</u>	<u>7,160</u>
Total OPEB liability - beginning		<u>426,848</u>	<u>436,853</u>	<u>398,002</u>	<u>390,842</u>
Total OPEB liability - ending	² \$	<u><u>382,159</u></u>	<u><u>\$ 426,848</u></u>	<u><u>\$ 436,853</u></u>	² \$ <u><u>398,002</u></u>
 Covered employee payroll	\$	3,307,156	\$ 3,307,156	\$ 3,307,156	\$ 3,778,438
 Fund's net position as a percentage of covered employee payroll		11.56%	12.91%	13.21%	10.53%

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

<u>9/30/2018</u>	
\$	11,326
	15,641
	-
	-
	(20,086)
	<u>6,881</u>
	<u>383,961</u>
² \$	<u><u>390,842</u></u>
\$	3,778,438
	10.34%

(This page intentionally left blank.)

***COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES***

City of Lockhart, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2022

	Debt Service Fund	Special Revenue Funds	Capital Project Funds	Total
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 5,367,146	\$ 2,077,594	\$ 7,444,740
Accounts receivable	63,055	159,509	-	222,564
Total Assets	\$ 63,055	\$ 5,526,655	\$ 2,077,594	\$ 7,667,304
<u>Liabilities</u>				
Accounts payable	\$ -	\$ 10,090	\$ 257,842	\$ 267,932
Due to other funds	104,476	52,664	-	157,140
Total Liabilities	104,476	62,754	257,842	425,072
<u>Deferred Inflows/Outflows</u>				
Unavailable revenue-tax	63,056	-	-	63,056
Unavailable revenue-fines	-	8,479	-	8,479
Total Deferred Inflows	63,056	8,479	-	71,535
<u>Fund Balances</u>				
Restricted for:				
General government	-	69,453	-	69,453
Public safety	-	20,649	-	20,649
Municipal court	-	126,794	-	126,794
Tourism	-	130,191	-	130,191
Capital projects	-	5,142,601	1,819,752	6,962,353
Unassigned	(104,477)	(34,266)	-	(138,743)
Total Fund Balances	(104,477)	5,455,422	1,819,752	7,170,697
Total Liabilities, Deferred Inflows and Fund Balances	\$ 63,055	\$ 5,526,655	\$ 2,077,594	\$ 7,667,304

See Notes to Financial Statements.

City of Lockhart, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2022

	Debt Service Fund	Special Revenue Funds	Capital Project Funds	Total
<u>Revenues</u>				
Property tax	\$ 953,087	\$ -	\$ -	\$ 953,087
Hotel occupancy tax	-	189,491	-	189,491
Fines and forfeitures	-	26,058	-	26,058
License and permits	-	429,070	-	429,070
Charges for services	-	664,402	-	664,402
Intergovernmental	12,484	1,938,330	-	1,950,814
Other revenue	-	7,913	-	7,913
Investment income	3,566	20,223	19,574	43,363
Total Revenues	<u>969,137</u>	<u>3,275,487</u>	<u>19,574</u>	<u>4,264,198</u>
<u>Expenditures</u>				
General government	-	169,851	-	169,851
Public safety	-	271,086	-	271,086
Public works	-	6,893	-	6,893
Culture and recreation	-	24	-	24
Debt service:				
Principal	903,038	-	-	903,038
Interest	384,894	-	-	384,894
Capital outlay	-	7,205	1,050,575	1,057,780
Total Expenditures	<u>1,287,932</u>	<u>455,059</u>	<u>1,050,575</u>	<u>2,793,566</u>
Revenues Over (Under)				
Expenditures	<u>(318,795)</u>	<u>2,820,428</u>	<u>(1,031,001)</u>	<u>1,470,632</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	260,000	65,459	-	325,459
Transfers (out)	-	(694,104)	-	(694,104)
Total Other Financing Sources				
(Uses)	<u>260,000</u>	<u>(628,645)</u>	<u>-</u>	<u>(368,645)</u>
Net Change in Fund Balances	(58,795)	2,191,783	(1,031,001)	1,101,987
Beginning fund balances	(45,682)	3,263,639	2,850,753	6,068,710
Ending Fund Balances	<u>\$ (104,477)</u>	<u>\$ 5,455,422</u>	<u>\$ 1,819,752</u>	<u>\$ 7,170,697</u>

See Notes to Financial Statements.

City of Lockhart, Texas
COMBINING BALANCE SHEET (Page 1 of 2)
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2022

	Radio Tower Equipment Replacement	Forfeited Property	Hotel/ Motel Tax	LEOSE Fund
<u>Assets</u>				
Cash and cash equivalents	\$ 3,921	\$ 9,680	\$ 99,628	\$ 10,969
Accounts receivable	-	-	44,642	-
Total Assets	\$ 3,921	\$ 9,680	\$ 144,270	\$ 10,969
<u>Liabilities</u>				
Accounts payable and accrued liab.	\$ -	\$ -	\$ 6,500	\$ -
Due to other funds	-	-	7,579	-
Total Liabilities	-	-	14,079	-
<u>Deferred Inflows</u>				
Unavailable revenue-fines and fees	-	-	-	-
Total Deferred Inflows	-	-	-	-
<u>Fund Balances</u>				
Restricted for:				
General government	-	-	-	-
Public safety	-	9,680	-	10,969
Municipal court	-	-	-	-
Tourism	-	-	130,191	-
Capital projects	3,921	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3,921	9,680	130,191	10,969
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 3,921	\$ 9,680	\$ 144,270	\$ 10,969

See Notes to Financial Statements.

Road Impact Fees #1	Road Impact Fees #2	Court Technology	Radio System Maintenance	Court Security
\$ 896,983	\$ 774,583	\$ -	\$ -	\$ 12,897
-	-	1,708	-	1,947
<u>\$ 896,983</u>	<u>\$ 774,583</u>	<u>\$ 1,708</u>	<u>\$ -</u>	<u>\$ 14,844</u>
\$ -	\$ -	\$ 84	\$ -	\$ -
-	-	4,341	29,841	-
-	-	4,425	29,841	-
-	-	1,708	-	1,947
-	-	1,708	-	1,947
-	-	-	-	-
-	-	-	-	-
-	-	-	-	12,897
-	-	-	-	-
896,983	774,583	-	-	-
-	-	(4,425)	(29,841)	-
<u>896,983</u>	<u>774,583</u>	<u>(4,425)</u>	<u>(29,841)</u>	<u>12,897</u>
<u>\$ 896,983</u>	<u>\$ 774,583</u>	<u>\$ 1,708</u>	<u>\$ -</u>	<u>\$ 14,844</u>

City of Lockhart, Texas
COMBINING BALANCE SHEET (Page 2 of 2)
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2022

	Child Safety	Court Efficiency	Juvenile Case Manager	Truancy Court
<u>Assets</u>				
Cash and cash equivalents	\$ 43,476	\$ 10,055	\$ 52,259	\$ 7,819
Accounts receivable	810	1,726	2,132	121
Total Assets	\$ 44,286	\$ 11,781	\$ 54,391	\$ 7,940
<u>Liabilities</u>				
Accounts payable and accrued liab.	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
<u>Deferred Inflows</u>				
Unavailable revenue-fines and fees	810	1,726	2,132	121
Total Deferred Inflows	810	1,726	2,132	121
<u>Fund Balances</u>				
Restricted for:				
General government	-	-	-	-
Public safety	-	-	-	-
Municipal court	43,476	10,055	52,259	7,819
Tourism	-	-	-	-
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	43,476	10,055	52,259	7,819
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 44,286	\$ 11,781	\$ 54,391	\$ 7,940

See Notes to Financial Statements.

Local Municipal Jury	Cable Education	Transportation	Drainage	CARES Relief Act	Total Special Revenue Funds
\$ 288	\$ 62,775	\$ 200,671	\$ 56,417	\$ 3,124,725	\$ 5,367,146
35	6,678	68,419	31,291	-	159,509
<u>\$ 323</u>	<u>\$ 69,453</u>	<u>\$ 269,090</u>	<u>\$ 87,708</u>	<u>\$ 3,124,725</u>	<u>\$ 5,526,655</u>
\$ -	\$ -	\$ -	\$ -	\$ 3,506	\$ 10,090
-	-	-	10,903	-	52,664
-	-	-	10,903	3,506	62,754
35	-	-	-	-	8,479
<u>35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,479</u>
-	69,453	-	-	-	69,453
-	-	-	-	-	20,649
288	-	-	-	-	126,794
-	-	-	-	-	130,191
-	-	269,090	76,805	3,121,219	5,142,601
-	-	-	-	-	(34,266)
<u>288</u>	<u>69,453</u>	<u>269,090</u>	<u>76,805</u>	<u>3,121,219</u>	<u>5,455,422</u>
<u>\$ 323</u>	<u>\$ 69,453</u>	<u>\$ 269,090</u>	<u>\$ 87,708</u>	<u>\$ 3,124,725</u>	<u>\$ 5,526,655</u>

City of Lockhart, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Page 1 of 2) NONMAJOR SPECIAL REVENUE FUNDS For the Year Ended September 30, 2022

	Radio Tower Equipment Replacement	Forfeited Property	Hotel/ Motel Tax	LEOSE Fund
<u>Revenues</u>				
Hotel occupancy tax	\$ -	\$ -	\$ 160,799	\$ -
Fines and forfeitures	-	424	-	-
License and permits	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	1,751
Investment income	38	86	1,122	99
Other revenue	-	-	7,913	-
Total Revenues	38	510	169,834	1,850
<u>Expenditures</u>				
General government	-	-	137,817	-
Public safety	1,487	-	-	705
Public works	-	-	-	-
Culture and recreation	-	-	24	-
Capital outlay	-	-	-	-
Total Expenditures	1,487	-	137,841	705
Revenues Over (Under) Expenditures	(1,449)	510	31,993	1,145
<u>Other Financing Sources (Uses)</u>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(1,449)	510	31,993	1,145
Beginning fund balances	5,370	9,170	98,198	9,824
Ending Fund Balances	\$ 3,921	\$ 9,680	\$ 130,191	\$ 10,969

See Notes to Financial Statements.

Road Impact Fees #1	Road Impact Fees #2	Court Technology	Radio System Maintenance	Court Security
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	5,303	-	6,276
242,607	186,463	-	-	-
-	-	-	-	-
-	-	-	174,174	-
8,742	6,355	-	-	111
-	-	-	-	-
251,349	192,818	5,303	174,174	6,387
-	-	3,315	-	5,548
8,446	8,446	-	234,138	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,446	8,446	3,315	234,138	5,548
242,903	184,372	1,988	(59,964)	839
-	-	-	65,459	-
-	-	-	-	-
-	-	-	65,459	-
242,903	184,372	1,988	5,495	839
654,080	590,211	(6,413)	(35,336)	12,058
\$ 896,983	\$ 774,583	\$ (4,425)	\$ (29,841)	\$ 12,897

City of Lockhart, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Page 2 of 2) NONMAJOR SPECIAL REVENUE FUNDS For the Year Ended September 30, 2022

	Child Safety	Court Efficiency	Juvenile Case Manager	Truancy Court
<u>Revenues</u>				
Franchise and local taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	1,656	5,215	6,684	379
License and permits	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	393	82	464	70
Other revenue	-	-	-	-
Total Revenues	2,049	5,297	7,148	449
<u>Expenditures</u>				
General government	-	-	-	-
Public safety	-	-	410	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	7,205	-	-
Total Expenditures	-	7,205	410	-
Revenues Over (Under) Expenditures	2,049	(1,908)	6,738	449
<u>Other Financing Sources (Uses)</u>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	2,049	(1,908)	6,738	449
Beginning fund balances	41,427	11,963	45,521	7,370
Ending Fund Balances	\$ 43,476	\$ 10,055	\$ 52,259	\$ 7,819

See Notes to Financial Statements.

Local Municipal Jury	Cable Education	Transportation	Drainage	CARES Relief Act	Total Special Revenue Funds
\$ -	\$ 28,692	\$ -	\$ -	\$ -	\$ 189,491
121	-	-	-	-	26,058
-	-	-	-	-	429,070
-	-	456,506	207,896	-	664,402
-	-	-	-	1,762,405	1,938,330
-	772	1,584	305	-	20,223
-	-	-	-	-	7,913
121	29,464	458,090	208,201	1,762,405	3,275,487
-	23,171	-	-	-	169,851
-	-	-	-	17,454	271,086
-	-	2,923	3,970	-	6,893
-	-	-	-	-	24
-	-	-	-	-	7,205
-	23,171	2,923	3,970	17,454	455,059
121	6,293	455,167	204,231	1,744,951	2,820,428
-	-	-	-	-	65,459
-	-	(400,000)	(190,417)	(103,687)	(694,104)
-	-	(400,000)	(190,417)	(103,687)	(628,645)
121	6,293	55,167	13,814	1,641,264	2,191,783
167	63,160	213,923	62,991	1,479,955	3,263,639
\$ 288	\$ 69,453	\$ 269,090	\$ 76,805	\$ 3,121,219	\$ 5,455,422

City of Lockhart, Texas
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
September 30, 2022

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2009 Certificates of Obligation
<u>Assets</u>			
Cash and cash equivalents	\$ 33,623	\$ 15,000	\$ -
Total Assets	\$ 33,623	\$ 15,000	\$ -
<u>Liabilities</u>			
Accounts payable	\$ -	\$ -	\$ -
Total Liabilities	-	-	-
<u>Fund Balances</u>			
Restricted for:			
Capital projects	33,623	15,000	-
Total Fund Balances	33,623	15,000	-
Total Liabilities and Fund Balances	\$ 33,623	\$ 15,000	\$ -

See Notes to Financial Statements.

2015 Certificates of Obligation	Maple Street Park Improvements	Total
\$ 2,008,971	\$ 20,000	\$ 2,077,594
\$ 2,008,971	\$ 20,000	\$ 2,077,594
\$ 257,842	\$ -	\$ 257,842
257,842	-	257,842
1,751,129	20,000	1,819,752
1,751,129	20,000	1,819,752
\$ 2,008,971	\$ 20,000	\$ 2,077,594

City of Lockhart, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECT FUNDS For the Year Ended September 30, 2022

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2009 Certificates of Obligation
<u>Revenues</u>			
Investment income	\$ 363	\$ -	\$ 169
Total Revenues	363	-	169
<u>Expenditures</u>			
Capital outlay	-	-	271,365
Total Expenditures	-	-	271,365
Net Change in Fund Balances	363	-	(271,196)
Beginning fund balances	33,260	15,000	271,196
Ending Fund Balances	\$ 33,623	\$ 15,000	\$ -

See Notes to Financial Statements.

2015 Certificates of Obligation	Maple Street Park Improvements	Total
\$ 19,042	\$ -	\$ 19,574
19,042	-	19,574
779,210	-	1,050,575
779,210	-	1,050,575
(760,168)	-	(1,031,001)
2,511,297	20,000	2,850,753
\$ 1,751,129	\$ 20,000	\$ 1,819,752

(This page intentionally left blank.)

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL RADIO TOWER EQUIPMENT REPLACEMENT For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Investment income	\$ 120	\$ 38	\$ (82)
Total Revenues	120	38	(82)
<u>Expenditures</u>			
Public safety	9,885	1,487	8,398
Total Expenditures	9,885	1,487	8,398
Net Change in Fund Balances	\$ (9,765)	(1,449)	\$ 8,316
Beginning fund balances		5,370	
Ending Fund Balances		\$ 3,921	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FORFEITED PROPERTY
For the Year Ended September 30, 2022

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>			
Fines and forfeitures	\$ 70	\$ 424	\$ 354
Investment income	-	86	86
Total Revenues	<u>70</u>	<u>510</u>	<u>440</u>
<u>Expenditures</u>			
General government	10,807	-	10,807
Total Expenditures	<u>10,807</u>	<u>-</u>	<u>10,807</u>
Revenues Over (Under) Expenditures	<u>(10,737)</u>	<u>510</u>	<u>11,247</u>
Net Change in Fund Balances	<u><u>\$ (10,737)</u></u>	<u>510</u>	<u><u>\$ 11,247</u></u>
Beginning fund balances		9,170	
Ending Fund Balances		<u><u>\$ 9,680</u></u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL HOTEL/MOTEL TAX

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Hotel occupancy tax	\$ 126,420	\$ 160,799	\$ 34,379
Other revenue	-	7,913	7,913
Investment income	-	1,122	1,122
Total Revenues	<u>126,420</u>	<u>169,834</u>	<u>43,414</u>
<u>Expenditures</u>			
General government	77,450	137,817	(60,367)
Culture and recreation	-	24	(24)
Total Expenditures	<u>77,450</u>	<u>137,841</u>	<u>(60,391) *</u>
Net Change in Fund Balances	<u>\$ 48,970</u>	<u>31,993</u>	<u>\$ (16,977)</u>
Beginning fund balances		98,198	
Ending Fund Balances		<u>\$ 130,191</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

* Expenditures exceeded appropriations at the legal level of control.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

ROAD IMPACT FEES #1

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
License and permits	\$ 24,000	\$ 242,607	\$ 218,607
Investment income	-	8,742	8,742
Total Revenues	24,000	251,349	227,349
<u>Expenditures</u>			
General government	-	8,446	(8,446)
Capital outlay	666,532	-	666,532
Total Expenditures	666,532	8,446	658,086
Revenues Over (Under) Expenditures	(642,532)	242,903	885,435
Net Change in Fund Balances	\$ (642,532)	242,903	\$ 885,435
Beginning fund balances		654,080	
Ending Fund Balances		\$ 896,983	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

ROAD IMPACT FEES #2

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
License and permits	\$ 35,000	\$ 186,463	\$ 151,463
Investment income	-	6,355	6,355
Total Revenues	35,000	192,818	157,818
<u>Expenditures</u>			
Public safety	-	8,446	(8,446)
Capital outlay	285,977	-	285,977
Total Expenditures	285,977	8,446	277,531
Revenues Over (Under) Expenditures	(250,977)	184,372	435,349
Net Change in Fund Balances	\$ (250,977)	184,372	\$ 435,349
Beginning fund balances		590,211	
Ending Fund Balances		\$ 774,583	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COURT TECHNOLOGY
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 3,200	\$ 5,303	\$ 2,103
Total Revenues	<u>3,200</u>	<u>5,303</u>	<u>2,103</u>
<u>Expenditures</u>			
General government	11,389	3,315	8,074
Total Expenditures	<u>11,389</u>	<u>3,315</u>	<u>8,074</u>
Revenues Over (Under) Expenditures	<u>(8,189)</u>	<u>1,988</u>	<u>10,177</u>
Net Change in Fund Balances	<u>\$ (8,189)</u>	<u>1,988</u>	<u>\$ 10,177</u>
Beginning fund balances		(6,413)	
Ending Fund Balances		<u>\$ (4,425)</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL RADIO SYSTEM MAINTENANCE For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Intergovernmental	\$ 185,440	\$ 174,174	\$ (11,266)
Total Revenues	185,440	174,174	(11,266)
<u>Expenditures</u>			
Public safety	207,572	234,138	(26,566)
Total Expenditures	207,572	234,138	(26,566) *
Revenues Over (Under) Expenditures	(22,132)	(59,964)	(37,832)
<u>Other Financing Sources (Uses)</u>			
Transfers in	-	65,459	65,459
Total Other Financing Sources (Uses)	-	65,459	65,459
Net Change in Fund Balances	\$ (22,132)	5,495	\$ 27,627
Beginning fund balances		(35,336)	
Ending Fund Balances		\$ (29,841)	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

* Expenditures exceeded appropriations at the legal level of control.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COURT SECURITY
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 100	\$ 6,276	\$ 6,176
Investment income	-	111	111
Total Revenues	100	6,387	6,287
<u>Expenditures</u>			
General government	11,393	5,548	5,845
Total Expenditures	11,393	5,548	5,845
Revenues Over (Under) Expenditures	(11,293)	839	12,132
Net Change in Fund Balances	\$ (11,293)	839	\$ 12,132
Beginning fund balances		12,058	
Ending Fund Balances		\$ 12,897	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CHILD SAFETY
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 320	\$ 1,656	\$ 1,336
Investment income	-	393	393
Total Revenues	320	2,049	1,729
<u>Expenditures</u>			
General government	30,523	-	30,523
Total Expenditures	30,523	-	30,523
Revenues Over (Under) Expenditures	(30,203)	2,049	32,252
Net Change in Fund Balances	\$ (30,203)	2,049	\$ 32,252
Beginning fund balances		41,427	
Ending Fund Balances		\$ 43,476	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL COURT EFFICIENCY

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 200	\$ 5,215	\$ 5,015
Investment income	-	82	82
Total Revenues	<u>200</u>	<u>5,297</u>	<u>5,097</u>
<u>Expenditures</u>			
Capital outlay	16,178	7,205	8,973
Total Expenditures	<u>16,178</u>	<u>7,205</u>	<u>8,973</u>
Revenues Over (Under) Expenditures	<u>(15,978)</u>	<u>(1,908)</u>	<u>14,070</u>
Net Change in Fund Balances	<u>\$ (15,978)</u>	<u>(1,908)</u>	<u>\$ 14,070</u>
Beginning fund balances		11,963	
Ending Fund Balances		<u>\$ 10,055</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
JUVENILE CASE MANAGER
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 1,200	\$ 6,684	\$ 5,484
Investment income	-	464	464
Total Revenues	<u>1,200</u>	<u>7,148</u>	<u>5,948</u>
<u>Expenditures</u>			
General government	39,620	-	39,620
Public safety	-	410	(410)
Total Expenditures	<u>39,620</u>	<u>410</u>	<u>39,210</u>
Net Change in Fund Balances	<u>\$ (38,420)</u>	6,738	<u>\$ 45,158</u>
Beginning fund balances		45,521	
Ending Fund Balances		<u>\$ 52,259</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TRUANCY COURT
For the Year Ended September 30, 2022

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>			
Fines and forfeitures	\$ 325	\$ 379	\$ 54
Investment income	-	70	70
Total Revenues	<u>325</u>	<u>449</u>	<u>124</u>
<u>Expenditures</u>			
General government	7,283	-	7,283
Total Expenditures	<u>7,283</u>	<u>-</u>	<u>7,283</u>
Net Change in Fund Balances	<u>\$ (6,958)</u>	449	<u>\$ 7,407</u>
Beginning fund balances		7,370	
Ending Fund Balances		<u>\$ 7,819</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CABLE EDUCATION
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Hotel occupancy tax	\$ 1,600	\$ 28,692	\$ 27,092
Investment income	-	772	772
Total Revenues	<u>1,600</u>	<u>29,464</u>	<u>27,864</u>
<u>Expenditures</u>			
General government	61,373	23,171	38,202
Total Expenditures	<u>61,373</u>	<u>23,171</u>	<u>38,202</u>
Revenues Over (Under) Expenditures	<u>(59,773)</u>	<u>6,293</u>	<u>66,066</u>
Net Change in Fund Balances	<u>\$ (59,773)</u>	<u>6,293</u>	<u>\$ 66,066</u>
Beginning fund balances		63,160	
Ending Fund Balances		<u>\$ 69,453</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL TRANSPORTATION

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Charges for services	\$ 360,000	\$ 456,506	\$ 96,506
Investment income	-	1,584	1,584
Total Revenues	360,000	458,090	98,090
<u>Expenditures</u>			
Public works	130,333	2,923	127,410
Total Expenditures	130,333	2,923	127,410
Revenues Over (Under) Expenditures	229,667	455,167	225,500
<u>Other Financing Sources (Uses)</u>			
Transfers (out)	(400,000)	(400,000)	-
Total Other Financing Sources (Uses)	(400,000)	(400,000)	-
Net Change in Fund Balances	\$ (170,333)	55,167	\$ 225,500
Beginning fund balances		213,923	
Ending Fund Balances		\$ 269,090	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DRAINAGE

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Charges for services	\$ 180,000	\$ 207,896	\$ 27,896
Investment income	-	305	305
Total Revenues	180,000	208,201	28,201
<u>Expenditures</u>			
Public works	69,803	3,970	65,833
Total Expenditures	69,803	3,970	65,833
Revenues Over (Under) Expenditures	110,197	204,231	94,034
<u>Other Financing Sources (Uses)</u>			
Transfers (out)	(190,417)	(190,417)	-
Total Other Financing Sources (Uses)	(190,417)	(190,417)	-
Net Change in Fund Balances	\$ (80,220)	13,814	\$ 94,034
Beginning fund balances		62,991	
Ending Fund Balances		\$ 76,805	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

LEOSE

For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Intergovernmental	\$ 1,000	\$ 1,751	\$ 751
Investment income	-	99	99
Total Revenues	<u>1,000</u>	<u>1,850</u>	<u>850</u>
<u>Expenditures</u>			
Public safety	11,512	705	10,807
Total Expenditures	<u>11,512</u>	<u>705</u>	<u>10,807</u>
Revenues Over (Under) Expenditures	<u>(10,512)</u>	<u>1,145</u>	<u>11,657</u>
Net Change in Fund Balances	<u>\$ (10,512)</u>	<u>1,145</u>	<u>\$ 11,657</u>
Beginning fund balances		9,824	
Ending Fund Balances		<u>\$ 10,969</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CLEARFORK SECTION 1 SIDEWALK
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Investment income	\$ 120	\$ 363	\$ 243
Total Revenues	120	363	243
<u>Expenditures</u>			
Capital outlay	33,326	-	33,326
Total Expenditures	33,326	-	33,326
Net Change in Fund Balances	\$ (33,206)	363	\$ 33,569
Beginning fund balances		33,260	
Ending Fund Balances		\$ 33,623	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
MAPLE 2201 TRAIL PROJECT
For the Year Ended September 30, 2022

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Expenditures</u>			
Capital outlay	15,000	-	15,000
Total Expenditures	<u>15,000</u>	<u>-</u>	<u>15,000</u>
 Net Change in Fund Balances	 <u>\$ (15,000)</u>	 <u>-</u>	 <u>\$ 15,000</u>
Beginning fund balances		15,000	
Ending Fund Balances		<u>\$ 15,000</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

City of Lockhart, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
2015 CERTIFICATES OF OBLIGATION
For the Year Ended September 30, 2022

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Investment income	\$ 8,000	\$ 19,042	\$ 11,042
Total Revenues	8,000	19,042	11,042
<u>Expenditures</u>			
Capital outlay	2,603,679	779,210	1,824,469
Total Expenditures	2,603,679	779,210	1,824,469
Net Change in Fund Balances	\$ (2,595,679)	(760,168)	\$ 1,835,511
Beginning fund balances		2,511,297	
Ending Fund Balances		\$ 1,751,129	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

See Notes to Financial Statements.

(This page intentionally left blank.)

***COMBINING NONMAJOR
ENTERPRISE FUNDS***

City of Lockhart, Texas
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (Page 1 of 2)
September 30, 2022

	Business-Type Activities		
	Sanitation	Airport	EMS
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	\$ 814,355	\$ 341,288	\$ 115,225
Accounts receivable, net	287,205	500	730,739
Prepaid items	925	-	-
Total Current Assets	1,102,485	341,788	845,964
<u>Noncurrent Assets</u>			
Capital assets:			
Non-depreciable	120,409	72,161	-
Net depreciable capital assets	78,642	1,220,490	363,605
Total Noncurrent Assets	199,051	1,292,651	363,605
Total Assets	1,301,536	1,634,439	1,209,569
<u>Deferred Outflows of Resources</u>			
Pension outflows-TMRS	23,716	-	-
OPEB outflows-TMRS	2,364	-	-
OPEB outflows-retiree healthcare	1,204	-	-
Total Deferred Outflows of Resources	27,284	-	-

See Notes to Financial Statements.

Business-Type Activities	
Total	

\$	1,270,868
	1,018,444
	925
	2,290,237

	192,570
	1,662,737
	1,855,307
	4,145,544

	23,716
	2,364
	1,204
	27,284

City of Lockhart, Texas
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (Page 2 of 2)
September 30, 2022

	Business-Type Activities		
	Sanitation	Airport	EMS
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ 119,719	\$ 393	\$ 505
Accrued liabilities	6,220	645	-
Customer deposits	100	4,950	-
Compensated absences, current	6,632	958	-
Lease payable, current	6,334	-	17,392
Total Current Liabilities	139,005	6,946	17,897
<u>Noncurrent Liabilities</u>			
Compensated absences, noncurrent	737	106	-
Leases payable, noncurrent	9,316	-	17,391
Net pension liability	33,481	-	-
OPEB liability-TMRS	15,003	-	-
OPEB liability-Retiree healthcare	11,533	-	-
Total Noncurrent Liabilities	70,070	106	17,391
Total Liabilities	209,075	7,052	35,288
<u>Deferred Inflows of Resources</u>			
Pension inflows-TMRS	40,762	-	-
OPEB inflows-TMRS	1,159	-	-
OPEB inflows-retiree healthcare	221	-	-
Total Deferred Inflows of Resources	42,142	-	-
<u>Net Position</u>			
Net investment in capital assets	183,401	1,292,651	328,822
Unrestricted	894,202	334,736	845,459
Total Net Position	\$ 1,077,603	\$ 1,627,387	\$ 1,174,281

See Notes to Financial Statements.

Business-Type
Activities
Total

\$	120,617
	6,865
	5,050
	7,590
	23,726
	163,848

	843
	26,707
	33,481
	15,003
	11,533
	87,567
	251,415

	40,762
	1,159
	221
	42,142

	1,804,874
	2,074,397
\$	3,879,271

City of Lockhart, Texas

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

For the Year Ended September 30, 2022

	Business-Type Activities		
	Sanitation	Airport	EMS
<u>Operating Revenues</u>			
Charges for services	\$ 1,906,522	\$ 92,532	\$ 1,414,727
Other revenue	30,483	-	6,706
Total Operating Revenues	1,937,005	92,532	1,421,433
<u>Operating Expenses</u>			
Personnel services	168,965	10,953	-
Supplies	8,251	-	1,294,371
Maintenance and repairs	1,393,568	8,968	103
Contractual services	13,667	18,270	48,042
Miscellaneous	7,758	-	4,755
Depreciation	22,609	54,952	77,817
Total Operating Expenses	1,614,818	93,143	1,425,088
Operating Income (Loss)	322,187	(611)	(3,655)
<u>Nonoperating Revenues (Expenses)</u>			
Investment earnings	7,940	2,914	2,438
Interest expense	(746)	-	-
Total Nonoperating Revenues (Expenses)	7,194	2,914	2,438
Income (Loss) Before Capital Contributions and Transfers	329,381	2,303	(1,217)
<u>Capital Contributions and Transfers</u>			
Capital grants	3,489	13,321	-
Transfers (out)	(319,727)	-	-
Total Capital Contributions and Transfers	(316,238)	13,321	-
Change in Net Position	13,143	15,624	(1,217)
Beginning net position	1,064,460	1,611,763	1,175,498
Ending Net Position	\$ 1,077,603	\$ 1,627,387	\$ 1,174,281

See Notes to Financial Statements.

**Business-Type
Activities**

Total	
\$	3,413,781
	37,189
	<u>3,450,970</u>

	179,918
	1,302,622
	1,402,639
	79,979
	12,513
	155,378
	<u>3,133,049</u>

	<u>317,921</u>
--	----------------

	13,292
	(746)
	<u>12,546</u>

	330,467
--	---------

	16,810
	(319,727)
	<u>(302,917)</u>

	27,550
--	--------

	<u>3,851,721</u>
--	------------------

\$	<u><u>3,879,271</u></u>
----	-------------------------

City of Lockhart, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 1 of 2)
For the Year Ended September 30, 2022

	Business-Type Activities		
	Sanitation	Airport	EMS
<u>Cash Flows from Operating Activities</u>			
Payments to employees	\$ (206,901)	\$ (10,750)	\$ -
Payments to suppliers	(1,418,957)	(28,990)	(1,478,024)
Receipts from customers	1,948,926	92,557	1,335,715
Net Cash Provided (Used) by Operating Activities	323,068	52,817	(142,309)
<u>Cash Flows from Noncapital Financing Activities</u>			
Transfers (out)	(319,727)	-	-
Net Cash Provided (Used) by Noncapital Financing	(319,727)	-	-
<u>Cash Flows from Capital and Related Financing Activities</u>			
Acquisition and construction of capital assets	-	(27,206)	(304,926)
Capital contributions	3,489	13,321	-
Principal paid on capital debt	(6,050)	-	(17,392)
Interest paid on capital debt	(746)	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,307)	(13,885)	(322,318)
<u>Cash Flows from Investing Activities</u>			
Interest on investments	7,940	2,914	2,438
Net Cash Provided by Investing Activities	7,940	2,914	2,438
Net Increase (Decrease) in Cash and Cash	7,974	41,846	(462,189)
Beginning cash and cash equivalents	806,381	299,442	577,414
Ending Cash and Cash Equivalents	\$ 814,355	\$ 341,288	\$ 115,225

See Notes to Financial Statements.

**Business-Type
Activities**

Total

\$ (217,651)

(2,925,971)

3,377,198

233,576

(319,727)

(319,727)

(332,132)

16,810

(23,442)

(746)

(339,510)

13,292

13,292

(412,369)

1,683,237

\$ 1,270,868

City of Lockhart, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 2 of 2)
For the Year Ended September 30, 2022

	Business-Type Activities		
	Sanitation	Airport	EMS
<u>Reconciliation of Operating Income (Loss)</u>			
<u>to Net Cash Provided (Used) by Operating Activities</u>			
Operating Income (Loss)	\$ 322,187	\$ (611)	\$ (3,655)
Adjustments to reconcile operating income (loss) to net cash provided (used):			
Depreciation	22,609	54,952	77,817
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	11,871	-	(85,718)
Prepaid items	(506)	-	-
Deferred outflows:			
Pension	(2,791)	-	-
OPEB	452	-	-
Increase (Decrease) in:			
Accounts payable and accrued liabilities	4,793	(1,752)	(130,753)
Customer deposits	50	25	-
Compensated absences	(938)	203	-
Deferred inflows:			
Pension	17,515	-	-
OPEB	(97)	-	-
Net pension liability	(52,922)	-	-
OPEB liability	845	-	-
Net Cash Provided (Used) by Operating Activities	\$ 323,068	\$ 52,817	\$ (142,309)

See Notes to Financial Statements.

**Business-Type
Activities**

Total

\$ 317,921

155,378

(73,847)

(506)

(2,791)

452

(127,712)

75

(735)

17,515

(97)

(52,922)

845

\$ 233,576

(This page intentionally left blank.)

***COMBINING STATEMENTS
FIDUCIARY FUNDS***

City of Lockhart, Texas
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUSTS
September 30, 2022

	Glosserman Trust	Brock Cabin Trust	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 545	\$ 12	\$ 557
Total Assets	<u>\$ 545</u>	<u>\$ 12</u>	<u>\$ 557</u>
<u>Net Position</u>			
Restricted for:			
Various purposes	545	12	557
Total Net Position	<u>\$ 545</u>	<u>\$ 12</u>	<u>\$ 557</u>

See Notes to Financial Statements.

City of Lockhart, Texas
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUSTS
For the Year Ended September 30, 2022

	<u>Glosserman Trust</u>	<u>Brock Cabin Trust</u>	<u>Total</u>
<u>Additions</u>			
Investment income	\$ 5	\$ -	\$ 5
Total Additions	<u>5</u>	<u>-</u>	<u>5</u>
Net Change in Net Position	5	-	5
Beginning Net Position	540	12	552
Ending Net Position	<u><u>\$ 545</u></u>	<u><u>\$ 12</u></u>	<u><u>\$ 557</u></u>

See Notes to Financial Statements.

City of Lockhart, Texas
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
September 30, 2022

	<u>Confiscated Property</u>	<u>Unclaimed Property</u>	<u>Bicycle Helmet</u>	<u>Total</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 22,147	\$ 9,534	\$ 1,129	\$ 32,810
Prepays	-	1,211	-	1,211
Total Assets	<u><u>\$ 22,147</u></u>	<u><u>\$ 10,745</u></u>	<u><u>\$ 1,129</u></u>	<u><u>\$ 34,021</u></u>
<u>Liabilities</u>				
Due to other funds	17,447	10,544	1,117	29,108
Total Liabilities	<u>17,447</u>	<u>10,544</u>	<u>1,117</u>	<u>29,108</u>
<u>Net Position</u>				
Restricted for:				
Various purposes	4,700	201	12	4,913
Total Net Position	<u><u>\$ 4,700</u></u>	<u><u>\$ 201</u></u>	<u><u>\$ 12</u></u>	<u><u>\$ 4,913</u></u>

See Notes to Financial Statements.

City of Lockhart, Texas
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2022

	Confiscated Property	Unclaimed Property	Bicycle Helmet	Total
<u>Additions</u>				
Investment income	\$ 197	\$ -	\$ 10	\$ 207
Other revenue	4,939	4	-	4,943
Total Additions	5,136	4	10	5,150
<u>Deductions</u>				
General government	1,188	-	-	1,188
Total Deductions	1,188	-	-	1,188
Net Change in Net Position	3,948	4	10	3,962
Beginning Net Position	752	197	2	951
Ending Net Position	\$ 4,700	\$ 201	\$ 12	\$ 4,913

See Notes to Financial Statements.

(This page intentionally left blank.)

STATISTICAL SECTION

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

Contents	Page
Financial Trends	166
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	177
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.</i>	
Debt Capacity	196
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	201
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	204
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

City of Lockhart, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ 18,393,579	\$ 16,591,140	\$ 16,376,825	\$ 15,001,030
Restricted	1,162,143	2,123,629	1,211,989	1,093,907
Unrestricted	2,880,516	2,859,520	1,328,814	2,137,425
Total governmental activities				
net position	<u>\$ 22,436,238</u>	<u>\$ 21,574,289</u>	<u>\$ 18,917,628</u>	<u>\$ 18,232,362</u>
Business-type activities				
Net investment in capital assets	\$ 10,349,284	\$ 10,193,932	\$ 15,283,769	\$ 15,074,665
Restricted	3,449,423	2,924,473	1,023,082	1,071,089
Unrestricted	7,243,346	8,125,881	5,315,836	7,979,875
Total business-type activities				
net position	<u>\$ 21,042,053</u>	<u>\$ 21,244,286</u>	<u>\$ 21,622,687</u>	<u>\$ 24,125,629</u>
Primary government				
Net investment in capital assets	\$ 28,742,863	\$ 26,785,072	\$ 31,660,594	\$ 30,075,695
Restricted	4,611,566	5,048,102	2,235,071	2,164,996
Unrestricted	10,123,862	10,985,401	6,644,650	10,117,300
	<u>\$ 43,478,291</u>	<u>\$ 42,818,575</u>	<u>\$ 40,540,315</u>	<u>\$ 42,357,991</u>

(1) Accrual basis of accounting

NOTES:

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

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

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 14,162,688	\$ 13,774,228	\$ 12,648,711	\$ 12,104,249	\$ 11,816,033	\$ 11,546,567
1,141,195	1,396,101	1,571,133	1,603,237	3,598,451	3,362,595
<u>1,886,148</u>	<u>1,823,314</u>	<u>1,972,882</u>	<u>3,557,222</u>	<u>3,915,790</u>	<u>7,463,394</u>
<u>\$ 17,190,031</u>	<u>\$ 16,993,643</u>	<u>\$ 16,192,726</u>	<u>\$ 17,264,708</u>	<u>\$ 19,330,274</u>	<u>\$ 22,372,556</u>
\$ 16,507,663	\$ 16,961,238	\$ 17,492,757	\$ 16,579,735	\$ 15,721,677	\$ 15,404,957
1,163,687	1,421,535	1,661,480	2,034,582	2,008,737	2,626,781
<u>7,489,601</u>	<u>8,791,362</u>	<u>9,434,557</u>	<u>8,506,993</u>	<u>6,885,849</u>	<u>6,709,920</u>
<u>\$ 25,160,951</u>	<u>\$ 27,174,135</u>	<u>\$ 28,588,794</u>	<u>\$ 27,121,310</u>	<u>\$ 24,616,263</u>	<u>\$ 24,741,658</u>
\$ 30,670,351	\$ 30,735,466	\$ 30,141,468	\$ 28,683,984	\$ 27,537,710	\$ 26,951,524
2,304,882	2,817,636	3,232,613	3,637,819	5,607,188	5,989,376
<u>9,375,749</u>	<u>10,614,676</u>	<u>11,407,439</u>	<u>12,064,215</u>	<u>10,801,639</u>	<u>14,173,314</u>
<u>\$ 42,350,982</u>	<u>\$ 44,167,778</u>	<u>\$ 44,781,520</u>	<u>\$ 44,386,018</u>	<u>\$ 43,946,537</u>	<u>\$ 47,114,214</u>

City of Lockhart, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2013	2014	2015	2016
Governmental activities				
Expenses				
General government	\$ 1,952,419	\$ 2,096,530	\$ 2,476,203	\$ 1,879,383
Public safety	5,550,020	5,584,295	5,626,336	5,230,470
Public works	2,509,328	2,507,776	2,448,572	2,586,206
Health and welfare	26,528	6,091	13,489	17,068
Community development	-	-	-	-
Culture and recreation	783,053	771,470	964,757	933,135
Interest on long-term debt	416,095	383,683	612,529	621,121
Total governmental activities expenses	11,237,443	11,349,845	12,141,886	11,267,383
Program revenues				
Charges for services				
General government	517,628	608,232	1,131,977	191,100
Public safety	1,180,320	1,362,136	1,531,653	330,826
Public works	-	-	-	723,832
Health and welfare	-	-	-	-
Culture and recreation	32,437	27,773	28,878	33,926
Community development	-	-	-	-
Operating grants and contributions	935,161	432,581	391,200	615,542
Capital grants and contributions	157,320	103,808	-	-
Total program revenues	2,822,866	2,534,530	3,083,708	1,895,226
Total governmental activities net program expense	\$ (8,414,577)	\$ (8,815,315)	\$ (9,058,178)	\$ (9,372,157)
General Revenues and Other Changes in Net Position				
Taxes				
Property taxes, general	2,843,226	2,933,089	2,975,409	3,016,649
Property taxes, debt service	538,316	555,028	561,588	687,845
Sales taxes	1,296,151	1,381,748	1,484,020	1,478,065
Franchise taxes	308,180	319,982	325,911	316,353
Other taxes	81,614	93,825	106,712	132,234
Unrestricted investment earnings	22,967	18,355	23,881	59,851
Gain on sale of capital assets	-	-	-	-
Miscellaneous	162,186	505,461	493,852	239,590
Transfers	2,588,969	2,595,561	2,356,889	2,448,575
Total general revenues and other changes net position	7,841,609	8,403,049	8,328,262	8,379,162
Total governmental activities change in net position	\$ (572,968)	\$ (412,266)	\$ (729,916)	\$ (992,995)

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 2,083,166	\$ 2,045,364	\$ 2,232,343	\$ 2,455,580	\$ 1,931,497	\$ 1,967,143
5,086,371	5,401,024	5,799,256	5,703,143	6,202,140	6,168,414
2,644,292	3,084,192	3,552,691	3,153,763	2,970,230	2,684,964
22,137	16,326	18,250	144,615	26,352	23,439
-	-	-	-	1,189,072	905,103
1,006,038	1,077,697	1,041,842	1,052,444	683,483	1,215,110
459,629	441,769	415,242	391,300	371,174	390,198
<u>11,301,633</u>	<u>12,066,372</u>	<u>13,059,624</u>	<u>12,900,845</u>	<u>13,373,948</u>	<u>13,354,371</u>
181,313	223,254	601,870	730,384	-	-
334,769	1,005,749	295,192	355,773	366,887	208,287
549,097	423,575	291,604	358,837	649,986	664,402
-	-	-	-	-	-
32,699	37,991	29,589	8,943	88,883	251,869
-	-	-	-	650,521	852,003
202,393	566,039	579,539	1,037,366	2,485,671	2,205,060
-	278,000	96,263	257,055	177,865	211,854
<u>1,300,271</u>	<u>2,534,608</u>	<u>1,894,057</u>	<u>2,748,358</u>	<u>4,419,813</u>	<u>4,393,475</u>
<u>\$ (10,001,362)</u>	<u>\$ (9,531,764)</u>	<u>\$ (11,165,567)</u>	<u>\$ (10,152,487)</u>	<u>\$ (8,954,135)</u>	<u>\$ (8,960,896)</u>
3,217,538	3,620,758	3,914,885	4,276,918	4,555,926	4,848,005
692,161	704,442	697,336	714,253	694,121	953,087
1,549,695	1,650,931	1,767,048	1,992,939	2,143,239	2,392,769
312,433	357,278	360,589	349,849	398,205	395,527
96,529	106,756	111,841	102,063	113,504	189,491
99,353	190,320	283,700	119,746	20,739	125,718
-	-	-	-	2,110	-
289,291	192,281	184,509	233,319	100,720	213,151
<u>2,896,410</u>	<u>3,094,654</u>	<u>3,044,742</u>	<u>3,145,528</u>	<u>2,991,137</u>	<u>2,885,430</u>
<u>9,153,410</u>	<u>9,917,420</u>	<u>10,364,650</u>	<u>10,934,615</u>	<u>11,019,701</u>	<u>12,003,178</u>
<u>\$ (847,952)</u>	<u>\$ 385,656</u>	<u>\$ (800,917)</u>	<u>\$ 782,128</u>	<u>\$ 2,065,566</u>	<u>\$ 3,042,282</u>

City of Lockhart, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2013	2014	2015	2016
Business-type activities				
Expenses				
Electric	\$ 8,722,855	\$ 9,725,877	\$ 9,753,464	\$ 8,664,234
Water	2,874,616	2,685,091	3,258,446	3,257,979
Wastewater	1,836,078	1,936,142	1,849,338	2,089,407
EMS	-	-	-	1,230,254
Sanitation	1,090,003	1,077,505	1,166,275	1,215,636
Airport	76,188	79,443	82,646	69,911
Total business-type expenses	<u>14,599,740</u>	<u>15,504,058</u>	<u>16,110,169</u>	<u>16,527,421</u>
Program revenues				
Charges for services				
Electric	10,388,956	11,521,734	12,039,498	10,974,720
Water	3,050,522	3,100,358	3,090,312	3,100,239
Wastewater	2,108,828	2,188,454	2,195,102	2,265,298
EMS	-	-	-	2,007,847
Sanitation	1,349,400	1,332,323	1,402,428	1,464,121
Airport	67,799	69,035	68,520	68,927
Operating grants and contributions	34,606	-	11,821	-
Capital grants and contributions	942,271	37,035	-	1,042,796
Total business-type program revenues	<u>17,942,382</u>	<u>18,248,939</u>	<u>18,807,681</u>	<u>20,923,948</u>
Total business-type activities net program expense	<u>\$ 3,342,642</u>	<u>\$ 2,744,881</u>	<u>\$ 2,697,512</u>	<u>\$ 4,396,527</u>
General revenues and other changes in net position				
Impact fees	37,846	218,458	255,462	263,817
Unrestricted investment earnings	15,294	14,881	21,733	61,357
Miscellaneous	-	-	6,858	-
Transfers	(2,588,969)	(2,595,561)	(2,356,889)	(2,448,575)
Total general revenues and other changes in net position	<u>(2,535,829)</u>	<u>(2,362,222)</u>	<u>(2,072,836)</u>	<u>(2,123,401)</u>
Total business-type activities change in net position	<u>\$ 806,813</u>	<u>\$ 382,659</u>	<u>\$ 624,676</u>	<u>\$ 2,273,126</u>
Total primary government change in net position	<u>\$ 233,845</u>	<u>\$ (29,607)</u>	<u>\$ (105,240)</u>	<u>\$ 1,280,131</u>

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 8,722,211	\$ 9,132,038	\$ 9,242,068	\$ 8,564,816	\$ 11,350,044	\$ 9,978,485
3,545,084	3,428,101	3,224,639	3,908,621	5,066,674	5,565,359
1,824,111	1,281,066	1,370,942	1,444,482	1,635,537	1,805,990
1,289,014	1,334,506	1,383,128	1,407,549	1,408,385	1,425,088
1,345,466	1,461,111	1,553,603	1,592,412	1,690,298	1,615,564
76,438	100,130	78,258	80,607	76,546	93,143
<u>16,802,324</u>	<u>16,736,952</u>	<u>16,852,638</u>	<u>16,998,487</u>	<u>21,227,484</u>	<u>20,483,629</u>
11,444,388	12,238,369	12,193,929	11,039,153	11,560,085	12,608,272
3,287,603	3,336,689	3,267,558	3,555,391	3,758,322	4,132,398
2,578,386	2,339,875	2,278,003	2,277,346	2,478,077	2,880,275
1,354,810	1,438,174	978,097	1,071,931	1,136,903	1,414,727
1,593,359	1,708,812	1,872,719	1,981,863	2,040,494	1,906,522
71,489	71,433	89,059	82,809	85,953	92,532
7,016	24,925	68,272	44,680	-	-
195,261	-	-	23,750	432,657	196,038
<u>20,532,312</u>	<u>21,158,277</u>	<u>20,747,637</u>	<u>20,076,923</u>	<u>21,492,491</u>	<u>23,230,764</u>
\$ <u>3,729,988</u>	\$ <u>4,421,325</u>	\$ <u>3,894,999</u>	\$ <u>3,078,436</u>	\$ <u>265,007</u>	\$ <u>2,747,135</u>
83,585	244,561	195,808	296,093	-	-
118,159	236,101	368,594	164,183	21,947	114,001
-	23,598	-	8,552	199,136	149,689
<u>(2,896,410)</u>	<u>(3,094,654)</u>	<u>(3,044,742)</u>	<u>(3,145,528)</u>	<u>(2,991,137)</u>	<u>(2,885,430)</u>
<u>(2,694,666)</u>	<u>(2,590,394)</u>	<u>(2,480,340)</u>	<u>(2,676,700)</u>	<u>(2,770,054)</u>	<u>(2,621,740)</u>
\$ <u>1,035,322</u>	\$ <u>1,830,931</u>	\$ <u>1,414,659</u>	\$ <u>401,736</u>	\$ <u>(2,505,047)</u>	\$ <u>125,395</u>
\$ <u>187,370</u>	\$ <u>2,216,587</u>	\$ <u>613,742</u>	\$ <u>1,183,864</u>	\$ <u>(439,481)</u>	\$ <u>3,167,677</u>

City of Lockhart, Texas
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Nonspendable				
Prepaid items	\$ 20,452	\$ 19,116	\$ 23,103	\$ 15,728
Inventory	32,669	19,327	14,578	13,699
Restricted	92,510	166,141	91,955	-
Committed	745,659	742,680	602,435	604,252
Unassigned	2,456,454	2,655,076	3,196,967	3,423,228
Total general fund	<u>\$ 3,347,744</u>	<u>\$ 3,602,340</u>	<u>\$ 3,929,038</u>	<u>\$ 4,056,907</u>
All Other Governmental Funds				
Nonspendable				
Prepaid items	\$ -	\$ 10,373	\$ 2,673	\$ 4,512
Restricted				
Retirement of long-term debt	515,468	429,226	362,919	278,089
Special revenue funds	590,589	690,237	757,115	-
General government	-	-	-	627,417
Tourism	-	-	-	8,248
Municipal court	-	-	-	-
Public safety	-	-	-	180,153
Public works	-	-	-	-
Various capital projects	2,122,420	838,025	8,386,106	6,792,536
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 3,228,477</u>	<u>\$ 1,967,861</u>	<u>\$ 9,508,813</u>	<u>\$ 7,890,955</u>

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 23,642	\$ 37,870	\$ 30,627	\$ 27,327	\$ 610,955	\$ 31,193
11,272	11,563	13,572	9,350	17,718	26,240
-	-	-	-	234,613	366,906
609,054	553,877	574,446	308,539	309,050	311,949
3,897,547	4,451,131	5,103,853	6,673,086	6,506,302	10,143,227
<u>\$ 4,541,515</u>	<u>\$ 5,054,441</u>	<u>\$ 5,722,498</u>	<u>\$ 7,018,302</u>	<u>\$ 7,678,638</u>	<u>\$ 10,879,515</u>
\$ 680	\$ 2,765	\$ -	\$ -	\$ -	\$ -
285,621	240,674	203,016	115,835	-	-
-	-	-	-	-	-
664,319	35,067	46,502	59,773	63,160	69,453
8,485	2,721	6,637	64,016	98,198	130,191
-	-	-	-	118,506	126,794
206,068	227,044	206,600	179,496	18,994	20,649
-	903,976	1,073,692	1,063,841	-	-
5,160,201	4,531,457	3,437,195	2,914,631	5,857,283	6,962,353
-	-	(3,523)	(323,955)	(87,431)	(138,743)
<u>\$ 6,325,374</u>	<u>\$ 5,943,704</u>	<u>\$ 4,970,119</u>	<u>\$ 4,073,637</u>	<u>\$ 6,068,710</u>	<u>\$ 7,170,697</u>

City of Lockhart, Texas

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)

	2013	2014	2015	2016
Revenues				
Property taxes	\$ 3,381,542	\$ 3,488,117	\$ 3,531,590	\$ 3,757,254
Sales and other taxes	1,697,976	1,795,555	1,916,643	1,921,425
Franchise and local taxes				
Fines, fees and forfeitures	1,099,975	824,213	1,021,043	1,115,233
Licenses and permits	63,152	147,923	288,438	173,641
Charges for services	812,579	1,103,401	1,383,027	-
Intergovernmental and grants	544,888	381,406	391,200	184,438
Investment	23,005	18,355	23,881	59,851
Miscellaneous	739,044	502,274	493,852	550,390
Total revenues	8,362,161	8,261,244	9,049,674	7,762,232
Expenditures				
Current				
General government	1,947,463	1,955,191	1,946,091	1,853,485
Public safety	5,425,960	5,639,925	5,767,328	4,680,022
Public works	974,409	1,006,216	930,794	1,069,441
Health and welfare	26,176	5,739	11,970	12,138
Culture and recreation	782,139	737,113	880,443	834,815
Community development	-	-	-	-
Capital outlay	1,088,877	1,334,223	665,475	1,589,287
Debt service				
Principal retirement	945,374	795,796	358,092	855,322
Interest and fiscal charges	420,448	388,222	825,385	566,342
Paying agent and issue costs	400	400	132,458	151,889
Total expenditures	11,611,246	11,862,825	11,518,036	11,612,741
Excess (deficiency) of revenues over expenditures	(3,249,085)	(3,601,581)	(2,468,362)	(3,850,509)
Other financing sources (uses)				
Debt issued	-	-	7,700,735	4,887,402
Premium on issuance of bonds	-	-	278,388	593,157
Payment to escrow	-	-	-	(5,455,484)
Gain on sale of capital assets	-	-	-	-
Transfers in	3,393,219	3,143,246	2,958,448	3,451,810
Transfers out	(804,250)	(547,685)	(601,559)	(1,003,235)
Total other financing sources (uses)	2,588,969	2,595,561	10,336,012	2,473,650
Change in fund balances	\$ (660,116)	\$ (1,006,020)	\$ 7,867,650	\$ (1,376,859)
Debt service as a percentage of noncapital expenditures	13.58%	11.90%	10.91%	14.68%

2017	2018	2019	2020	2021	2022
\$ 3,971,301	\$ 4,352,825	\$ 4,676,453	\$ 5,028,375	\$ 5,274,506	\$ 5,748,229
1,990,221	2,114,965	2,239,478	2,444,852	2,143,239	2,392,769
				511,709	585,018
927,273	1,227,557	1,127,998	1,190,406	414,578	275,647
125,761	192,622	142,721	243,196	650,521	852,003
-	-	2,200	2,200	738,869	916,271
202,393	458,624	554,354	866,355	3,061,756	2,379,234
99,353	190,320	283,700	119,746	20,739	125,718
288,003	323,296	275,443	223,199	186,781	235,092
7,604,305	8,860,209	9,302,347	10,118,329	13,002,698	13,509,981
1,847,858	1,933,687	2,107,937	2,333,952	1,777,924	2,121,509
4,751,069	5,212,519	5,631,506	5,579,302	6,052,616	6,066,612
1,168,180	1,727,405	1,601,001	1,948,586	1,571,151	913,011
17,207	11,396	13,320	139,685	20,539	35,312
890,047	949,731	912,739	1,150,716	1,022,863	1,038,803
-	-	-	-	707,075	955,377
1,818,019	828,872	1,238,106	551,827	1,442,886	2,189,333
587,160	601,470	690,799	727,163	797,305	1,006,761
500,948	483,207	456,409	432,504	413,447	393,470
1,200	1,000	800	800	-	25,220
11,581,688	11,749,287	12,652,617	12,864,535	13,805,806	14,745,408
(3,977,383)	(2,889,078)	(3,350,270)	(2,746,206)	(803,108)	(1,235,427)
-	-	-	-	383,923	2,652,861
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	251,942	-
3,440,098	3,688,600	3,796,267	4,360,894	3,793,615	3,644,993
(543,688)	(593,946)	(751,525)	(1,215,366)	(802,478)	(759,563)
2,896,410	3,094,654	3,044,742	3,145,528	3,627,002	5,538,291
\$ (1,080,973)	\$ 205,576	\$ (305,528)	\$ 399,322	\$ 2,823,894	\$ 4,302,864

11.64%

10.42%

10.23%

10.14%

9.78%

10.51%

(This page intentionally left blank.)

City of Lockhart, Texas
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
Last Ten fiscal years

Fiscal Year	Ad Valorem	Penalty and Interest	Sales	Franchise	Hotel/Motel	Other	Total
2013	\$ 3,333,978	\$ 47,564	\$ 1,293,019	\$ 308,180	\$ 81,614	\$ 15,163	\$ 5,079,518
2014	3,441,616	46,232	1,381,748	319,982	83,831	10,263	5,283,672
2015	3,487,044	44,546	1,479,056	325,911	100,522	11,154	5,448,233
2016	3,704,494	43,744	1,478,065	339,459	90,542	22,375	5,678,679
2017	3,909,699	58,868	1,549,695	336,068	87,766	19,426	5,961,522
2018	4,304,798	48,027	1,650,931	357,278	82,180	24,576	6,467,790
2019	4,620,916	55,537	1,767,048	360,589	87,078	24,763	6,915,931
2020	4,959,883	68,493	1,992,939	349,849	78,696	23,367	7,473,227
2021	5,214,552	59,954	2,143,239	335,952	101,455	34,957	7,890,109
2022	5,702,530	45,699	2,392,769	379,331	160,799	44,888	8,726,016

City of Lockhart, Texas
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE
Last Ten fiscal years

Fiscal Year	Tax Roll	Real Property		Personal Property	Minerals	Less:	Total Taxable Assessed Value Before Freeze
		Residential Property	Non-Residential Property			Tax Exempt Real Property	
2013	2012	\$ 416,425,765	\$ 129,671,339	\$ 46,217,410	\$ 14,400	\$ 114,848,768	\$ 477,480,146
2014	2013	427,236,194	131,330,390	53,978,110	14,400	118,025,207	494,533,887
2015	2014	449,920,448	132,450,610	53,836,070	5,040	139,636,140	496,576,028
2016	2015	469,313,930	135,525,093	55,579,530	7,091	141,581,487	518,844,157
2017	2016	482,454,757	141,155,970	53,621,290	7,091	144,119,120	533,119,988
2018	2017	544,551,915	189,973,297	54,203,240	11,626	178,676,169	610,063,909
2019	2018	574,119,621	214,527,344	57,249,280	10,524	175,188,050	670,718,719
2020	2019	553,623,275	326,454,397	58,419,990	10,732	206,639,213	731,869,181
2021	2020	500,446,323	515,158,254	59,064,726	21,096	227,088,388	847,602,011
2022	2021	511,111,983	616,467,277	65,657,280	17,930	245,069,989	948,184,481

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

SOURCE: Caldwell County Appraisal District

Total Freeze Taxable	Freeze Adjusted Taxable	Total Direct Tax Rate	Estimated Tax Levy Before Freeze Ceiling	Freeze Ceiling	Estimated Tax Levy Including Freeze Ceiling	Assessed Value as a Percentage of Actual Value
\$ (64,845,430)	\$ 412,634,716	\$ 0.7227	\$ 2,982,111	\$ 394,028	\$ 3,376,139	100.00%
(68,854,298)	425,679,589	0.7227	3,076,386	431,018	3,507,404	100.00%
(74,867,624)	421,708,404	0.7227	3,047,687	480,236	3,527,923	100.00%
(73,449,458)	445,394,699	0.7333	3,266,079	466,371	3,732,450	100.00%
(82,590,348)	450,529,640	0.7333	3,303,734	536,304	3,840,038	100.00%
(99,921,193)	510,142,716	0.7260	3,703,636	604,104	4,307,740	100.00%
(102,926,905)	567,791,814	0.7107	4,035,296	593,298	4,628,594	100.00%
(118,099,443)	613,769,738	0.6842	4,199,413	839,333	5,038,746	100.00%
(141,846,213)	705,755,798	0.63540	4,484,372	700,459	5,184,831	100.00%
(160,899,077)	787,285,404	0.63540	5,002,411	763,355	5,765,766	100.00%

City of Lockhart, Texas
DIRECT AND OVERLAPPING PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUE
Last Ten tax years

City Direct Rates				Overlapping Rates					
Tax Year	Debt Service	General Fund	Total	Lockhart ISD	Plum Creek Underground Water	Plum Creek Conservation District	Caldwell County	Farm to Market Rd	Total
2013	0.1150	0.6078	0.7228	1.1882	0.0200	0.0200	0.6908	0.0001	1.9191
2014	0.1150	0.6077	0.7227	1.1868	0.0210	0.0210	0.6907	0.0001	1.9196
2015	0.1150	0.6077	0.7227	1.1795	0.0220	0.0220	0.6906	0.0001	1.9142
2016	0.1150	0.6077	0.7227	1.4291	0.0220	0.0220	0.6905	0.0001	2.1637
2017	0.1366	0.5967	0.7333	1.3305	0.0215	0.0225	0.7174	0.0001	2.0920
2018	0.1300	0.6033	0.7333	1.3324	0.0215	0.0230	0.7752	0.0001	2.1522
2019	0.1183	0.6077	0.7260	1.3324	0.0214	0.0232	0.7752	0.0001	2.1523
2020	0.1076	0.6031	0.7107	1.3324	0.0214	0.0232	0.7752	0.0001	2.1523
2021	0.0980	0.5862	0.6842	1.2624	0.0207	0.0225	0.7430	0.0001	2.0487
2022	0.0833	0.5521	0.6354	1.1297	0.0208	0.0205	0.6718	0.0001	1.8429

SOURCE: Caldwell County Tax Office

City of Lockhart, Texas
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago (Unaudited)

2022		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Wal-Mart Stores Texas	\$ 10,773,590	0.86%
Economy Realty, LTD	10,227,905	0.82%
Stanton XT VRH Holdings	10,213,068	0.82%
H.E.B. Grocery	9,717,930	0.78%
LCRA Transmission Group	7,216,740	0.58%
KB Home Lone Star LP	7,195,000	0.58%
Lockhart DMA Housing LLC	6,868,140	0.55%
Lockhart Village Partners	6,799,747	0.55%
Wal-Mart Properties, Inc.	6,774,260	0.54%
Green Acres Housing LLC	4,957,583	0.40%
	\$ 80,743,963	6.48%

2012*		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Dormae Products, Inc.	\$ 4,532,380	0.95%
Lockhart DMA Housing LLC	3,936,238	0.83%
LCRA Transmission Svc. Corp	3,834,820	0.80%
H.E.B. Grocery	3,672,380	0.77%
Wal-Mart Properties, Inc.	3,247,970	0.68%
Economy Reality	2,854,670	0.60%
Tri-State Facilities Lockhart, LLC	2,787,830	0.58%
First Lockhart National Bank	2,414,950	0.51%
Fred W. Hoskins	2,156,490	0.45%
Hazelett Drilling	2,150,000	0.45%
	\$ 31,587,728	6.62%

SOURCE: Municipal Advisory Council (MAC)

* 2013 information was not available. 2012 comparative information has been presented.

City of Lockhart, Texas
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten fiscal years

Fiscal Year	Taxes Levied for the Fiscal Year			Total Adjusted Levy	Collections within the Fiscal Year of the Levy	
	(Original Levy)	Adjustments			Amount	Percentage of Levy
2013	\$ 3,358,263	\$ (12,722)	\$	3,345,541	\$ 3,254,196	97.27%
2014	3,441,841	(11,181)		3,430,660	3,350,075	97.65%
2015	3,511,080	(3,381)		3,507,699	3,412,941	97.30%
2016	3,712,656	(4,330)		3,708,326	3,620,368	97.63%
2017	3,896,845	(18,278)		3,878,567	3,798,713	97.94%
2018	4,295,180	38,534		4,333,714	4,226,010	97.51%
2019	4,608,371	(7,833)		4,600,538	4,515,714	98.16%
2020	5,013,498	(10,968)		5,002,530	4,881,568	97.58%
2021	5,196,719	7,716		5,204,435	5,094,484	97.89%
2022	5,752,038	(4,250)		5,747,788	5,620,206	97.78%

NOTES: Collections do not include penalty and interest.

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

SOURCE: Caldwell County Tax Office

Collections in Subsequent Years		Total Collections to Date		Uncollected Balance
		Amount	Percentage of Levy	
\$	82,453	\$ 3,336,649	99.73%	\$ 8,892
	70,069	3,420,144	99.69%	10,516
	80,980	3,493,921	99.61%	13,778
	73,929	3,694,297	99.62%	14,029
	61,693	3,860,406	99.53%	18,161
	86,388	4,312,398	99.51%	21,316
	55,767	4,571,481	99.37%	29,057
	66,958	4,948,526	98.92%	54,004
	24,937	5,119,421	98.37%	85,014
	-	5,620,206	97.78%	127,582

(This page intentionally left blank.)

City of Lockhart, Texas
ELECTRIC PURCHASED AND CONSUMED
Last Ten fiscal years

Fiscal Year	KWH Electric Purchased		KWH Electric Consumed		KWH Electric Unbilled		Average Percent Unbilled	Total Direct Rate Electric	
								Base Rate	Usage Rate
2013	\$	108,361,349	\$	98,539,092	\$	9,822,257	9%	10.82	0.0202
2014		111,416,750		103,167,845		8,248,905	7%	10.82	0.0202
2015		113,918,033		104,171,535		9,746,498	9%	10.82	0.0202
2016		112,447,919		101,868,831		10,579,088	9%	11.32	0.0190
2017		114,910,305		104,995,443		9,914,862	9%	22.20	0.0190
2018		122,944,319		114,446,577		8,497,742	7%	22.60	0.0216
2019		122,837,459		114,115,638		8,721,821	7%	23.10	0.0216
2020		120,845,231		112,276,873		8,568,358	7%	23.10	0.0216
2021		115,850,641		107,243,944		8,606,697	7%	23.10	0.0216
2022		124,320,000		111,940,848		12,379,152	10%	23.10	0.0216

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

City of Lockhart, Texas

ELECTRIC RATES

Last Ten fiscal years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Electric Rates (per KWH)					
Base Rate	\$ 10.82	\$ 10.82	\$ 10.82	\$ 11.32	\$ 22.20
Electric Usage Rate					
0 - 1,200 kwh	0.02020	0.02020	0.02020	0.01896	0.01896
1,201 +	0.02910	0.02910	0.02910	0.03250	0.03250
+ all kwh	-	-	-	0.00225	0.00225

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

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 22.60	\$ 23.10	\$ 23.10	\$ 23.10	\$ 23.10
0.02156	0.02156	0.02156	0.02156	0.02156
0.03510	0.03510	0.03510	0.03510	0.03510
0.00225	0.00225	0.00225	0.00225	0.00225

(This page intentionally left blank.)

City of Lockhart, Texas
TEN LARGEST ELECTRIC CUSTOMERS
Current Year and Nine Years Ago

2022

Customer	Type of Business	12-Month Electric Consumption per kWh	Percent of Total Billed
MTC/Lockhart Correctional Facility	Private Public Safety	3,636,720	3.25%
H.E.B. Stores	Retail	2,552,000	2.28%
Pure Castings	Retail	1,744,500	1.56%
Apple, Inc.	Manufacturer	1,188,500	1.06%
Lockhart High School - S. Medina	Public School	1,176,000	1.05%
G.B.R.A.	Service	1,175,160	1.05%
Livingood Feeds	Retail	1,056,000	0.94%
Lockhart High School - Center St.	Public School	1,030,500	0.92%
Bluebonnet Elementary	Public School	1,005,300	0.90%
Dormae/Serta Products	Production	777,600	0.69%

2012

Customer	Type of Business	12-Month Electric Consumption per kWh	Percent of Total Billed
H.E.B. Stores	Retail	2,574,900	2.56%
Dormae/Serta Products	Production	1,423,800	1.41%
Caldwell County Jail	Government	1,401,000	1.39%
G.B.R.A.	Service	1,213,800	1.21%
Livingood Feeds	Retail	1,149,300	1.14%
Lockhart High School	Public School	1,033,200	1.03%
Pinnacle Health	Healthcare	999,840	0.99%
Henderson Controls	Retail	828,000	0.82%
Bluebonnet Elementary	Public School	654,300	0.65%
Kinlock, LLC DBA McDonalds	Service	590,040	0.59%

Source: City records.

* 2013 information was not available. 2012 comparative information has been presented.

City of Lockhart, Texas
WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED
Last Ten fiscal years

Fiscal Year	Gallons of Water Produced	Gallons of Water Consumed	Gallons of Water Unbilled	Average Percent Unbilled	Gallons of Wastewater Treated
2013	546	465	81	15%	398
2014	534	478	56	11%	414
2015	522	476	46	9%	482
2016	545	461	84	15%	487
2017	544	466	77	14%	451
2018	575	481	95	16%	399
2019	526	460	66	13%	367
2020	553	452	101	18%	373
2021	473	449	24	5%	412
2022	520	506	14	3%	381

NOTES: Water and sewer usage rates shown are for 2,001-6,000 gallon usage range.
Gallons produced and consumed are represented in million gallons.
Full detail of rate information can be found on schedule titled "Water and Sewer Rates".

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

(This page intentionally left blank.)

City of Lockhart, Texas
TEN LARGEST WATER CUSTOMERS
Current Year and Nine Years Ago (Unaudited)

2022

Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
MTC/Lockhart Correctional Facility	Private Public Safety	48,702	10.24%
Caldwell County Jail	Government	3,781	0.79%
City of Lockhart Airport	Government	3,510	0.74%
Federal Housing - Landing	Government	4,696	0.99%
Wal-Mart Store	Retail	3,622	0.76%
Brite & Shiny Carwash	Retail	3,711	0.78%
Meadow Park Village	Housing	2,600	0.55%
Diversicare Corp. of America	Healthcare	3,048	0.64%
Tx Lo Silent MHP	Housing	6,474	1.36%
Arco Murray Construction	Construction	4,189	0.88%

2013

Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
Caldwell County Jail	Government	7,931	4.78%
Lockhart High School Track	Public School	6,437	3.88%
Lockhart ISD	Public School	4,811	2.90%
Pinnacle Health Facility	Healthcare	4,765	2.87%
Diversicare Corporation	Healthcare	2,026	1.22%
Federal Housing - Landing	Government	1,879	1.13%
JAADI Corporation	Hospitality	1,689	1.02%
G&G Laundromat	Service	1,612	0.97%
TXI Operations, LP	Service	1,555	0.94%
Brite & Shiny Carwash	Service	1,523	0.92%

City of Lockhart, Texas

WATER AND SEWER RATES

Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Water Rates (per 2,000 gallons)					
Base Rate	\$ 22.10	\$ 22.10	\$ 22.10	\$ 22.10	\$ 22.10
Water Usage Rate					
2,001-6,000	3.90	3.90	3.90	3.90	3.90
6,001-8,000	4.15	4.15	4.15	4.15	4.15
8,001-10,000	4.40	4.40	4.40	4.40	4.40
>10,001	5.15	5.15	5.15	5.15	5.15
Sewer Rates (per 2,000 gallons)					
Base Rate	15.51	15.51	15.51	15.51	15.51
Sewer Usage Rate					
>2,000	4.67	4.67	4.67	4.67	4.67

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

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

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 22.60	\$ 23.10	\$ 23.60	23.60	23.60
4.50	4.80	4.80	4.80	4.80
4.75	5.05	5.05	5.05	5.05
5.00	5.30	5.30	5.30	5.30
5.75	6.05	6.05	6.05	6.05
15.51	15.51	15.51	15.51	15.51
4.67	4.67	4.67	4.67	4.67

City of Lockhart, Texas
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-type Activities	
	Certificates of Obligation	General Obligation Bonds	Tax Notes	Lease Liabilities	Plus: Issuance Premiums	Certificates of Obligation	General Obligation Bonds
2013	\$ 7,889,937	\$ 1,382,225	\$ -	\$ -	\$ -	\$ 250,061	\$ 3,927,775
2014	7,539,595	936,771	-	-	-	180,404	3,253,229
2015	14,875,686	476,031	-	-	278,388	9,089,313	2,553,969
2016	9,381,395	4,887,402	-	-	835,806	9,073,608	1,877,593
2017	8,794,235	4,887,052	-	-	774,293	8,850,765	1,762,948
2018	8,192,765	4,887,052	-	-	712,782	8,607,235	1,642,948
2019	7,707,775	4,681,243	-	-	651,271	8,352,225	1,573,757
2020	7,208,875	4,452,980	-	-	589,760	8,091,125	1,497,018
2021	6,691,415	4,224,718	-	332,340	528,249	7,823,585	1,420,278
2022	6,327,225	3,685,870	2,330,000	551,478	466,738	7,397,775	1,239,126

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

Business-type Activities							
Lease Liabilities	State Infrastructure Loan	Contractual Obligations	Tax Notes	Plus: Issuance Premiums	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 1,766,382	\$ 3,600,000	\$ -	\$ -	\$ 2,036	\$ 18,818,416	4.7%	1,483
1,420,920	3,459,070	3,400,000	-	1,018	20,191,007	5.1%	1,591
1,045,473	3,314,617	3,400,000	-	324,792	35,358,269	8.9%	2,787
643,534	3,166,553	3,400,000	-	500,572	33,766,463	8.4%	2,661
219,939	3,014,787	3,400,000	-	468,308	32,172,327	7.7%	2,535
104,350	2,859,227	3,400,000	-	436,047	30,842,406	6.7%	2,215
86,958	2,699,779	14,995,000	-	403,786	41,151,794	9.0%	2,955
69,566	2,536,344	22,975,000	-	371,510	47,792,178	16.3%	3,432
248,249	2,368,823	30,935,000	-	339,249	54,911,906	15.2%	3,819
174,964	2,197,114	45,120,000	1,720,000	306,988	71,517,278	18.3%	4,974

City of Lockhart, Texas
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding					Debt Service Monies Available	Net Bonded Debt
	Certificates of Obligation	General Obligation Bonds	Tax Notes	Plus: Issuance Premiums	Total		
2013	\$ 7,889,937	\$ 1,382,225	\$ -	\$ -	\$ 9,272,162	\$ 515,468	\$ 8,756,694
2014	7,539,595	936,771	-	-	8,476,366	429,226	8,047,140
2015	14,875,686	476,031	-	-	15,351,717	362,919	14,988,798
2016	9,381,395	4,887,402	-	-	14,268,797	278,089	13,990,708
2017	8,794,235	4,887,052	-	-	13,681,287	285,621	13,395,666
2018	8,192,765	4,887,052	-	-	13,079,817	240,674	12,839,143
2019	7,707,775	4,681,243	-	-	12,389,018	203,016	12,186,002
2020	7,208,875	4,452,980	-	-	11,661,855	115,835	11,546,020
2021	6,691,415	4,224,718	-	332,340	11,248,473	-	11,248,473
2022	6,327,225	3,685,870	2,330,000	551,478	10,564,573	-	10,564,573

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

Percentage of Actual Taxable Value of Property	Per Capita
1.77%	690
1.62%	634
2.89%	1,181
2.62%	1,103
2.20%	1,056
2.10%	922
1.82%	875
1.58%	829
1.33%	782
1.11%	735

City of Lockhart, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2022 (Unaudited)

	Gross Debt Outstanding		Percentage	Amount
	Date	Amount	Applicable to City	Applicable to City
Direct Debt:				
City of Lockhart	9/30/2022	\$ 13,361,311	100.00%	\$ 13,361,311
Overlapping Debt:				
Caldwell County	9/30/2021 *	17,585,000	30.08%	5,289,568
Lockhart Independent School District	6/30/2022	70,940,521	45.25%	32,100,586
Total Overlapping Debt		88,525,521		37,390,154
Total		\$ 101,886,832		\$ 50,751,465

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

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

SOURCE: Municipal Advisory Council of Texas

* 9/30/2022 not available.

City of Lockhart, Texas
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years (Unaudited)

Fiscal Year	(1) Population	Personal Income	(2) Per Capita Personal Income	(3) School Enrollment	(4) Unemployment Rate
2013	12,689	398,637,624	31,416	5,130	5.3%
2014	12,689	398,637,624	31,416	5,366	4.2%
2015	12,689	398,637,624	31,416	5,393	4.0%
2016	12,689	404,131,961	31,849	5,699	4.0%
2017	12,689	417,328,521	32,889	5,910	3.4%
2018	13,924	457,946,436	32,889	6,120	3.4%
2019	13,924	457,946,436	32,889	6,160	3.2%
2020	13,924	292,974,884	21,041	6,160	3.2%
2021	14,379	360,711,594	25,086	6,167	6.0%
2022	14,379	391,137,558	27,202	6,465	6.5%

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

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

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

(This page intentionally left blank.)

City of Lockhart, Texas

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2022

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

2012*

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

SOURCE: Municipal Advisory Council of Texas

* 2013 information was not available. 2012 comparative information has been presented.

City of Lockhart, Texas

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

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017
General government					
City manager	3.0	3.0	3.0	4.0	4.0
City secretary	1.0	1.0	1.0	1.0	1.0
Finance	5.0	5.0	5.0	5.0	5.0
Municipal court	5.0	5.0	5.0	5.0	4.0
Library	9.0	9.0	9.0	10.0	9.0
Parks and recreation	7.0	6.0	7.0	7.0	7.0
Code enforcement	3.0	2.0	2.0	3.0	3.0
Planning and development	3.0	4.0	4.0	4.0	4.0
Public safety					
Police	26.0	25.0	25.0	25.0	28.0
Communications	11.0	10.0	8.0	9.0	9.0
Fire	19.0	19.0	16.0	18.0	15.0
Public works					
Public works	3.0	3.0	3.0	3.0	3.0
Animal control	6.0	6.0	5.0	8.0	8.0
Garage	3.0	3.0	3.0	3.0	3.0
Streets	12.0	10.0	14.0	13.0	12.0
Electric					
Utility billing	6.0	6.0	6.0	6.0	5.0
Utility distribution	8.0	7.0	9.0	9.0	9.0
Water/wastewater					
Water operations	6.0	6.0	5.0	5.0	5.0
Sewer operations	1.0	2.0	2.0	3.0	3.0
Sanitation					
Operations	2.0	1.0	1.0	2.0	2.0
Recycle					
Economic Development	2.0	1.0	2.0	1.0	2.0
EMS	-	-	-	-	-
Total	141	134	135	144	141

2018	2019	2020	2021	2022
5.0	5.0	5.0	4.0	4.0
1.0	1.0	1.0	1.0	1.0
4.0	5.0	5.0	5.0	5.0
4.0	4.0	4.0	4.0	3.0
9.0	9.0	9.0	6.0	6.0
7.0	8.0	8.0	8.0	9.0
3.0	3.0	3.0	3.0	3.0
4.0	4.0	4.0	4.0	4.0
30.0	29.0	27.0	29.0	31.0
10.0	9.0	9.0	10.0	10.0
14.0	14.0	13.0	13.0	15.0
2.0	2.0	2.0	2.0	2.0
8.0	7.0	6.0	6.0	7.0
3.0	3.0	3.0	4.0	4.0
12.0	12.0	12.0	12.0	12.0
6.0	6.0	6.0	6.0	6.0
8.0	9.0	9.0	9.0	10.0
5.0	6.0	6.0	6.0	5.0
4.0	3.0	3.0	4.0	4.0
2.0	2.0	2.0	2.0	2.0
			1.0	1.0
2.0	2.0	2.0	2.0	2.0
-	-	-	-	-
143	143	139	141	146

City of Lockhart, Texas
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016
General government				
Building permits issued	345	681	604	647
Building inspections conducted	1,934	2,433	1,784	1,613
Public safety				
Police				
Physical arrests	652	417	398	628
Traffic violations	3,396	3,372	1,701	2,149
Fire				
Fire calls	1,918	2,111	1,564	1,386
Public works				
Streets (miles)	65	65	65	65
Culture and recreation				
Parks and recreation				
Park rental	114	106	75	91
Swimming pool				
Single admissions	7,624	5,304	7,529	8,554
Party rentals	49	47	35	50
Electric				
New connections	10	18	7	9
Average daily consumption (kwh)	269,970	282,652	285,401	279,093
Water and wastewater				
Water				
New connections/taps	21	149	62	139
Average daily consumption	1.27 mgd	1.31 mgd	1.30 mgd	1.26 mgd
Peak daily consumption	2.220 mgd	2.360 mgd	2.192 mgd	2.075 mgd
Wastewater				
Average daily sewage treatment	1.09 mgd	1.13 mgd	1.32 mgd	1.34 mgd
EMS				
Ambulance loads	2,670	2,772	2,867	2,989

NOTES: * EMS Ambulance loads not available 2011-2012; EMS was operated by Seton Health Care

Increase in building permits issued in 2020 due to new subdivisions and apartments.

2017	2018	2019	2020	2021	2022
495	444	542	839	1,339	2,296
1,716	2,179	2,282	1,703	2,845	4,959
596	934	862	451	469	455
3,251	5,708	6,281	4,041	4,480	4,091
1,501	1,356	1,406	1,361	1,388	1,652
65	65	66	100	124.5	124.5
107	73	85	32	58	85
8,289	6,883	6,596	-	8,279	8,973
34	32	33	-	30	46
11	18	23	49	125	616
287,659	313,552	312,646	307,607	297,326	306,687
56	78	61	50	111	144
1.18 mgd	1.32 mgd	1.26 mgd	1.305 mgd	1.296 mgd	1.425 mgd
2.118 mgd	2.263 mgd	2.160 mgd	2.200 mgd	2.500 mgd	2.100 mgd
1.24 mgd	1.09 mgd	1.00 mgd	1.02 mgd	1.13 mgd	1.04 mgd
3,106	3,207	3,199	3,188	3,479	3,350

City of Lockhart, Texas

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	2013	2014	2015	2016
Function/Program				
Public safety				
Police				
Stations	1	1	1	1
Patrol units	22	22	22	22
Fire stations	1	1	1	1
Highways and streets				
Streets (miles)	64.7	64.7	64.7	64.7
Streetlights	1,810	1,824	1,825	1,838
School zone flashers	2	2	2	2
Culture and recreation				
Acreage	115	115	115	115
Parks	10	10	10	10
Baseball/softball diamonds	6	6	6	6
Soccer fields	8	8	8	8
Swimming pools	1	1	1	1
Electric				
Electric lines (miles)	76	77	77	77
Number of distribution stations	1	1	2	2
Capacity sold (MwH)	98,539	103,168	104,172	101,869
Water and wastewater				
Water				
Water mains (miles)	87.1	87.4	87.4	87.4
Fire hydrants	640	650	660	675
Storage capacity	1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd
Wastewater				
Sanitary sewers (miles)	76	76	76	76
Storm sewers (miles)	0	0	0	0
Treatment capacity	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd

2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
26	28	29	26	31	31
1	1	2	2	2	2
65.2	65.2	65.9	100.0	124.5	124.5
1,838	1,844	1,856	1,856	1,856	1,872
2	2	2	2	2	2
115	115	115	115	115	115
10	10	10	10	10	10
6	6	6	6	6	6
8	8	8	8	8	8
1	1	1	1	1	1
77	80	80	80	82	82
2	2	2	2	2	2
104,995	114,447	114,116	112,276	107,243	111,941
92.1	92.1	93.7	100.0	100.5	100.5
685	700	729	721	721	721
1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd	1.55 mgd	1.55 mgd
76	78	79	80.6	80.8	80.8
0	0	0	0	0	0
2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion and/or action to consider Ordinance 2023-06 amending Section II, Subsection 2-1 of the City's Personnel Policies Manual to provide for a residency requirement for certain City employees involved in public health and safety services during emergencies.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Julie Bowermon

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: In 2012 the City adopted current Ordinance 2012-08 regarding response time from residence for certain employees. Requiring a response time from a residence is permitted by law, however requiring employees to reside within the City limits is not. Since 2012, technology and communications have improved, enabling some management positions to respond to situations and direct employees efficiently without being within a 25 minute response time. These positions are not the first responding staff members on a scene.

Proposed Ordinance 2023-06 removes those positions from the 25 minute response time. This will provide greater latitude in the recruiting of qualified employees for management positions while still maintaining a high level of service to the community during emergencies.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): N/A

PREVIOUS COUNCIL ACTION: 2010: Ordinance adopted establishing a 15 minute response requirement; 2012: Ordinance adopted amending the 15 minute requirement to 25 minutes.

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully requests approval of Ordinance 2023-06.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Ordinance 2023-06

ORDINANCE No.: 2023-06

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS AMENDING SECTION II, SUBSECTION 2-1 OF THE CITY'S PERSONNEL POLICIES MANUAL TO PROVIDE FOR A RESIDENCY REQUIREMENT FOR CERTAIN CITY EMPLOYEES INVOLVED IN PUBLIC HEALTH AND SAFETY SERVICES DURING EMERGENCIES; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, by Ordinance No. 2012-08, the City of Lockhart amended Section II, Subsection 2-1(9) of the City's personnel policy manual to provide response time requirements for city employees who respond to civil emergency situations and conditions; and

WHEREAS, certain city employees are involved in public health and safety services in the City that require the employees to immediately respond to civil emergency situations and conditions in order to preserve health, safety and welfare within the City; and

WHEREAS, the City Council has determined that it serves a public purpose to require such personnel to reside within 25 minutes of the city limits or service area in order to protect and maintain the health, safety and welfare of the community and the public at large; and

WHEREAS, the City Council has determined that the Subsection should be amended to revise the functions of such employees;

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

I. The recitals set forth in the preamble are hereby found to be true and are incorporated herein for all purposes.

II. Section II, Subsection 2-1 of the City's personnel policy manual, paragraph number 9 shall be amended to read as follows:

(9) The following employees of the city must be able to respond from their residences to the Lockhart city limits or service area within twenty-five (25) minutes of notice by the City of Lockhart: Public Works Director; Water and Wastewater Superintendents, Supervisors and Personnel; Electric Distribution Superintendents, Supervisors and Personnel; and Street/Drainage Superintendents, Supervisors and Personnel.

III. No Retroactivity and Effective Time Period: Paragraph 9 as hereby adopted shall not be imposed retroactively on any person in the employ of the city at the time that Paragraph 9 is adopted but shall be applicable to all new employees as within 60 days of hire or as extended and approved by the City Manager.

IV. Repealer: All other ordinances and personnel policies, sections, or parts of ordinances and personnel policies 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. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid or unenforceable, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council that no portion, provision, or regulation contained herein shall be inoperative or fail by way of reason of unconstitutionality or invalidity of any other portion, provision, or regulation.

VI. Effective Date. This ordinance shall become effective and be in full force from the date of its passage.

PASSED AND ADOPTED on this the 21st day of March, 2023.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Deputy City Secretary

Monte Akers, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion and/or action regarding confirmation of the City Manager's appointment of Mr. Gary Williamson as Lockhart Police Chief.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Steven Lewis

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Following the retirement of Police Chief Ernest Pedraza, the City received 21 applications from candidates interested in serving as the next Lockhart Police Chief. Of these 21 applicants, 5 semi-finalists participated in a structured interview panel lead by the consulting firm, Public Safety Solutions. Two finalists were then invited to participate in a community meet and greet event, as well as an opportunity for City Councilmembers to engage with the finalists.

To fill the position of Police Chief, the City Charter requires that the City Council confirm the City Manager's appointment of a Police Chief.

Based upon the results of the structured interview panel, interview with the City Manager, input from the community, stakeholders, and employees, Mr. Williamson is wholeheartedly recommended for this position. It is anticipated Mr. Williamson will assume his new position as Lockhart Police Chief on April 10, 2023.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): N/A

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully requests that the City Council confirm the City Manager's appointment of Mr. Gary Williamson as Lockhart Police Chief.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Gary Williamson Resume

GARY WILLIAMSON

Dedicated, reliable and organized professional with 24 years in the Public Safety Sector. Possesses excellent time-management and computer skills. Relocating to the Central Texas area.

NOVEMBER 2020 - PRESENT

CHIEF OF POLICE, EL CAMPO POLICE DEPARTMENT

- Provide vision, goals, and objectives for department to enhance public safety in the community.
- Manage \$3.8 million budget for 43-person department.
- Build relationships and collaborate with community partners to find solutions to issues affecting the community.
- Successfully achieved third accreditation through the Texas Police Chiefs Association Best Practices Program to ensure updated policies and practices to limit risk and liability.
- Establish and maintain policy and standard operating procedures for department.
- Manage memorandums of understanding (MOU) and interlocal agreements with law enforcement partners.
- Prioritized leadership training for supervisory personnel and development of all ranks and positions.
- Increased engagement with the community through emphasis on community-oriented policing and collaboration with community partners.
- Added technology to increase department efficiency, officer situational awareness and maximize officer time in the field, i.e., in-car report writing, GPS in vehicles, scheduling app.
- Implementing Data-Driven Approaches to Crime and Traffic Safety (DDACTS) to reduce crime and traffic crashes.
- Secured grant funding for equipment and K-9 to implement an Interdiction Unit to combat illegal narcotics and human trafficking along with other equipment for the department.

OCTOBER 2010 – NOVEMBER 2020

ASSISTANT CHIEF OF POLICE, EL CAMPO POLICE DEPARTMENT

- Planned, directed, coordinated, and supervised all divisions of the police department.
- Served as Training Coordinator, Range Master, Grant Writer, Public Information Officer, Quartermaster and Special Response Team Commander.

MAY 2012 – OCTOBER 2020

EMERGENCY MANAGEMENT COORDINATOR (PART-TIME), CITY OF EL CAMPO

- Planned and directed disaster response and crisis management activities.
- Provided disaster response presentations to the public and city workers.
- Solicited, evaluated, awarded, and maintained Debris Removal and Debris Removal Monitoring agreements.
- Collaborated with community partners to ensure community preparedness.
- Secured grant funding to equip Emergency Operations Center and Mobile Command Vehicle.

SEPTEMBER 2004 – JUNE 2014

INSTRUCTOR (PART-TIME), WHARTON COUNTY JUNIOR COLLEGE POLICE ACADEMY

- Taught law enforcement classes at Basic Police Academy.

EDUCATION

WILDLIFE & FISHERIES SCIENCE (B.S.)

TEXAS A&M UNIVERSITY, COLLEGE STATION, TX

FBI NATIONAL ACADEMY, SESSION #230

QUANTICO, VA

CERTIFICATIONS

- Master Peace Officer Certification
- Basic Police Instructor

PROFESSIONAL AND CIVIC AFFILIATIONS

- Texas Police Chiefs Association
2010 to Present
 - Accreditation Program Assessor
2018 - Present
- FBI National Academy Associates
2007 to Present
- Texas Police Association
2005 to Present
- Texas Municipal Police Association
1998 to Present
- Rotary International
2012 to Present
- Knights of Columbus
1996 to Present
- Emergency Management Association of Texas
2012-2020

SKILLS

- Operate Office Equipment
 - Computers, copiers, fax machines, telephones

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion and/or action to consider Resolution 2023-03, setting a date for the public hearing regarding the 2023 water/wastewater and roads impact fee reports, including land use assumptions, capital projects, and fee adjustments.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: This resolution would schedule a public hearing to potentially adopt the final reports for road and water/wastewater impact fee updates. The previous update of the City's impact fees was adopted in April 2017. The draft impact fee updates have been reviewed by City staff and the Impact Fee Advisory Committee. Under the new calculations, road impact fees would increase from \$1,304 per vehicle mile for roads to \$1,501 in service area 1 and \$1,806 in service area 2. Water and wastewater fees would be a total of \$10,035 per living unit equivalent, up from their current combined total of \$3,045.94.

Upon adoption of the resolution, public notice of the public hearing would be advertised in the Lockhart Post-Register and on the City website. Copies of the two reports will be available for review on the city website, and a physical copy of each report will be available for review at City Hall. The resolution schedules the hearing for May 2nd, with adoption possible either on that date or the following meeting without needing to advertise for a new hearing.

The presentations originally shown at the February 8, 2023 Impact Fee Advisory Committee are attached. These show the proposed facilities and cost assumptions used to arrive at the proposed impact fee amounts.

PROJECT SCHEDULE (if applicable): The Resolution would schedule the public hearing for May 2, 2023 at 7:30 PM. Prior to the hearing, public notice shall be published at least 30 days in advance of the hearing and the drafts for both the water/wastewater and road impact fee documents must be made available to the public by Mar 31st. May 16th would be the last date Council could adopt the ordinance without having to schedule a new public hearing.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): The draft impact fee updates would raise the total impact fees from \$4,349.94 to \$11,536 or \$11,841 per living unit equivalent/vehicle mile, depending upon

City of Lockhart, Texas

Council Agenda Item Cover Sheet

road service area. These figures are both using the current approach of assessing impact fees at 50 percent of the cost of impact per service unit. Adoption of the resolution does not adopt the new impact fees, rather it sets the date at which the new fees could be reviewed and potentially adopted.

PREVIOUS COUNCIL ACTION: The previous update of the City's impact fees was adopted through Ordinance 2017-08, which was approved April 4, 2017.

COMMITTEE/BOARD/COMMISSION ACTION: The Impact Fee Advisory Committee has met three times with consultants to review land use assumptions, capital projects, and proposed impact fee amounts. The Committee is expected to make their final recommendation to City Council regarding the final reports on water/wastewater and roads impact fees on April 12th.

STAFF RECOMMENDATION/REQUESTED MOTION: APPROVAL of Resolution 2023-03 setting the date for the impact fee public hearing for May 2, 2023.

LIST OF SUPPORTING DOCUMENTS: Lockhart_IFAC_#3_CostPerSU_02-22-2023_vFin, LockhartSchedule_3-8-2023, Lockhart Water Wastewater Impact Fee Meeting Slides, Lockhart System UPDATE PH resolution Mar 21 2023



Impact Fee Advisory Committee (IFAC) Meeting #3

Cost per Service Unit & Fee Benchmarking

February 22, 2023





AGENDA

1. Impact Fee Process & Methodology Overview
2. Roadway Cost per Service Unit Calculations
3. Fee Benchmarking
4. Discussion of Collection Rates

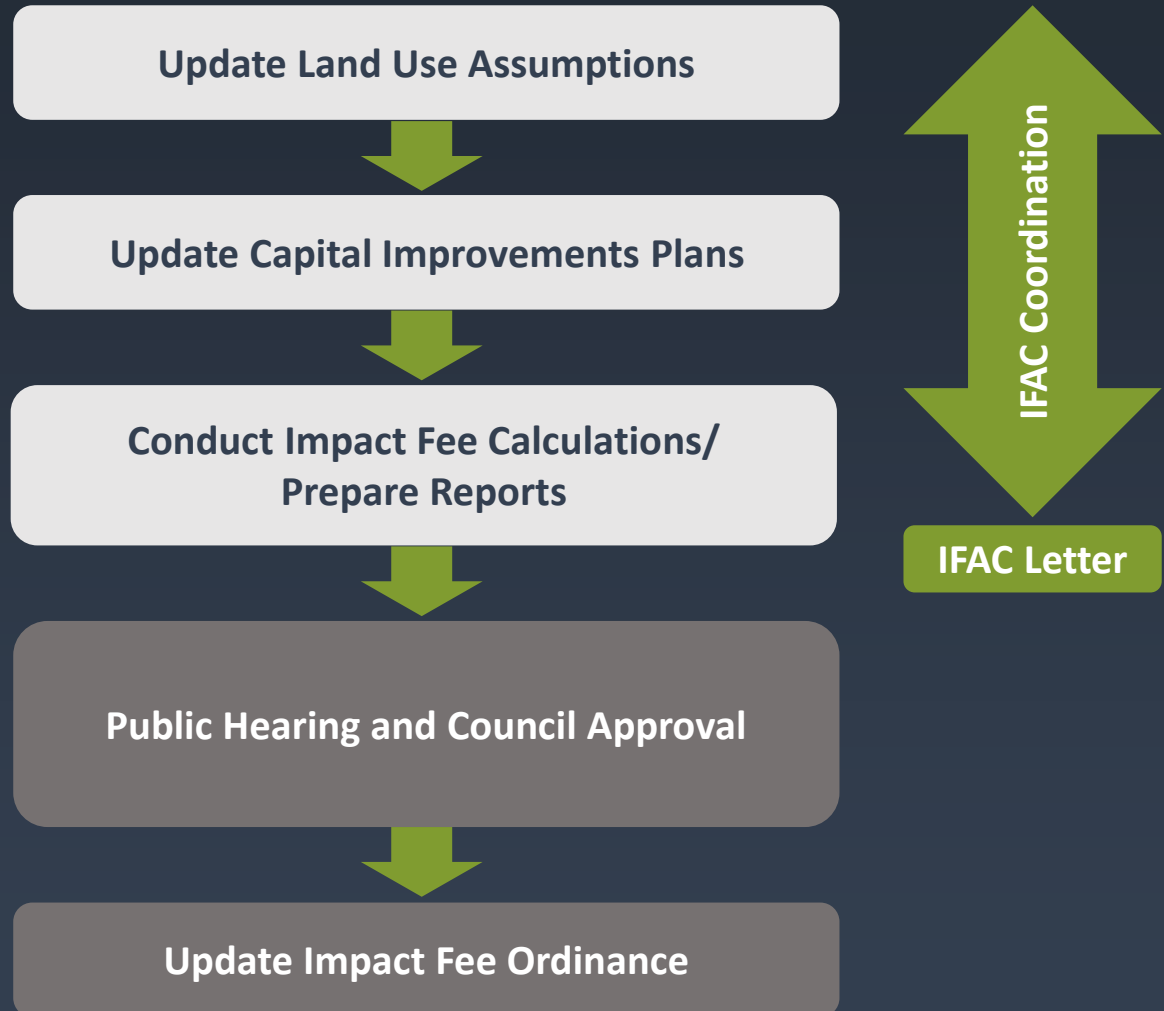


A faint, light-colored map of a city area is visible in the background on the left side of the slide. It shows streets, parks, and some landmarks. A dark blue rounded rectangle is overlaid on the map, containing a white circle with the number 1 inside.

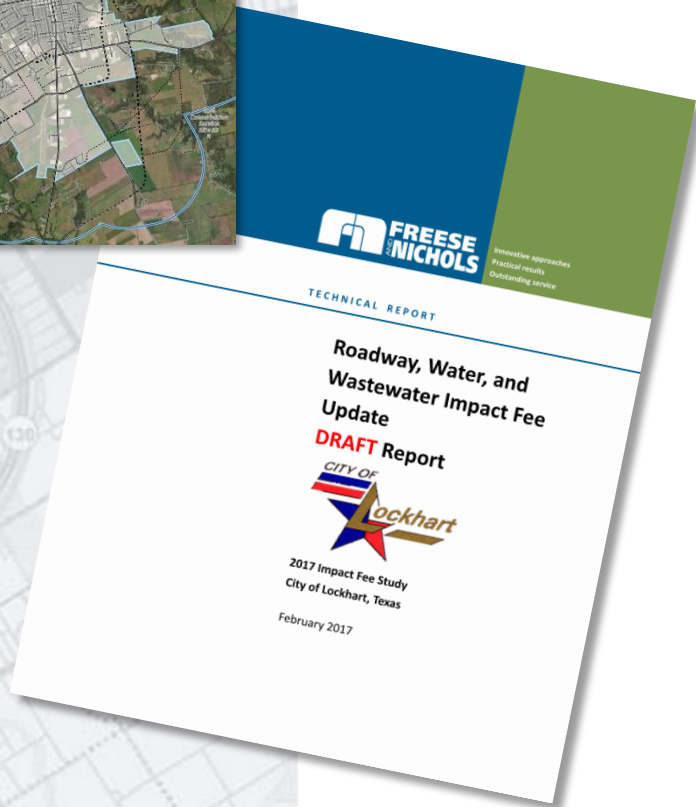
1

IMPACT FEE PROCESS & METHODOLOGY OVERVIEW

IMPACT FEE UPDATE PROCESS

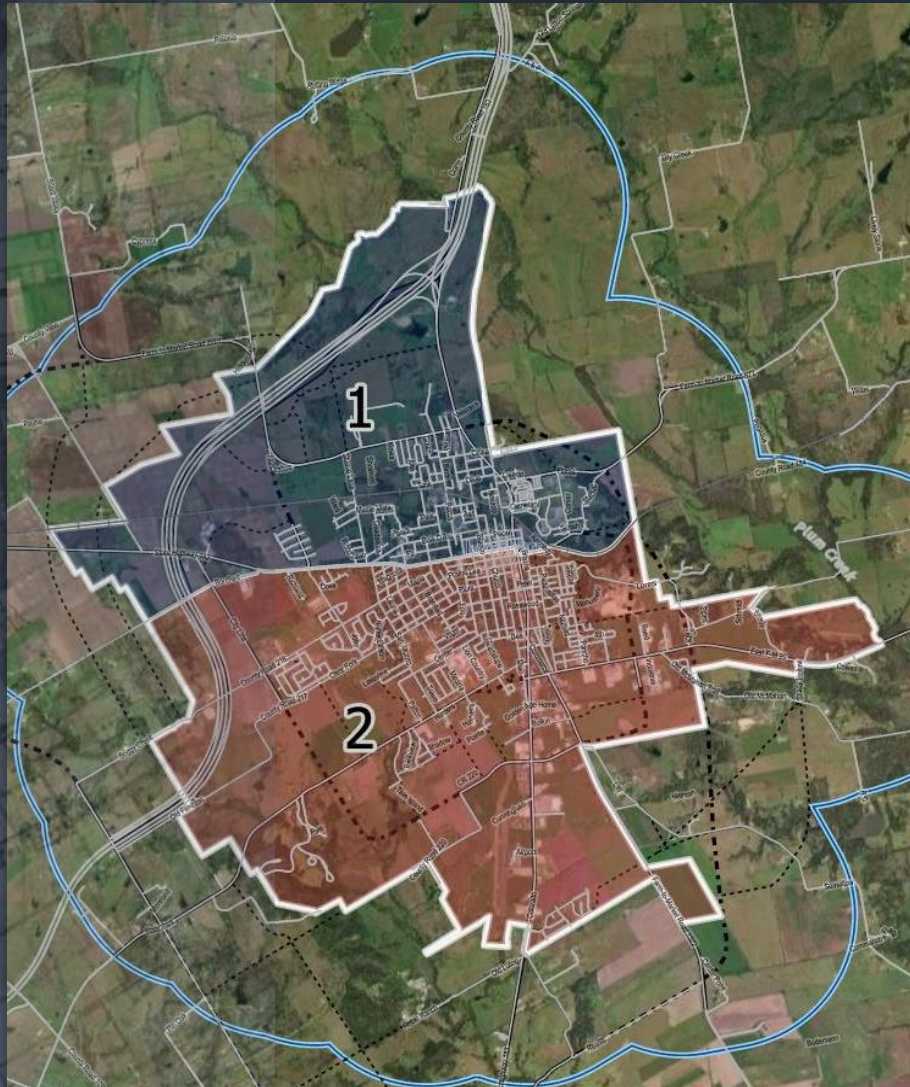


METHODOLOGY OVERVIEW



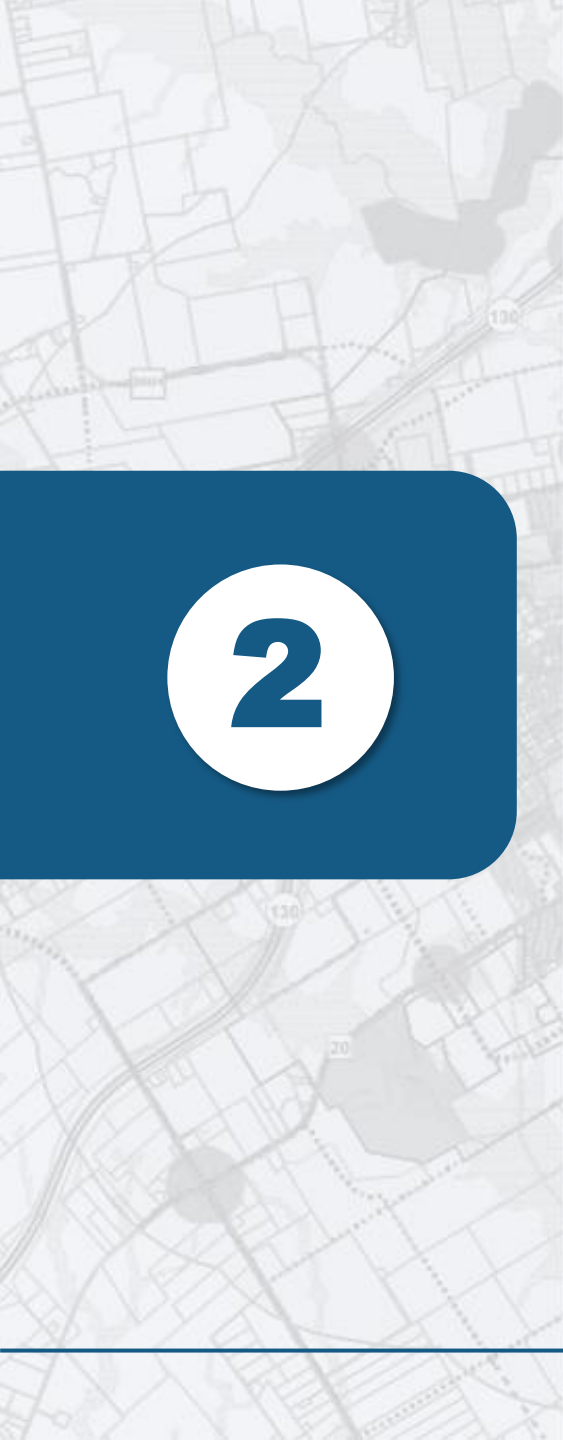
- Chapter 395, Texas Local Government Code
 - Technical requirements identified in legislation
 - Addressed in study report
 - ✓ Service Areas
 - ✓ Land Use Assumptions
 - ✓ Service Units
 - ✓ Existing Capacity, Usage, & Deficiencies
 - ✓ Projected Demand
 - ✓ Capital Improvements Plan
 - ✓ Land Use Equivalency
 - Cost per Service Unit Calculation

ROADWAY SERVICE AREAS



10-YEAR PROJECTION (2022-2032)

	2022	2032	Net Growth (2022-2032)
POPULATION (PERSONS)			
Lockhart Total	15,600	23,695	8,095
Service Area 1	6,004	8,930	2,926
Service Area 2	9,596	14,765	5,169
EMPLOYMENT (EMPLOYEES)			
Lockhart Total	6,420	9,504	3,084
Service Area 1	2,247	3,326	1,079
Basic	573	849	
Service	1,316	1,948	
Retail	357	529	
Service Area 2	4,173	6,178	2,005
Basic	1,065	1,577	
Service	2,444	3,618	
Retail	664	983	
<i>Based on a 2022 estimate of 15,600 total population and a 2032 estimate of 23,695 total population</i> <i>Based on a 2022 estimate of 6,420 total jobs and a 2032 estimate of 9,504 total jobs</i>			



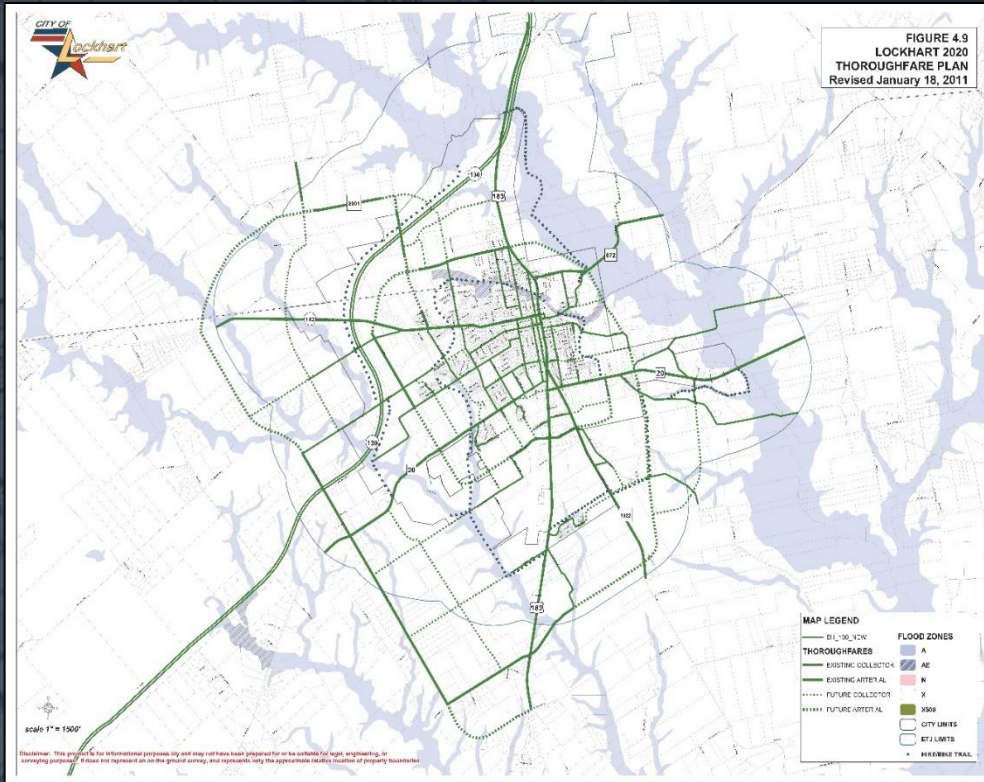
2

ROADWAY COST PER SERVICE UNIT CALCULATIONS

ROADWAY IMPACT FEE CIP (IFCIP)

Roadways

- Projects eligible include Arterial or Collector roads on Thoroughfare Plan
- State facilities eligible (City's portion only)
- City's portion of costs for:
 - Construction
 - ROW
 - Engineering
 - Bridges
 - Signals
 - Debt Services
- Recoupment Projects Eligible



PROJECTED 10-YEAR DEMAND

Vehicle-Mile Trip Generation by Service Area

Based on 2022-2032 Land Use Assumptions dated Nov. 2022

Estimated Residential Growth Vehicle-Mile Trip Generation

Conversion Factors		2020 persons/household		
Service Area	Added Population	Added Dwelling Units	Vehicle-Miles per DU	Total Vehicle-Miles
1	2,690	961	1.09	1,093
2	5,405	1,930	1.09	2,146

Estimated Basic Employment Growth Vehicle-Mile Trip Generation

Conversion Factors		square feet/employee		
Service Area	Added Employees	Total Square Feet	Vehicle-Miles per 1,000 Sq Ft	Total Vehicle-Miles
1	276	332,580	0.77	256
2	613	616,850	0.77	475

Service Area	Residential Growth (veh-mi)	Basic Emp. Growth (veh-mi)	Service Emp. Growth (veh-mi)	Retail Emp. Growth (veh-mi)	Total Growth (veh-mi)
1	1,093	256	369	202	1,920
2	2,146	475	686	375	3,682
Total	3,239	731	1,055	577	5,602

Conversion Factors		square feet/employee	
Vehicle-Miles per Sq Ft	Total Vehicle-Miles	Vehicle-Miles per Sq Ft	Total Vehicle-Miles
1.67	369	1.67	686

Conversion Factors		square feet/employee	
Vehicle-Miles per Sq Ft	Total Vehicle-Miles	Vehicle-Miles per Sq Ft	Total Vehicle-Miles
1.47	202	1.47	375

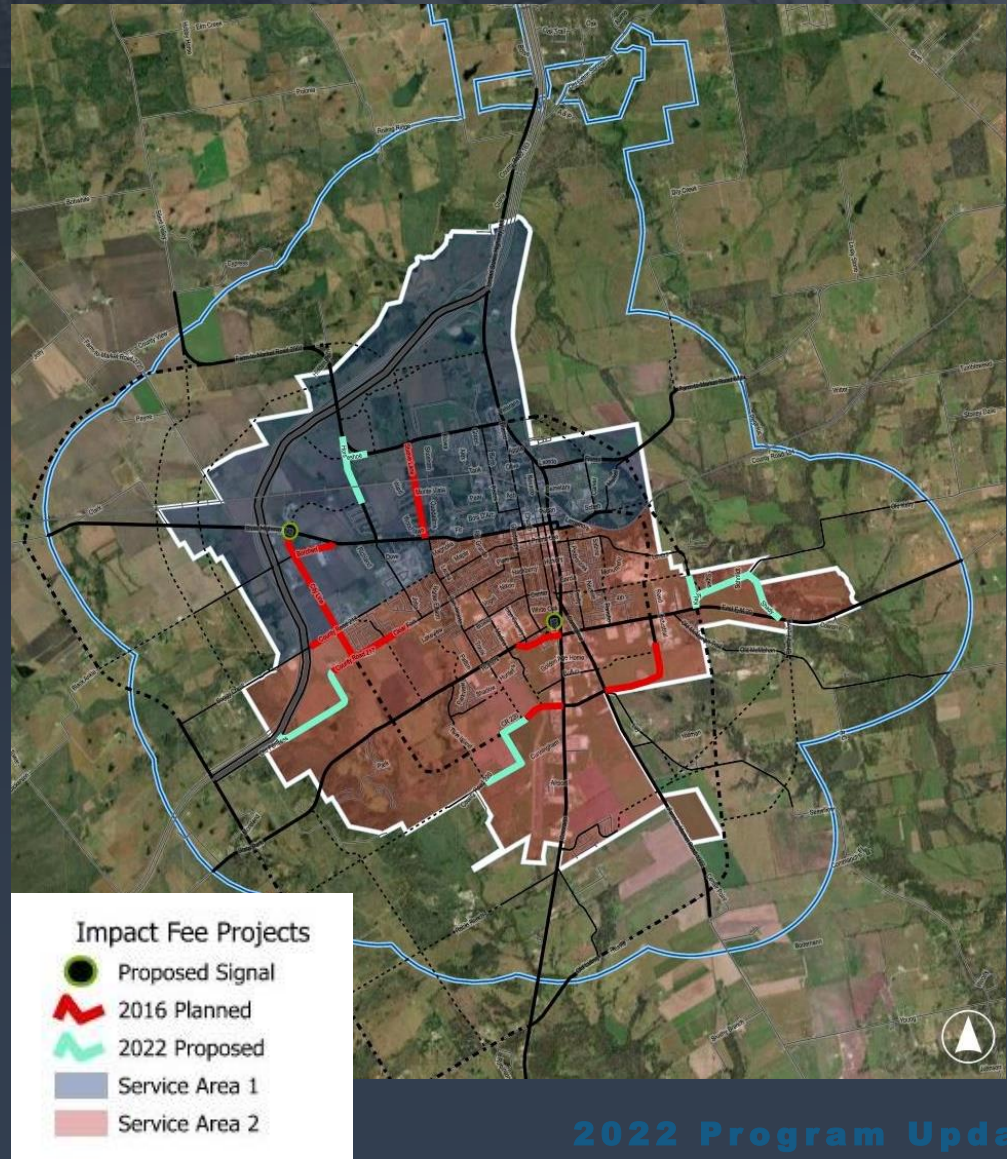
Total Vehicle-Mile Generation Summary

Service Area	Residential Growth Vehicle-Miles	Basic Emp Growth Vehicle-Miles	Service Emp Growth Vehicle-Miles	Retail Emp Growth Vehicle-Miles	Total Growth Vehicle-Miles
1	1,093	256	369	202	1,920
2	2,146	475	686	375	3,682
Total	3,239	731	1,055	577	5,602

PROPOSED ROADWAY IFCIP

Key Changes

- Project Additions
 - Old Fentress Rd (CR 217)
 - Connection of Horseshoe Rd to Mockingbird Ln
 - Cunningham (CR 220)
 - Lovers Ln/Old Kelley Rd/Shady Ln (CR 186, 187, 188)
 - Two Traffic Signals (City Line @SH142; Main @State Park Rd)
- Project Removals
 - Maple St
 - E Market St
 - Connection of Robert E Lee to West MLK



2022 Program Update

COST ASSUMPTIONS

New Projects

- Construction estimates using unit costs
- Engineering: 7% of construction cost
- ROW: \$1.00/sf
- Finance: 3.0% over 10 years

Recoupment projects include actual project costs

Study update costs

CIP cost credit: 50%



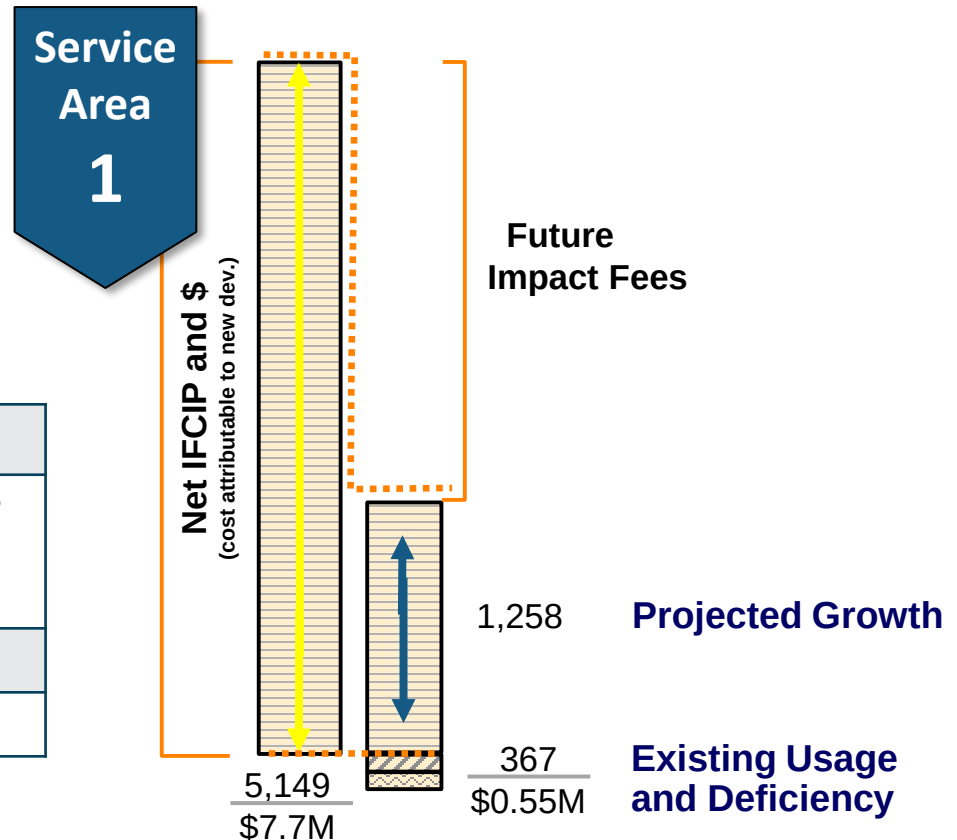
IFCIP LISTING

Shared Service Area	Roadway	From	To	Length (mi)	Lanes	Type	Roadway Costs					Total Project Cost
							Engineering	ROW	Construction	Signal	Finance	
1	Stueve Lane	W. San Antonio	FM 2001 (Silent Valley)	0.85	2	UC	\$ 198,121	\$ 44,850	\$ 2,830,300	\$ -	\$ 676,120	\$ 3,749,391
1	Borchert	City Line	W. San Antonio	0.37	2	UC	\$ 77,938	\$ 19,400	\$ 1,113,400	\$ -	\$ 266,362	\$ 1,477,100
1	2 Maple	City Line	SH 130	0.28	3	SC	\$ 30,107	\$ 7,500	\$ 430,100	\$ -	\$ 102,896	\$ 570,603
1	City Line	Maple	W. San Antonio	0.98	4	UA	\$ 287,126	\$ 207,720	\$ 4,101,800	\$ 300,000	\$ 1,066,262	\$ 5,962,908
1	Mockingbird Ext.	N. of Shenandoah Tr.	FM 2001 (Silent Valley)	0.59	4	UA	\$ 191,667	\$ 248,000	\$ 2,738,100	\$ -	\$ 699,109	\$ 3,876,876
1	Horseshoe Rd.	Mockingbird Ext.	FM 2001 (Silent Valley)	0.16	4	UA	\$ 46,039	\$ 24,750	\$ 657,700	\$ -	\$ 160,268	\$ 888,757
Sub-Total Service Area 1				3.23			\$ 830,998	\$ 552,220	\$ 11,871,400	\$ 300,000	\$ 2,971,016	\$ 16,525,634
2	Old Fentress Rd	City Line Rd	SH130	1.21	2	UC	\$ 255,969	\$ 63,888	\$ 3,656,700	\$ -	\$ 874,843	\$ 4,851,400
2	Clear Fork St	City Line Rd	250' W. of Creek Bridge	0.59	2	UC	\$ 124,138	\$ 31,000	\$ 1,773,400	\$ -	\$ 424,278	\$ 2,352,816
2	1 Maple	City Line	SH 130	0.28	3	SC	\$ 30,107	\$ 7,500	\$ 430,100	\$ -	\$ 102,896	\$ 570,603
2	Main	State Park	Blackjack	0.11	3	SC	\$ 24,038	\$ -	\$ 343,400	\$ 300,000	\$ 135,836	\$ 803,274
2	FM 20 Realignment	W. of Guadalupe	Colorado	0.41	2	UA	\$ 97,013	\$ 172,000	\$ 1,385,900	\$ -	\$ 364,081	\$ 2,018,994
2	MLK Jr Industrial Blvd.W	Colorado	Cunningham	0.59	4	UA	\$ 173,670	\$ 93,900	\$ 2,481,000	\$ -	\$ 604,685	\$ 3,353,255
2	MLK Jr Industrial Blvd. E	Commerce	E MLK Jr Industrial	0.82	2	UA	\$ 178,038	\$ 344,800	\$ 2,543,400	\$ -	\$ 674,572	\$ 3,740,810
2	City Line	Clear Fork	Maple	0.29	4	UA	\$ 85,764	\$ 46,410	\$ 1,225,200	\$ -	\$ 298,622	\$ 1,655,996
2	CR220/Cunningham	MLK Jr Industrial Blvd.	W. City Limit	0.64	2	UC	\$ 136,829	\$ 204,300	\$ 1,954,700	\$ -	\$ 505,082	\$ 2,800,911
2	Old Kelley Rd	FM20/Blackjack St	Shady Ln	0.59	2	UC	\$ 126,014	\$ 31,400	\$ 1,800,200	\$ -	\$ 430,675	\$ 2,388,289
2	Shady Ln	Old Kelley	FM20/Blackjack St	0.49	2	UC	\$ 103,306	\$ 25,700	\$ 1,475,800	\$ -	\$ 353,057	\$ 1,957,863
2	Lovers Ln	Old Kelley	Existing Lovers Ln	0.23	2	UC	\$ 49,763	\$ 73,800	\$ 710,900	\$ -	\$ 183,582	\$ 1,018,045
Sub-Total Service Area 2				6.26			\$ 1,384,649	\$ 1,094,698	\$ 19,780,700	\$ 300,000	\$ 4,952,210	\$ 27,512,257
Totals:				8.97			\$ 2,215,647	\$ 1,646,918	\$ 31,652,100	\$ 600,000	\$ 7,923,226	\$ 44,037,891

COST PER SERVICE UNIT CALCULATION

	A	B	C	D	F	G	H	I	J	K	L	M		N
Service Area	Capacity Supplied by CIP	Existing Utilization	Existing Deficiencies	Net Capacity Supplied by CIP	Total Project Cost of CIP	Cost of Net Capacity	Credited Project Cost of CIP	Credited Cost of Net Capacity	Cost to Meet Existing Utilization	Projected New Development (10-Yr Demand)	Percent of CIP Attributable to New Dev.	Credited Cost Attributable to New Dev.	Actual Cost per Service Unit	Credited Cost per Service Unit (Maximum Allowable)
	(veh-mi)	(veh-mi)	(veh-mi)	(veh-mi)	(Full Cost)	(Full Cost)	(50% Credit)	(50% Credit)	(50% Credit)	(veh-miles)		(50% Credit)	(Full Cost)	(50% Credit)
1	5,516	367	0	5,149	16,567,590	15,465,287	8,283,795	\$7,732,643	\$551,152	1,258	24.4	\$1,889,234	\$3,002.00	\$1,501.00
2	7,631	474	0	7,157	27,570,301	25,857,770	13,785,151	\$12,928,885	\$856,265	2,894	40.4	\$5,227,916	\$3,612.00	\$1,806.00
Totals	13,147	841	0	12,306	\$44,137,891	41,314,436	\$22,068,946	\$20,661,529	\$1,407,417	4,151	33.7	\$7,117,150	\$3,428.00	\$1,714.00
														Average

Maximum Fee Cost Summary		
Service Area	Fee per Service Unit @ 50% Discount	Actual Cost per Service Unit (veh-mi)
1	\$1,501	\$3,001
2	\$1,806	\$3,612



COST PER SERVICE UNIT CALCULATION

Service Area	Capacity Supplied by CIP (veh-mi)	Net Capacity Supplied by CIP (veh-mi)	Total Project Cost of CIP (Full Cost)	Cost of Net Capacity (Full Cost)	Credited Cost of Net Capacity (50% Credit)	Projected New Development (10-Yr Demand) (veh-miles)	Percent of CIP Attributable to New Dev.	Credited Cost Attributable to New Dev. (50% Credit)	Actual Cost per Service Unit (Full Cost)	Credited Cost per Service Unit (Maximum Allowable) (50% Credit)
1	5,516	5,149	16,567,590	15,465,287	\$7,732,643	1,258	24.4	\$1,889,234	\$3,002.00	\$1,501.00
2	7,631	7,157	27,570,301	25,857,770	\$12,928,885	2,894	40.4	\$5,227,916	\$3,612.00	\$1,806.00
Totals	13,147	12,306	\$44,137,891	41,314,436	\$20,661,529	4,151	33.7	\$7,117,150	\$3,428.00	\$1,714.00
									Average	

Service Area
1

Cost Attributable to New Dev.

Projected Demand

=

\$1.9M

1,258

=

\$1,501.00 \$/SU

COST PER SERVICE UNIT CALCULATION

Service Area	2001		2006		2016		2022	
	Actual Cost per Service Unit	Credited Cost per Service Unit (50% Credit)	Actual Cost per Service Unit	Credited Cost per Service Unit (50% Credit)	Actual Cost per Service Unit	Credited Cost per Service Unit (50% Credit)	Actual Cost per Service Unit	Credited Cost per Service Unit (50% Credit)
1	\$1,417.00	\$708.50	\$1,400.00	\$700.00	\$2,608.00	\$1,304.00	\$3,002.00	\$1,501.00
2					\$2,890.00	\$1,445.00	\$3,612.00	\$1,806.00

Currently collecting at 50% rate for the lower of the two Service Areas

Changes due primarily to:

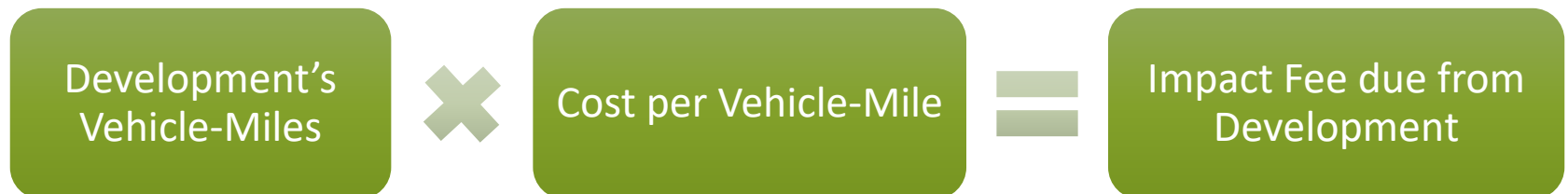
- Increase in cost of construction

COLLECTION RATE CONSIDERATIONS

Step 1: Determine number of service units (vehicle-miles) generated by the development using the equivalency table.



Step 2: Calculate the impact fee based on the fee per service unit for the roadway service area where the development is located.



COST PER SERVICE UNIT CALCULATION

*Example: New Development located within City Limits with collection rates of Roadway at **\$1,501** per vehicle-mile.*

Service
Area
1

Single-Family Dwelling

Roads: 1 dwelling unit x 1.09 veh-miles/dwelling unit = 1.09 veh-miles
1.09 veh-miles x \$1,501/veh-mile = **\$1,636.09**

Up from \$1,421

10,000 square foot (s.f.) Office Building

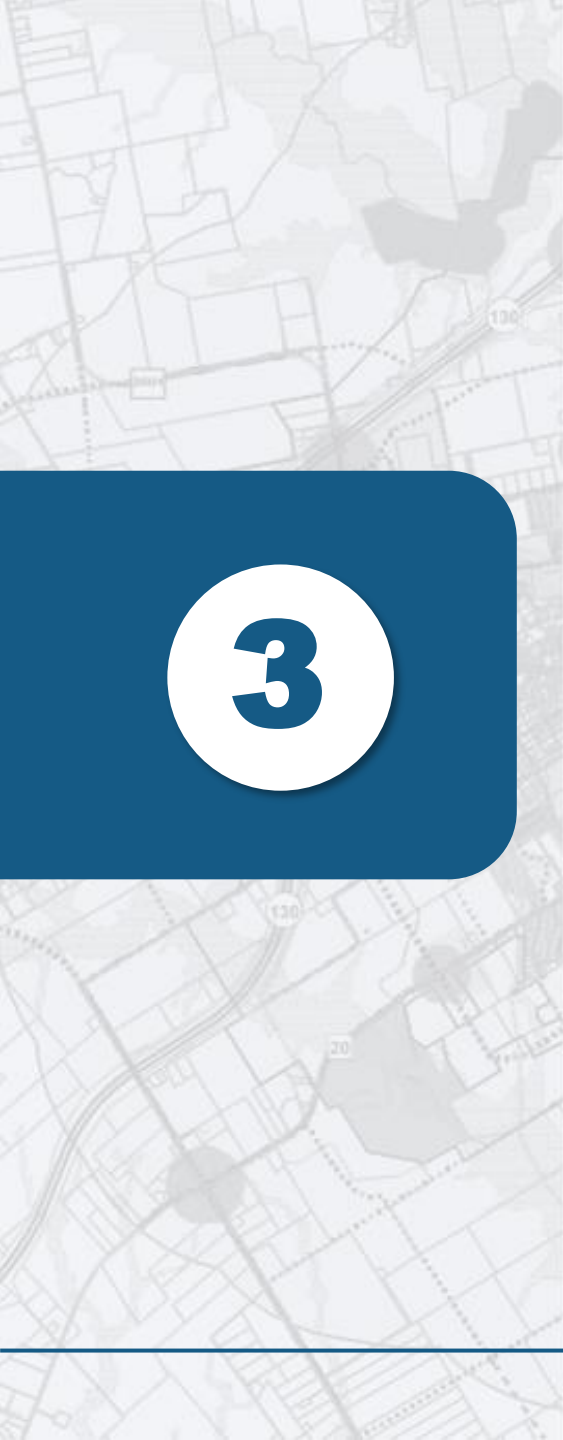
Roads: 10 (1,000 s.f. units) x 1.67 veh-miles/1,000 s.f. units = 16.70 veh-miles
16.70 veh-miles x \$1,501/veh-mile = **\$25,066.70**

Up from \$21,777

ACTION ITEM

IFAC Discussion of Cost per Service Unit Calculation



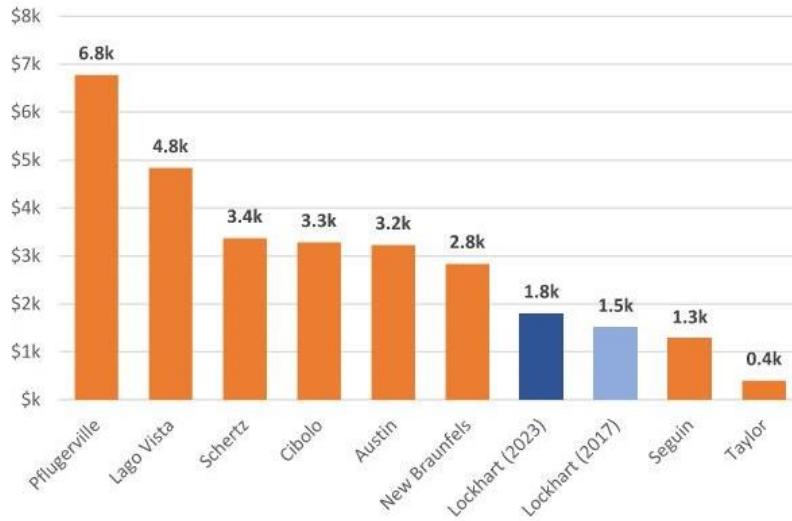
A faint, light-colored map of a city area is visible in the background on the left side of the slide. It shows streets, parks, and some landmarks. A blue rounded rectangle is overlaid on the map, containing a white circle with the number 3 inside.

3

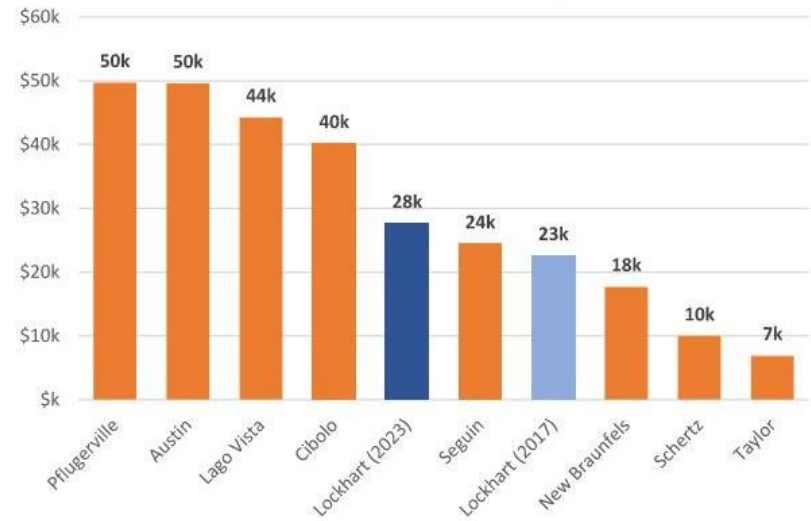
FEE BENCHMARKING

COLLECTION RATE CONSIDERATIONS

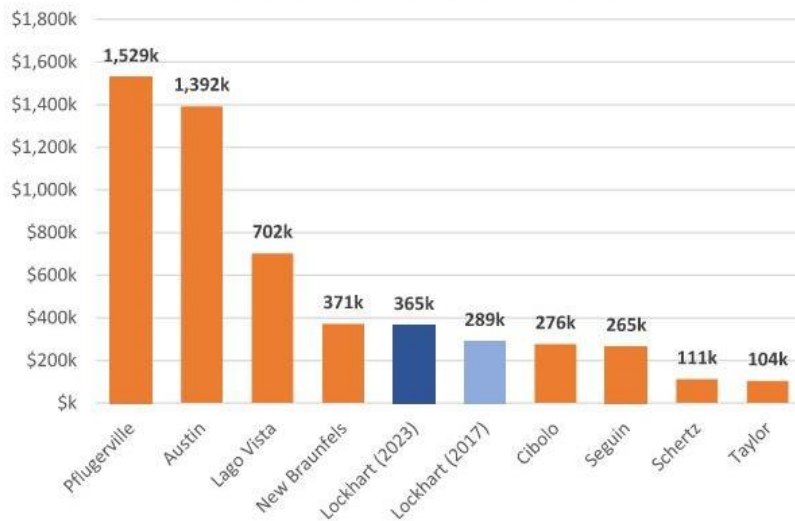
1 Single Family Residence



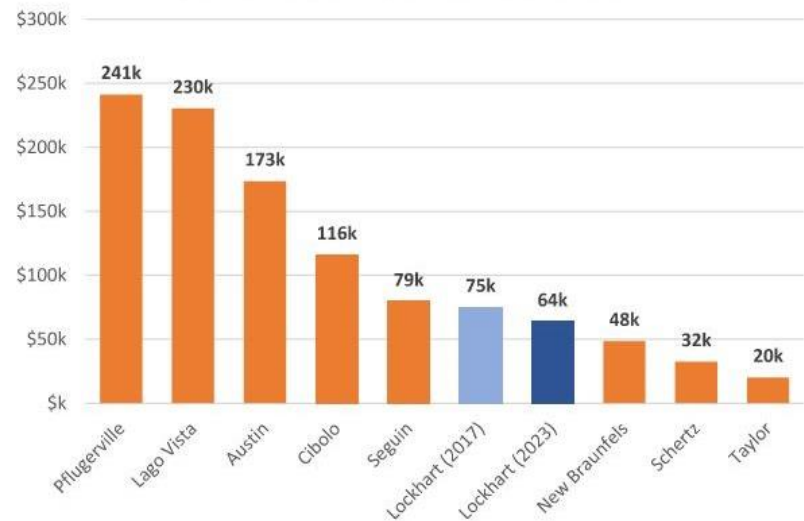
10,000 Sq Ft General Office Development



150,000 Sq Ft Shopping Center Development



50,000 Sq Ft Light Industrial Development



COLLECTION RATE CONSIDERATIONS



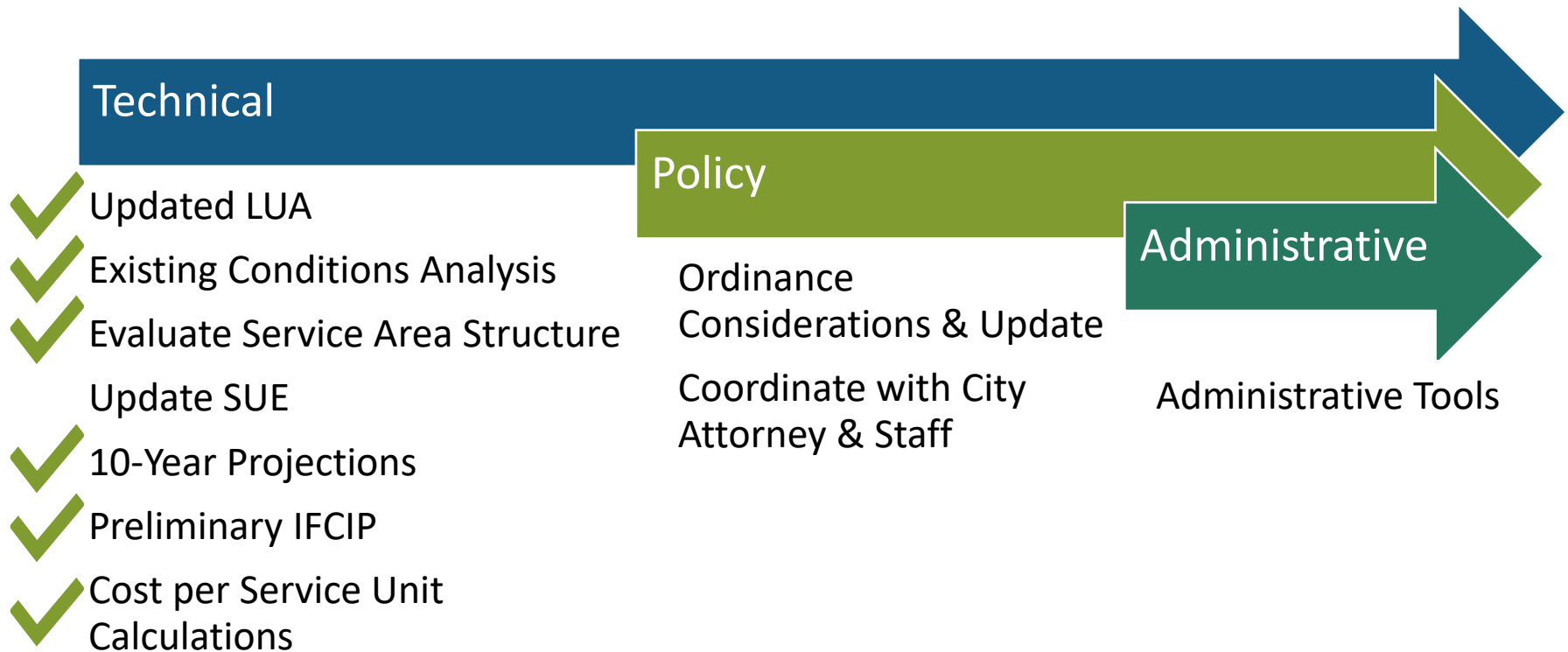
- Lower of two Service Areas
- “Across the Board” rate (i.e. \$1600; varying percentage)
- Residential vs. Non-Residential rates
- Percentage of maximum (i.e. 50%)
 - Will result in varying collection rates among roadway service areas
- Other Specific Policy Considerations

COLLECTION RATES

Discussion & Question/Answer Session



NEXT STEPS IN STUDY PROCESS



NEXT STEPS IN STUDY PROCESS

- Next IFAC Action – Letter of Recommendation: April 10th
 - LUA, CIP and Cost per Service Unit Calculations
 - Collection Rate Consideration
- Resolution Calling for Public Hearing: March 7th
- Public Noticing: March 31st
- Public Hearing and Ordinance Adoption: May 2nd



Thank You!

Impact Fee Advisory Committee (IFAC)
Meeting #3

February 22, 2023





Land Use Assumptions and Roadway Impact Fee Schedule March 8, 2023

Meeting/Action

✓	July 13	Project Kick-off Meeting	City Staff (Virtual Meeting)
✓	July 29	Data Needs from City	City Staff
✓	Aug. 2	Resolution by City Council calling for impact fee update and appointment of IFAC Committee.	City Council
✓	Aug. 23	Data Collection: Traffic Counts between Tues-Thursday; GRAM week of August 22 nd or 29 th (ISD school start Aug. 17 th)	FNI
✓	Sept. 14	IFAC Mtg. 1: Study overview; direction of growth rates for Land Use Assumptions (LUA)	IFAC (No. 1)
✓	Nov. 11	Draft LUA calculations delivered to City	FNI
✓	Nov. 29	City Staff Mtg. 1: Review of LUA, development of roadway CIP	City Staff (Virtual Meeting)
✓	Dec. 2	City comments due of LUA calculations.	City Staff
✓	Dec. 7	Draft LUA/CIP to City for IFAC	FNI
✓	Dec. 14	IFAC Mtg. 2: Review/Approval of Draft LUA, discussion of preliminary CIP/direction by IFAC and City Staff	IFAC (No. 2)
✓	Feb. 10	City Staff Mtg. 2: Discussion of cost per service unit fee and benchmarking	City Staff (No. 1)
✓	Feb. 15	Presentation materials (impact fee calculations and benchmarking) to IFAC	City Staff
✓	Feb. 22	IFAC Mtg. 3: Cost per service unit calculations	IFAC (No. 3)
	Mar. 1	Draft Final Roadway Impact Fee Report to City	FNI

Mar. 21 (42 days)	Resolution by City Council establishing Public Hearing date for update of roadway impact fee program (PH within 60 days of resolution; May 2nd)	City Council
Mar. 24	Final sealed Report to City	FNI
Mar. 31	Publish Notice of Public Hearing on impact fee (at least 30 days before PH; Report made available to public)	City Staff
Apr. 3	Draft Impact fee written recommendation to City Staff	IFAC
Apr. 12	IFAC Meeting to discuss final written recommendation to Council	IFAC
Apr. 24	IFAC recommendation due to City Secretary/Council (at least 5 business days prior to PH)	City Staff
May 2	Public Hearing on Impact Fee; Resolution/Ordinance approving update of impact fee program (<i>adoption within 30 days of PH</i>)	City Council
May 16	Last regular schedule meeting day to adopt updated Ordinance*	City Council

****Ordinance must be adopted within 30-days of the close of the public hearing, otherwise a new public hearing process is required.***

Public Notice:

- *By certified mail to anyone with written requests 2 years prior to the plan process*
- *1 or more newspapers in county where the municipality resides (Caldwell County)*

City Council Meetings: 1st and 3rd Tuesdays, 7:00pm

IFAC Meetings: 2nd and 4th Wednesdays, 6:30pm

January							February							March							
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	
						1			1	2	3	4	5				1	2	3	4	5
2	3	4	5	6	7	8	6	7	8	9	10	11	12	6	7	8	9	10	11	12	
9	10	11	12	13	14	15	13	14	15	16	17	18	19	13	14	15	16	17	18	19	
16	17	18	19	20	21	22	20	21	22	23	24	25	26	20	21	22	23	24	25	26	
23	24	25	26	27	28	29	27	28						27	28	29	30	31			
30	31																				

April							May							June						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2	1	2	3	4	5	6	7				1	2	3	4
3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11
10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18
17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25
24	25	26	27	28	29	30	29	30	31					26	27	28	29	30		

July							August							September						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2	1	2	3	4	5	6						1	2	3
3	4	5	6	7	8	9	7	8	9	10	11	12	13	4	5	6	7	8	9	10
10	11	12	13	14	15	16	14	15	16	17	18	19	20	11	12	13	14	15	16	17
17	18	19	20	21	22	23	21	22	23	24	25	26	27	18	19	20	21	22	23	24
24	25	26	27	28	29	30	28	29	30	31				25	26	27	28	29	30	
31																				

October							November							December						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1			1	2	3	4	5					1	2	3
2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
30	31																			

January							February							March						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7				1	2	3	4				1	2	3	4
8	9	10	11	12	13	14	5	6	7	8	9	10	11	5	6	7	8	9	10	11
15	16	17	18	19	20	21	12	13	14	15	16	17	18	12	13	14	15	16	17	18
22	23	24	25	26	27	28	19	20	21	22	23	24	25	19	20	21	22	23	24	25
29	30	31					26	27	28					26	27	28	29	30	31	

April							May							June						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1		1	2	3	4	5	6					1	2	3
2	3	4	5	6	7	8	7	8	9	10	11	12	13	4	5	6	7	8	9	10
9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17
16	17	18	19	20	21	22	21	22	23	24	25	26	27	18	19	20	21	22	23	24
23	24	25	26	27	28	29	28	29	30	31				25	26	27	28	29	30	
30																				

Lockhart Water/Wastewater Impact Fee Update

February 22, 2023

Historical Water Demands

- **Average Daily Flow from Jan 2018 – Dec 2022**
 - 1.47 MGD
- **Maximum Daily Flow from Jan 2018 – Dec 2022**
 - 2.55 MGD
- **Average Demand per Capita per Day**
 - 96 gal/day/capita
- **Average Monthly Peak Demand per Capita**
 - 155 gal/day/capita

Projected Water Demands

Table 3 – Projected Water Usage

Year	Population	Water Usage Average ⁽¹⁾ (MGD)	Water Usage Peak ⁽²⁾ (MGD)
2022	15,210	1.47	2.36
2032	23,832	2.30	3.69

⁽¹⁾ Based upon average per capita water usage of 96 gal/day

⁽²⁾ Based upon peak per capita water usage of 155 gal/day

Historical Wastewater Demands

- **Average Daily Flow from Jan 2018 – Dec 2022**
 - 1.04 MGD
- **Maximum Daily Flow from Jan 2018 – Dec 2022**
 - 4.48 MGD
- **Average Flow per Capita per Day**
 - 71 gal/day/capita
- **Average Monthly Peak Demand per Capita**
 - 259 gal/day/capita

Projected Wastewater Demands

Table 6 – Projected Future Wastewater Flows

Year	Population	Wastewater Usage Average ⁽¹⁾ (MGD)	Wastewater Usage Peak ⁽²⁾ (MGD)
2022	15,210	1.08	3.94
2032	23,832	1.69	6.17

⁽¹⁾ Based upon average per capita water usage of 71 gal/day

⁽²⁾ Based upon peak per capita water usage of 259 gal/day

Current Meter Counts and Conversions

Table 10 – LUE Equivalencies for Various Types and Sizes of Water Meters

Meter Type	Meter Size	Continuous Duty Maximum Rate (gpm)	Ratio To 3/4" Meter
Simple	5/8" x 3/4"	10	0.667
Simple	3/4"	15	1.000
Simple	1"	25	1.667
Simple	1-1/2"	50	3.333
Simple	2"	80	5.333
Compound	2"	80	5.333
Turbine	2"	100	6.667
Compound	3"	175	11.667
Turbine	3"	220	14.667
Compound	4"	300	20.000
Turbine	4"	420	28.000
Compound	6"	675	45.000
Turbine	6"	865	57.667

SOURCE: AWWA Standards C700, C701, C702, C703.

Table 11 – Current Meter Count and Estimation of LUE

Meter Size	Number Of Meters ^(a)	LUEs Per Meter ^(b)	Number Of LUEs ^(c)
3/4"	4,950	1	4,950
1"	157	1.667	262
1-1/2"	20	3.333	67
2"	131	5.333	699
3"	26	11.667	303
4"	10	20.000	200
TOTAL	5,294		6,481
Population			15,210
Population/LUE			2.35

(a) SOURCE: City of Lockhart

(b) See Table 10

(c) January 2022 estimate

Estimated Water Service Demand

Facility Type	Volume	
	2022	2032
LUE'S (a)	6,481	10,154
WELLS MGD:		
Estimated Demand (b)	4.61	7.23
Estimated Demand minus Carrizo Supply (g)	1.94	4.56
Existing Capacity	4.60	4.60
<i>Excess/(Deficiency)</i>	2.66	0.04
RAW WATER TRANSMISSION:		
Estimated Demand (c)	4.61	7.23
Estimated Demand minus Carrizo Supply (g)	1.94	4.56
Existing Capacity	5.20	5.20
<i>Excess/(Deficiency)</i>	3.26	0.64
WATER TREATMENT PEAK MGD:		
Estimated Demand (c)	4.61	7.23
Estimated Demand minus Carrizo Supply (g)	1.94	4.56
Existing Capacity	5.70	5.70
<i>Excess/(Deficiency)</i>	3.76	1.14
BOOSTER PUMP MGD:		
Estimated Demand (d)	4.61	7.23
Existing Capacity (f)	6.92	6.92
<i>Excess/(Deficiency)</i>	2.31	(0.31)
ELEVATED WATER STORAGE MGD:		
Estimated Demand (e)	1.07	1.68
Existing Capacity	1.55	1.55
<i>Excess/(Deficiency)</i>	0.48	(0.13)

Estimated Wastewater Service Demand

Table 13 – Estimated Wastewater Service Demand by Facility Type

Facility Type	Volume	
	2022	2032
LUE'S (a)	6,481	10,154
WASTEWATER TREATMENT PEAK MGD:		
Estimated Demand (b)	1.08	1.69
Existing Capacity	2.60	2.60
<i>Excess/(Deficiency)</i>	1.52	0.91

(a) Wastewater LUE's same as water.

(b) Capacity demand based on 167 gallons/LUE/day

Cost of Existing Water Facilities

WATER			
SUPPLY			
Well	3B	\$169,148	
	4A	\$118,917	
	5A	\$96,025	
	9A	\$623,902	
	10	\$623,902	
	11	\$412,793	
	12	\$402,258	
	TOTAL		\$2,446,945
RAW WATER TRANSMISSION			
Raw Water Pump Station		\$296,495	
Well 9 Transmission Main		\$300,415	
Plum Creek Raw Water Main		\$349,246	
Ethridge Raw Water Main		\$394,413	
Well 12 Transmission Main		\$146,183	
18" Raw Water Main		\$49,353	
	TOTAL		\$1,536,105

Cost of Existing Water Facilities

WATER			
TREATMENT			
Water Plant			\$2,310,484
BOOSTER PUMPS			
High Service Pump Station Expansion			\$989,000
ELEVATED STORAGE			
City Line Rd Pump Station		\$1,025,000	
0.5 MG Elevated Storage		\$1,716,000	
	TOTAL		\$2,741,000
TRANSMISSION MAINS			
18" MLK Water Main		\$460,601	
18" SH 130 Main Phase 1		\$217,666	
18" SH 130 Main Phase 2		\$606,143	
Bufkin Water Main		\$294,685	
Carrizo Water Supply		\$3,075,277	
	TOTAL		\$4,654,372
TOTAL WATER			\$14,677,906

Cost of Existing Wastewater Facilities

WASTEWATER			
TREATMENT			\$3,653,000
PUMPING			
Airport Lift Station			\$658,482
COLLECTION LINES			
FM 20 Trunk Main		\$1,827,000	
Borchert Lane 12" Sewer		\$133,349	
	TOTAL		\$1,960,349
TOTAL WASTEWATER			\$6,271,831

Cost of New Water Facilities

Name	Quantity	Description	Unit Price ⁽¹⁾	Cost
W-1	15,000 Feet	12" Pipe from Hidden Path Rd. to 2720	\$175	\$2,625,000
W-2	7,000 Feet	12" Pipe along the West side of 130	\$175	\$1,225,000
W-3	4,700 Feet	12" Pipe along Silent Valley Rd. from SH 130 to Stueve Ln.	\$175	\$822,500
W-4	3,000 Feet	12" Pipe from Silent Valley Rd to N. Mockingbird Ln.	\$175	\$525,000
W-5	1,200 Feet	12" Pipe along W. San Antonio St. from S. Mockingbird Ln. to Borchert Loop	\$175	\$210,000
W-6	2,000 Feet	12" Pipe along W. San Antonio St. from Borchert Loop to Windsor Blvd.	\$175	\$350,000
W-7	1,700 Feet	12" Pipe from W. San Antonio St. to Borchert Loop on the E. side of SH 130	\$175	\$297,500
W-8	2,200 Feet	12" Pipe from W. San Antonio St. to Borchert Dr. on the W. side of SH 130	\$175	\$385,000
W-9	3,000 Feet	12" Pipe from Borchert Dr. to Maple St. on the W. side of SH 130	\$175	\$525,000
W-10	4,000 Feet	12" Pipe S. of Maple St. on the W. side of SH 130	\$175	\$700,000
W-11	3,500 Feet	12" Pipe from City Line Rd. to State Park Rd.	\$175	\$612,500
W-12	2,200 Feet	12" Pipe along State Park Rd.	\$175	\$385,000
W-13	7,000 Feet	12" Pipe from State Park Rd. to W. Martin Luther Kng Jr Industrial Blvd.	\$175	\$1,225,000
W-14	1,600 Feet	12" Pipe along Cunningham	\$175	\$280,000
W-15	1,400 Feet	12" Pipe S. of Cunningham	\$175	\$245,000

Cost of New Water Facilities

Name	Quantity	Description	Unit Price ⁽¹⁾	Cost
W-16	3,400 Feet	12" Pipe S. of the Lockhart Municipal Airport	\$175	\$595,000
W-17	4,800 Feet	12" Pipe along Lovers Ln. to Brazos St.	\$175	\$840,000
W-18	3,000 Feet	12" Pipe from Lovers Ln. to Blackjack St.	\$175	\$525,000
W-19	4,200 Feet	12" Pipe from Water Plant to Blackjack St.	\$175	\$735,000
W-20	2,000 Feet	12" Pipe along Shady Ln.	\$175	\$350,000
W-21	3,000 Feet	12" Pipe from Mockinbird Ln to Stueve Ln	\$175	\$525,000
W-22	3,500 Feet	12" Pipe from Stueve Ln to SH 130	\$175	\$612,500
W-23	3,700 Feet	12" Pipe along SH 130 to Horseshoe Rd	\$175	\$647,500
W-24	4,700 Feet	12" Pipe along SH 130 to N Colorado St.	\$175	\$822,500
W-25	2,000 Feet	12" Pipe from County View Rd to Payne Ln	\$175	\$350,000
W-26	10,000 Feet	12" Pipe along Hidden Path Rd connecting to Cypress Rd	\$175	\$1,750,000
W-27	10,000 Feet	12" Pipe on N. side of SH 130 E of Hidden Path Rd.	\$175	\$1,750,000
W-28	1 Each	Pressure Reducing Valve	\$35,000	\$35,000
W-29	1 Each	Pressure Reducing Valve	\$35,000	\$35,000
W-30	1 Each	Pressure Reducing Valve	\$35,000	\$35,000
W-31	1 Each	Elevated Storage Tank	\$1,750,000	\$1,750,000
		TOTAL		\$21,770,000

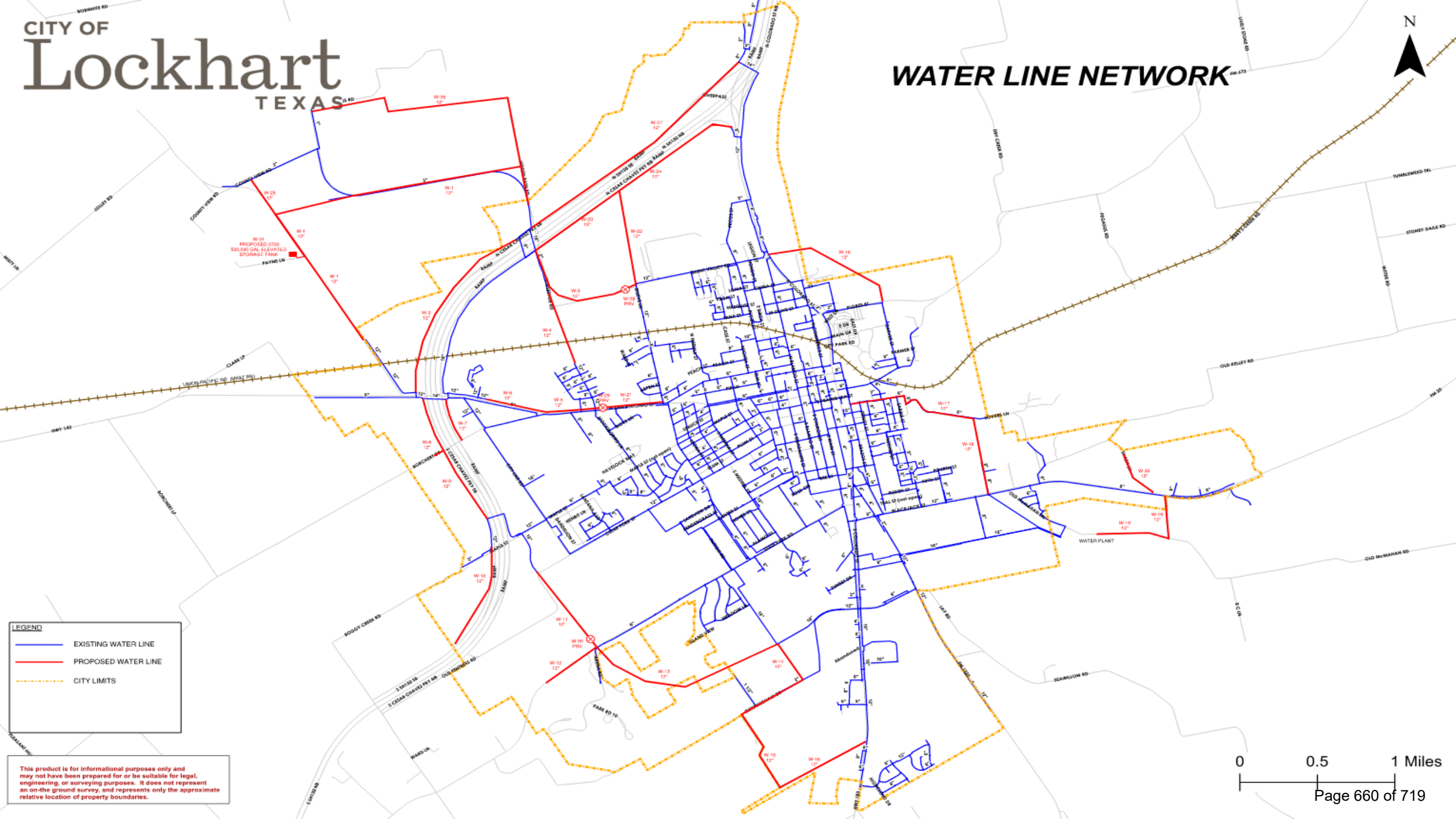
Cost of New Wastewater Facilities

Name	Quantity	Description	Unit Price ⁽¹⁾	Cost
S-1	12,000 Feet	12" Pipe extension past SH 130 to Hidden Path Rd	\$200	\$2,400,000
S-2	3,300 Feet	12" Pipe between SH 130 and Windridge	\$200	\$660,000
S-3	1,500 Feet	12" W of SH 130 to San Antonio St.	\$200	\$300,000
S-4	7,000 Feet	12" Pipe along County Ln.	\$200	\$1,400,000
S-5	9,300 Feet	15" Pipe along SH 130 and San Antonio St.	\$25	\$232,500
S-6	5,000 Feet	18" Pipe under SH 130 S of Maple St.	\$250	\$1,250,000
S-7	3,500 Feet	18" Pipe from State Park Rd. to Old Fentress Rd.	\$250	\$875,000
S-8	1,700 Feet	12" Pipe S of Old Fentress Rd.	\$200	\$340,000
S-9	1,500 Feet	12" Pipe along State Park Rd.	\$200	\$300,000
S-10	1,700 Feet	12" Pipe N of State Park Rd.	\$200	\$340,000
S-11	5,500 Feet	12" Pipe along Cunningham Rd	\$200	\$1,100,000
S-12	4,300 Feet	18" Pipe along Clear Fork Plum Creek	\$250	\$1,075,000
S-13	1,500 Feet	12" Pipe E of 183	\$200	\$300,000
S-14	3,200 Feet	18" Pipe along railroad W of Stueve Ln.	\$250	\$800,000
S-15	2,200 Feet	18" Pipe along Stueve Ln.	\$250	\$550,000
S-16	7,000 Feet	24" Pipe along Tank St.	\$300	\$2,100,000
S-17	2,500 Feet	30" Pipe along railroad	\$350	\$875,000
S-18	12,000 Feet	12" Pipe under SH 130 to N Colorado St.	\$200	\$2,400,000

Cost of New Wastewater Facilities

Name	Quantity	Description	Unit Price ⁽¹⁾	Cost
S-19	2,200 Feet	12" Pipe S of SH 130 to N Colorado St.	\$200	\$440,000
S-20	6,000 Feet	12" Pipe E of Plum Creek Lift Station	\$200	\$1,200,000
S-21	5,200 Feet	12" Pipe along Lovers Ln.	\$200	\$1,040,000
S-22	3,900 Feet	12" Pipe W of Century Oaks Lift Station	\$200	\$780,000
S-23	2,800 Feet	10" Pipe E of Century Oaks Lift Station	\$180	\$504,000
S-24	5,000 Feet	18" Pipe along S Commerce St.	\$250	\$1,250,000
S-25	1,800 Feet	12" Pipe E of S Commerce St.	\$200	\$360,000
S-26	2,500 Feet	18" Pipe along S Commerce St.	\$250	\$625,000
S-27	4,300 Feet	12" Pipe W of Pecan Branch Lift Station	\$200	\$860,000
S-28	2,000 Feet	12" Pipe W of FM 20 East Lift Station	\$200	\$400,000
S-29	1 Each	Boggy Creek Lift Station	\$1,500,000	\$1,500,000
S-30	1,300 Feet	Boggy Creek Force Main	\$150	\$195,000
S-31	1 Each	Plum Creek Lift Station	\$1,500,000	\$1,500,000
S-32	5,500 Feet	Plum Creek Force Main	\$150	\$825,000
S-33	1 Each	South Commerce Lift Station	\$1,500,000	\$1,500,000
S-34	10,400 Feet	South Commerce Force Main	\$150	\$1,560,000
S-35	1 Each	Pecan Branch Lift Station	\$1,500,000	\$1,500,000
S-36	6,200 Feet	Pecan Branch Force Main	\$150	\$930,000
S-37	1 Each	FM 20 East Lift Station	\$1,500,000	\$1,500,000
		TOTAL		\$35,766,500

WATER LINE NETWORK



LEGEND

- EXISTING WATER LINE
- PROPOSED WATER LINE
- CITY LIMITS

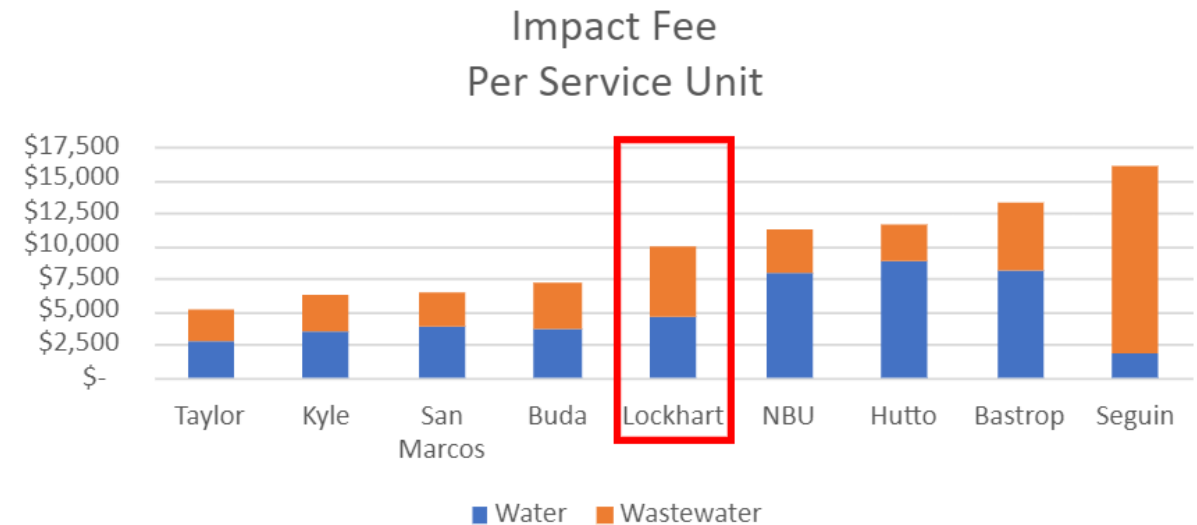
This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey, and represents only the approximate relative location of property boundaries.

Table 17 – Water and Wastewater Capital Cost Summary

Utility	Facility	Cost/LUE	Credit/LUE	Maximum Fee/LUE
WATER	Wells	\$568.12	\$284.06	\$284.06
	Raw Water Transmission	\$315.49	\$157.75	\$157.75
	Treatment	\$432.91	\$216.46	\$216.46
	Pumping	\$134.58	\$67.29	\$67.29
	Elevated Storage	\$375.73	\$187.86	\$187.86
	Major Transmission	\$7,252.57	\$3,626.29	\$3,626.29
	Fee Update Cost	\$4.49	\$2.24	\$2.24
	Master Plan	\$40.83	\$20.42	\$20.42
	TOTAL WATER CAPITAL COSTS	\$9,124.71	\$4,562.36	\$4,562.36
WASTEWATER	Treatment	\$351.80	\$175.90	\$175.90
	Lift Stations (a)	\$1,531.25	\$765.63	\$765.63
	Major Collection	\$8,656.62	\$4,328.31	\$4,328.31
	Fee Update Cost	\$4.49	\$2.24	\$2.24
	Master Plan	\$40.83	\$20.42	\$20.42
TOTAL WASTEWATER CAPITAL COSTS		\$10,945.20	\$5,472.60	\$5,472.60
TOTAL WATER AND WASTEWATER CAPITAL COSTS		\$20,069.92	\$10,034.96	\$10,034.96

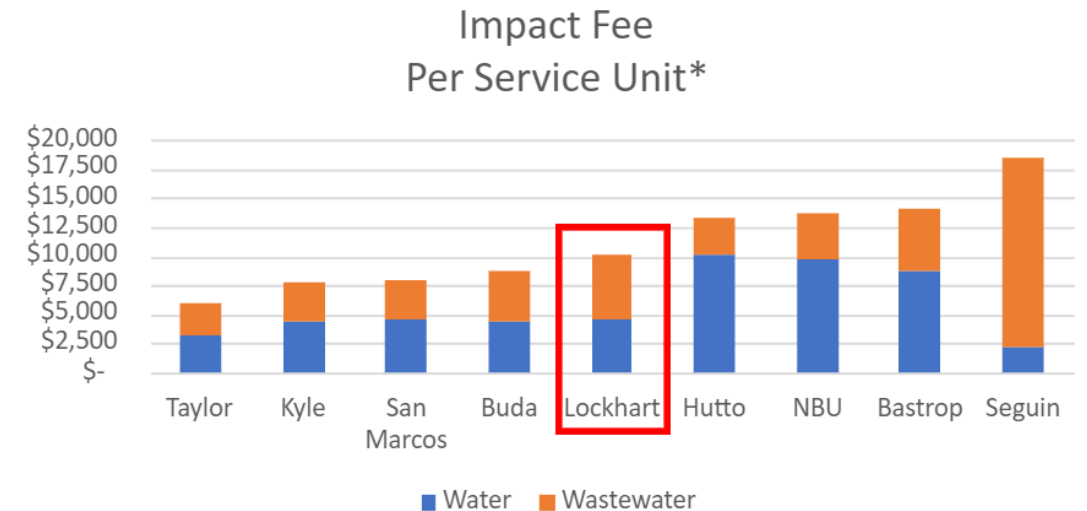
Central Texas Impact Fees

City	Year	Current Population	Water Impact Fee Per Service Unit	Wastewater Impact Fee Per Service Unit	Total
Taylor	2021	16,807	\$2,800	\$2,400	\$5,200
Kyle	2017	51,789	\$3,535	\$2,826	\$6,361
San Marcos	2018	68,580	\$3,801	\$2,684	\$6,485
Buda	2017	15,643	\$3,595	\$3,515	\$7,110
Lockhart	2022	15,210	\$4,562	\$5,473	\$10,035
NBU	2018	98,857	\$7,989	\$3,251	\$11,240
Hutto	2021	30,855	\$8,832	\$2,788	\$11,620
Bastrop	2022	10,434	\$8,182	\$5,089	\$13,271
Seguin	2020	30,902	\$1,872	\$14,123	\$15,995



Central Texas Impact Fees (Inflation Adjusted)

City	Year	Inflation Multiplier	Water Impact Fee Per Service Unit	Wastewater Impact Fee Per Service Unit	Total Impact Fee Per Service Unit
Taylor	2021	1.14	\$3,192	\$2,736	\$5,928
Kyle	2017	1.23	\$4,348	\$3,476	\$7,824
San Marcos	2018	1.21	\$4,599	\$3,248	\$7,847
Buda	2017	1.23	\$4,422	\$4,323	\$8,745
Lockhart	2022		\$4,562	\$5,473	\$10,035
Hutto	2021	1.14	\$10,068	\$3,178	\$13,247
NBU	2018	1.21	\$9,667	\$3,934	\$13,600
Bastrop	2022	1.06	\$8,673	\$5,394	\$14,067
Seguin	2020	1.16	\$2,172	\$16,383	\$18,554



Impact Fee Summary

Max Water Impact Fee

Parameter	LUE	Lockhart	Bastrop	Buda	Taylor	Hutto	Seguin	Kyle	San Marcos	NBU
Single Family House	1	\$ 4,562	\$ 8,182	\$ 3,595	\$ 2,800	\$ 8,832	\$ 1,872	\$ 3,535	\$ 3,801	\$ 7,989
10,000 SF Office Bldg	3.33	\$ 15,193	\$ 27,246	\$ 11,971	\$ 9,324	\$ 29,411	\$ 6,234	\$ 11,772	\$ 12,657	\$ 26,603
150,000 SF Shopping Center	90.36	\$ 412,255	\$ 739,326	\$ 324,844	\$ 253,008	\$ 798,060	\$ 169,154	\$ 319,423	\$ 343,458	\$ 721,886
50,000 SF Industrial Warehouse	12.5	\$ 57,030	\$ 102,275	\$ 44,938	\$ 35,000	\$ 110,400	\$ 23,400	\$ 44,188	\$ 47,513	\$ 99,863

Note: LUE Conversion Rate based on Austin Water LUE Guidance Document. This is a calculation to help **estimate** flows for various development types. Actual impact fee will be dependent on meter size(s) that the facility puts in.

Impact Fee Summary

Max Wastewater Impact Fee

Parameter	LUE	Lockhart	Bastrop	Buda	Taylor	Hutto	Seguin	Kyle	San Marcos	NBU
Single Family House	1	\$ 5,473	\$ 5,089	\$ 3,515	\$ 2,400	\$ 2,788	\$ 14,123	\$ 2,826	\$ 2,684	\$ 3,251
10,000 SF Office Bldg	3.33	\$ 15,193	\$ 16,946	\$ 11,705	\$ 7,992	\$ 9,284	\$ 47,030	\$ 9,411	\$ 8,938	\$ 10,826
150,000 SF Shopping Center	90.36	\$ 412,255	\$ 459,842	\$ 317,615	\$ 216,864	\$ 251,924	\$ 1,276,154	\$ 255,357	\$ 242,526	\$ 293,760
50,000 SF Industrial Warehouse	12.5	\$ 57,030	\$ 63,613	\$ 43,938	\$ 30,000	\$ 34,850	\$ 176,538	\$ 35,325	\$ 33,550	\$ 40,638

Note: LUE Conversion Rate based on Austin Water LUE Guidance Document. This is a calculation to help **estimate** flows for various development types. Actual impact fee will be dependent on meter size(s) that the facility puts in.

Impact Fee Summary

Max Total Water and Wastewater Impact Fee

Parameter	LUE	Lockhart	Bastrop	Buda	Taylor	Hutto	Seguin	Kyle	San Marcos	NBU
Single Family House	1	\$ 10,035	\$ 13,271	\$ 7,110	\$ 5,200	\$ 11,620	\$ 15,995	\$ 6,361	\$ 6,485	\$ 11,240
10,000 SF Office Bldg	3.33	\$ 33,416	\$ 44,192	\$ 23,676	\$ 17,316	\$ 38,695	\$ 53,263	\$ 21,182	\$ 21,595	\$ 37,429
150,000 SF Shopping Center	90.36	\$ 906,759	\$ 1,199,168	\$ 642,460	\$ 469,872	\$ 1,049,983	\$ 1,445,308	\$ 574,780	\$ 585,985	\$ 1,015,646
50,000 SF Industrial Warehouse	12.5	\$ 125,437	\$ 165,888	\$ 88,875	\$ 65,000	\$ 145,250	\$ 199,938	\$ 79,513	\$ 81,063	\$ 140,500

Note: LUE Conversion Rate based on Austin Water LUE Guidance Document. This is a calculation to help **estimate** flows for various development types. Actual impact fee will be dependent on meter size(s) that the facility puts in.

RESOLUTION 2023-03

AN RESOLUTION OF THE CITY OF LOCKHART, TEXAS, ESTABLISHING A DATE FOR A PUBLIC HEARING TO CONSIDER UPDATED IMPACT FEE LAND USE ASSUMPTIONS, UPDATED IMPACT FEE CAPITAL IMPROVEMENT PLANS, AND ADOPTION OF AN ORDINANCE AMENDING THE WATER, WASTEWATER, AND ROAD IMPACT FEES

WHEREAS, the City is required to perform a five-year update of the adopted impact fee land use assumptions, capital improvement plans, and fees; and,

WHEREAS, consultants were retained to perform the required study and prepare associated documents; and,

WHEREAS, the Impact Fee Advisory Committee has reviewed the results of the study will prepare their comments to the City Council prior to the public hearing; and,

WHEREAS, State law requires that the City Council establish a date for a public hearing to consider the updated impact fee land use assumptions, capital improvement plans, and fees, and that the date of such hearing be published in the newspaper at least 30 days prior to the hearing;

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

A public hearing will be held on Tuesday, May 2, 2023, to consider updated impact fee land use assumptions, updated capital improvement plans, and adoption of an ordinance amending the water, wastewater, and road impact fees:

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 21st DAY OF MARCH, 2023.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Assistant City Secretary

Monte Akers, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion and/or action to consider contracting with Skyhawks Sports Academy to provide youth sports camps this summer.

ORIGINATING DEPARTMENT AND CONTACT: Parks & Recreation - Travis Hughes

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: Skyhawks is the nation's largest provider of youth sports programs. This summer will be the first opportunity for Skyhawks Sports Academy to provide programs in Lockhart and will serve as a trial run for potentially offering year-round sports programs. We would like to conduct six 1-week camps from 9am to 3pm beginning June 5th, that would include swimming (see attachments). These would take place at City Park. Skyhawks will provide marketing, registration, staffing, and all equipment. The City of Lockhart will provide access to facilities and assist with marketing on the city website and social media. At the end of the summer program, Skyhawks will provide the City of Lockhart with a check for 20% of registration revenue. Skyhawks currently conducts camps and classes in several central Texas cities including Kyle, Pflugerville, Lakeway, New Braunfels, Austin and San Antonio.

PROJECT SCHEDULE (if applicable): Marketing would begin immediately with registration opening in mid-march.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): No funds required

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Request approval to proceed with Skyhawks Sports Academy as our youth sports camp provider this summer.

LIST OF SUPPORTING DOCUMENTS: Skyhawks Brochure, Skyhawks Program Offering Menu (Updated 1-16-23), Agreement for Skyhawks -Lockhart TX clean SIGNED

City of Lockhart, Texas

Council Agenda Item Cover Sheet





Skyhawks Sports Academy provides a wide variety of fun, safe, and positive programs that emphasize critical lessons in sports and life, such as teamwork, respect, and sportsmanship.

Our programs are designed to give each child a positive introduction into sports while fostering a lifelong love of an active, healthy lifestyle. Our knowledgeable and patient staff use a variety of skill-building games and activities to give every athlete a complete understanding and overview of the sport.

Our programs range from week-long summer camps to after-school programs, clinics, and leagues that teach athletes the fundamentals of each sport in order for them to build the required skills.

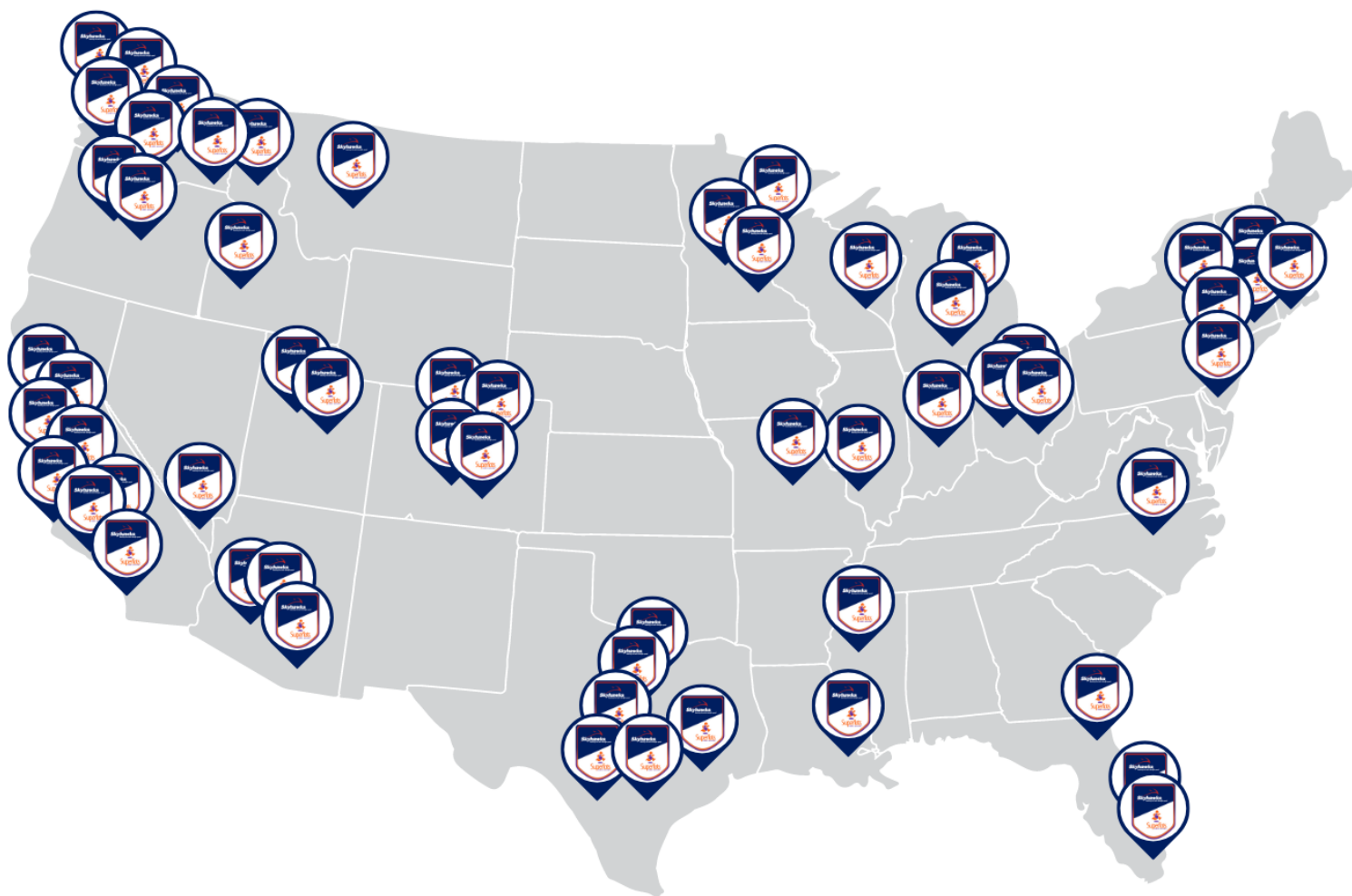
Since 1979, Skyhawks has taught more than 2 million boys and girls life skills through sports.



The City of Spokane Parks and Recreation has been partners with the Skyhawks organization for several decades. Skyhawks' vision of "Teaching Life Skills Through Sports" has touched multiple generations of Spokane's young athletes. Parents who were previous Skyhawks participants are now signing their kids up for programs!

-Adriano Eva

City of Spokane Parks & Recreation, WA



Since 1979, Skyhawks has grown to become the nation's largest & most recognized provider of youth sports programs.

- » Skyhawks programs are available year-round and in over half of the United States.
- » Skyhawks partners with hundreds of local communities and community organizations.
- » Skyhawks employs over 1,000 first-aid & CPR certified coaches and directors every year.
- » Over 2 million boys and girls have completed a Skyhawks program nationwide.

Skyhawks Sports Academy

800.804.3509

www.skyhawks.com

Skyhawks offers a variety of skill-based sports programs for children ages 4-14.

Skyhawks programs are designed to teach fundamentals, develop skills and gain confidence on and off the field or court. In addition to single-sport programs, Skyhawks also offers Multi-Sport programs that combine two or more sports into a single program. For the youngest athletes, Skyhawks offers Mini-Hawk programs, age-appropriate programs focused on introducing the youngest athletes to a wide variety of sports at their own pace, with a curriculum specifically designed with younger children in mind.



BASEBALL

Learn the fundamentals of fielding, catching, throwing, hitting and base running in a fun, positive environment. Athletes learn new baseball skills along with vital life lessons such as respect, teamwork and responsibility.



MINI-HAWK

Athletes ages 4-7 explore balance, movement and hand/eye coordination in a safe, structured environment with lots of encouragement and a focus on fun. All games and activities are performed at the athletes own pace.



BASKETBALL

This fun, skill-intensive program is designed for beginning to intermediate athletes. Active sessions of passing, shooting, dribbling, and rebounding makes this one of our most popular programs.



MULTI-SPORT

Skyhawks Multi-Sport programs are designed to introduce athletes to a variety of sports in one setting. Athletes will learn the rules and essentials of two to three sports through skill-based games and scrimmages.



CHEERLEADING

Skyhawks cheerleading teaches the skills essential to lead crowds and support the home team! Each cheerleader learns proper hand and body techniques. The program concludes with a choreographed performance.



SOCCER

Skyhawks is the nation's #1 program for learning the fundamentals of soccer. Using our progressive curriculum, children will gain the technical skills and sport knowledge required for that next step into soccer.



FLAG FOOTBALL

Athletes learn skills on both sides of the football, including the core components of passing, catching, and defense - all in a fun and positive environment. The program ends with the Skyhawks Super Bowl.



TENNIS

Athletes learn proper grips, footwork, strokes, volleys, and serves, as well as the rules and etiquette that make tennis an exciting game. Programs fill quickly due to limited court space.



GOLF

Skyhawks golf programs focus on building confidence through proper technique and refining essential skills. Athletes learn the fundamentals of swinging, putting, and body positioning. All equipment provided.



TRACK & FIELD

Skyhawks track & field programs combine technical development, proper techniques, and safety with a major focus on fun! Using special equipment, athletes learn the fundamentals of body positioning, stride, stretching & cool-down.



LACROSSE

Lacrosse combines basic skills used in soccer, basketball, and hockey into one fast-paced game. Players learn fundamentals like stick-handling, cradling, passing, and shooting in a fun, non-competative environment.



VOLLEYBALL

All aspects of volleyball are taught through drills and exercises that focus on passing, setting, hitting, and serving. Our coaches will assist boys and girls in developing skills through game-speed drills and daily matches.

NOTE: Not all programs are available in all areas. Visit us online at Skyhawks.com or call 800.804.3509 for more information.



Teaching life skills through sports



Skyhawks has the ability to customize programs to meet the needs of your community.

Skyhawks Staffing

Skyhawks provides local, regional, and national management dedicated to supporting your organization. Providing quality assurance, tech support, and marketing assistance, Skyhawks is ready to make your organization's programs a success.

Skyhawks Safety

Safety is Skyhawks #1 priority for athletes. All coaches and program directors are required to have current CPR and first-aid certification, and undergo extensive safety training both on the field and in the classroom. All coaches and program directors also undergo a rigorous pre-hire screening which includes a criminal background check.

Skyhawks Liability Insurance

Skyhawks will issue a certificate of liability insurance to your organization and list you as additionally insured.

Skyhawks Gives Back

A portion of the revenue from Skyhawks programs will be given back to your organization.

Skyhawks Marketing and Promotions

Skyhawks' marketing department has the ability to create, execute, monitor, and analyze all aspects of promoting your camps, clinics, and leagues in partnership with Skyhawks. Marketing campaigns may include, but are not limited to: printed materials (large & small format), digital ad placement, social media outreach & advertisement, and direct mail advertising campaigns.

Skyhawks Curriculum

Our progressive, skill-based curriculum has been developed and fine-tuned through the years and has become a nationally-recognized, Family Choice Award winning standard of excellence. Our programming allows us to adapt teaching methods based on age and skill level, making Skyhawks a unique and prime choice for community-based sport programming.

Skyhawks creates lasting partnerships with a variety of groups including parks & recreation departments, schools, and other youth-focused organizations to help develop active and healthy communities one child at a time.



What registration processes do you have in place?

Skyhawks offers two options for registering athletes for programs at your organization. Both options handle the signup and registration process, as well as accept payment.

1. Skyhawks will accept and process ALL registrations.
2. Both Skyhawks and your organization accept and process registration.

Whichever registration process is the right fit for your organization, Skyhawks offers a number of benefits to help increase registration & retain customers, including:

- » Posting & promoting your programs at Skyhawks.com.
- » Sending automated emails encouraging evaluations at the end of programs.
- » Providing the ability to offer limited time and special pricing.
- » Providing confirmation of registration to customer and organization.
- » Providing customer service to answer any program questions.

Do you offer year-round programming?

Yes. In addition to our very popular summer session, Skyhawks offers camps, clinics, and leagues for fall, winter, and spring sessions.

Can I include a non-resident or non-member fee?

Yes, we can modify pricing strategy based on membership or residence.

What is the pricing structure for Skyhawks programs?

Skyhawks works with each organization to ensure proper pricing for the area.

What are your typical coach-to-athlete ratios?

Skyhawks' typical coach-to-camper ratio is 10:1, but can vary depending on camper age and sport.

What age groups/sport levels can you accommodate?

Skyhawks tailors its programs to introductory and intermediate players. Groups will be divided by age and then by ability. The emphasis is on learning skills and techniques in a low-pressure and appropriately-competitive environment. Fun & enjoyment are priorities at our programs.

Who are your coaches & what are their qualifications?

Skyhawks recruits high school varsity and college-age athletes who have demonstrated an exceptional ability to communicate and work with children. Coaches and directors have participated in their respective sports at either a high school or college level. All coaches must complete: a personal interview, background check, classroom and on-field training, Positive Coaching Alliance Double-Goal Coach® certification, a coaches test and must be first-aid and CPR certified.

What options are there for program format?

During the summer months, Skyhawks typically offers week-long 3-hour half-day, 6-hour full-day, and 1-2 hour evening programs. Year-round programs have a variety of options, with the most popular format meeting for 1-2 hours per session for 6-8 weeks.

Program format availability varies by location.

What do athletes receive at summer programs?

Each athlete receives a Skyhawks t-shirt and merit award or player evaluation for participating in a Skyhawks program. Select programs offer a free sport ball with participation.

How do I contact you?

Feel free to call our main office at 800.804.3509 or contact your local Skyhawks representative for more information. Additional information is available at Skyhawks.com.





[Skyhawks'] philosophy of running sports camps in a safe, fun, and positive environment has resonated with our residents. The children of our community have benefited from our relationship with Skyhawks every summer. Their staff is always punctual, responsible, and full of energy, which translates directly into a fun learning experience for the participants.

-Paul E. Piscitelli
City of Milford, CT

It has been a pleasure working with Skyhawks over the years! The coaches and directors are organized, professional, and engaged, making for an incredible camp experience. From initial customer contact to the on-field product, Skyhawks sports camps are top-notch. I highly recommend Skyhawks Sports Academy programs.

-C.J. Stanford
Issaquah Parks & Recreation, WA



For over 10 years the City of Cupertino has contracted with Skyhawks Sports Academy to provide the bulk of our summer sports camp programs. Program participation rates and revenues have consistently risen each year due to Skyhawks' staff professionalism and enthusiasm for sports programming.

-Jeff Ordway
City of Cupertino, CA



Skyhawks is a professional organization that brings college-level players to teach our campers skills, techniques, and the fundamental aspects of sports. Campers gain sportsmanship and a true understanding of the sport. We love Skyhawks for their accommodations and silliness to partner with our organization.

-Halle Schwartz
The Jewish Community Center of Greater Columbus, OH



[Skyhawks Sports Academy] is extremely organized, professional, and flexible - from administration to program staff. The administrative team of Skyhawks provides our district with quality, well-trained staff to implement a variety of athletic opportunities for our students.

-Marisa Schrot
Rosemount/Apple Valley/Eagan Community Education, MN



Skyhawks Sports Academy
800.804.3509
www.skyhawks.com



Skyhawks

Teaching life skills through sports®

Skyhawks Sports Academy

1826 E Sprague Ave
Spokane WA 99202

800.804.3509

www.skyhawks.com

INCLUSION • RESPECT • LEADERSHIP • SPORTSMANSHIP • TEAMWORK

SKYHAWKS SPORTS ACADEMY

Program Offering Menu



Skyhawks Sports Academy

Skyhawks Sports Academy’s traditional offerings includes 12 different program types. Serving ages 4 to 14, these programs feature skill-based sports instruction with a focus on teaching life skills through sports.

Programs Offered: Year-round classes, camps and instructional leagues



SuperTots Sports Academy

SuperTots classes offer children ages 2 to 5 one-of-a-kind development opportunities across 6 different sports. These game-based programs develop motor skills, promote physical fitness and instill a love for sports.

Programs Offered: Various year-round class formats



STEM Sports®

STEM Sports® is our double-play combination of physical activity and cognitive thinking that provides a comprehensive, inquiry-based educational experience and a solution for crucial science, technology, engineering and math (STEM) literacy for students.

Programs Offered: Various year-round class and camp formats





Baseball

Ages 5-12

Learn the fundamentals of fielding, catching, throwing, hitting and base running - all in a fun, positive environment. Specifically designed for beginning and intermediate players, this program teaches athletes new baseball skills along with vital life lessons such as respect, teamwork and responsibility.

Basketball

Ages 5-12

This fun, skill-intensive program is designed for beginning to intermediate players. Using our progressive curriculum, we focus on the whole player - teaching sportsmanship and teamwork. Boys and girls will learn the fundamentals of passing, shooting, ball handling, rebounding and defense through skill-based instruction and small-sided scrimmages.

Cheerleading

Ages 5-12

This class teaches young athletes the essential skills to lead the crowd and support the home team! Each participant will learn cheers, proper hand/body movements and jumping techniques. There is no stunting, just a big focus on fun while each cheerleader learns important life skills such as teamwork and leadership. The program concludes with a final cheer performance.

Flag Football Fueled by

Ages 5-12



Experience the excitement of football with Skyhawks Flag Football Fueled by USA Football. Using a curriculum developed by USA Football, coaches teach skills like passing, receiving, kicking and flag pulling while gaining confidence and learning life lessons in a fun, positive environment.



Beginning Golf

Ages 5-12

Skyhawks Beginning Golf is powered by Payne Stewart Golf Experiences, the recommended entry-level golf program for PGA Junior Golf Camps. The unique, games-based play program and modified learning equipment make it easier for kids to hit the ball and experience early success. Putting, chipping, pitching and full swing, are all taught through games, simple repetitive motions and learning rhymes that make it easy for young kids to remember and repeat.

Lacrosse

Ages 7-12

Athletes will learn the fundamentals of stick handling, cradling, passing and shooting in a fun, non-checking environment. All equipment is provided, but participants are welcome to bring their own lacrosse stick. Participants are not required to wear goggles, a helmet or gloves due to the use of soft lacrosse balls and our staff ensuring non-checking, non-contact play.

Multi-Sport

Ages 7-12

Multi-Sport programs are designed to introduce young athletes to a variety of different sports in one setting. Athletes will learn the rules and essential skills of each sport, along with vital life lessons such as sportsmanship and teamwork.

Mini-Hawk®

Ages 4-7

This multi-sport program was developed to give children a positive first step into athletics. Sports are taught in a safe, structured environment filled with encouragement and fun. Through exciting games and activities, campers explore balance, hand/eye coordination and skill development at their own pace.

Soccer

Ages 5-12

Your young athlete will gain the technical skills and sport knowledge required for their next step into soccer. Areas of focus are dribbling, passing, shooting and ball control. By the end of the program, your child will have learned new life skills such as teamwork and sportsmanship, made new friends and improved their soccer skills.

Tennis

Ages 5-12

Whether your child is a beginning or intermediate player, this program will improve their game and help them get more enjoyment from tennis. Our tennis programs focus on skill refinement as well as practice and match play to develop consistent, well-rounded tennis players.

Track & Field

Ages 5-12

The fundamentals of body positioning, stride, proper stretching and cool-down techniques are taught. Track and field events include javelin, discus, shot put, hurdles, long jump, triple jump and various running and relay events (activities may vary by area).

Volleyball

Ages 7-14

Skyhawks Volleyball takes the energy and excitement of this great team sport and puts it all together into one fun-filled program. All aspects of the game are taught through drills and exercises that focus on bumping, setting, spiking, hitting and serving. This program is designed for the beginning to intermediate player and includes a focus on critical life skills such as leadership and teamwork.



SoccerTots

Ages 2-5

These soccer-themed motor skill classes are very easy for youngsters to get into. Younger age groups focus on developing motor skills and self-confidence; older classes focus more on developing core soccer skills and personal focus, and introduce an element of light competition. Instructor-to-student ratio is kept small to maximize individual development, and above all else we promote fun, fun, fun! Parent participation required for ages 2-3.5 years.

HockeyTots

Ages 3.5-5

This program is designed for children ages 3-5 years and is a safe and fun way for your child to learn the fundamentals of hockey. The goals are to teach basic concepts and technique of field and ice hockey. Classes will emphasize passing, puck/ball handling, shooting, teamwork, and safety. No checking and appropriate sized sticks will be used.

HoopsterTots

Ages 2-5

Learning basketball has never been more fun! These classes focus on dribbling, shot technique, passing and teamwork. Adjustable hoops and appropriately-sized basketballs are used to always provide just the right amount of challenge. Parent participation required for ages 2-3.5 years.

MultiSportTots

Ages 2-5

Introduce your little superstar to sports in our most popular program! This multi-sport class uses age-appropriate games and activities to explore balance, hand/eye coordination, fitness, sport skills and child development. Parent participation required for ages 2-3.5 years.

BaseballTots

Ages 2-5

BaseballTots classes focus on fine and gross motor skills as well as body control. We teach all the baseball basics, such as throwing, catching, hitting and running control. We are excited to help these little ones develop a love of the game! Parent participation required for ages 2-3.5 years.

CheerTots

Ages 3-5

Children in these high energy classes learn far more than just core cheer concepts and techniques; they also explore their personal expression, agility, rhythm, and teamwork. It is a great way to build self-confidence and nurture the desire to share happiness with others!

FirstDownTots

Ages 3.5-5

1stDownTots is a development program for kids ages 3.5 - 5 years old that uses a variety of fun games to engage kids while teaching the sport of football and developing fundamental skills. The goal is to build fitness, muscle coordination, football fundamentals and create a love of the game. We do not do any tackling or blocking at this level.

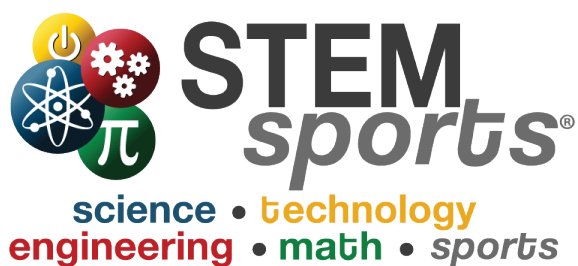
VolleyKats

Ages 3.5-5

A great way to learn the signature sport of summer! One of the more difficult motor skills to grasp for children, these forgiving classes help them learn to bump, set, and spike, as well as develop agility, reaction, speed, and teamwork.



SoccerTots® VolleyKats® 1stDownTots® BaseballTots® HockeyTots® CheerTots® HoopsterTots®



STEM Basketball

Ages 7-14

Designed to pair strategic STEM-based activities with basic game-play and current hot topics, the STEM Sports® basketball curriculum educates participants on subjects including velocity and acceleration, basketball shoe design, tracking with technology and much, much more! Skyhawks puts the Sports in STEM.

STEM Football

Ages 7-12

Designed to pair strategic STEM-based activities with basic game-play and current hot topics, the STEM Sports® football curriculum educates students on receiver glove and helmet technology, in-game communication, throwing arm strength, football properties, calculating distances and other subjects. Skyhawks puts the Sports in STEM.

STEM Soccer

Ages 7-12

Designed to pair strategic STEM-based activities with basic game-play and current hot topics, the STEM Sports® soccer curriculum gives students the opportunity to get behind the sport they love with modules on soccer ball design, throw-in science, angles and goal-line technology! Skyhawks puts the Sports in STEM.

STEM Volleyball

Ages 7-14

Designed to pair strategic STEM-based activities with basic volleyball gameplay. STEM Volleyball enables students the opportunity to get behind the sport they love with modules centered around innovation and new technology. With lessons built around calculating contact time, optimal serving speed and the science behind serving, participants will learn new concepts in this fun, engaging program. Skyhawks puts the Sports in STEM.

STEM Multi-Sport

Ages 7-12

Designed to pair strategic STEM-based activities with basic game-play and current hot topics across multiple sports, the STEM Sports® curriculum gives students the opportunity to get behind the sports they love with modules centered around technology, science and innovation. Subjects vary by sport, but include ball design, calculating distances and angles, velocity, acceleration and much more! Skyhawks puts the Sports in STEM.

STEM & Play: Basketball

This program combines strategic STEM-based activities with traditional Skyhawks basketball instruction and a focus on life skills such as teamwork and sportsmanship. The STEM Sports® basketball curriculum educates children on subjects including velocity and acceleration, basketball shoe design, tracking with technology and much, much more! Participants will also learn the fundamentals of passing, shooting, ball handling, rebounding and defense through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

STEM & Play: Flag Football

This program combines strategic STEM-based activities with traditional Skyhawks football instruction and a focus on life skills such as teamwork and sportsmanship. STEM Sports® football curriculum educates students on receiver glove and helmet technology, in-game communication, throwing arm strength, football properties, calculating distances and other subjects. Participants will also learn the fundamentals of passing, catching and defense through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

STEM & Play: Soccer

This program combines strategic STEM-based activities with traditional Skyhawks soccer instruction and a focus on life skills such as teamwork and sportsmanship. STEM Sports® soccer curriculum gives students the opportunity to get behind the sport they love with modules on soccer ball design, throw-in science, angles and goal-line technology! Participants will also learn the fundamentals of passing, shooting, dribbling and defense through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

STEM & Play: Volleyball

This program combines strategic STEM-based activities with traditional Skyhawks volleyball instruction and a focus on life skills such as teamwork and sportsmanship. The STEM Sports® volleyball curriculum enables students the opportunity to get behind the sport they love with modules centered around innovation and technology. Subjects include calculating contact time, optimal serving speed, the science behind serving and more! Participants will also learn the fundamentals of passing, setting, hitting and serving through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

STEM & Play: Multi-Sport

This program combines strategic STEM-based activities with traditional Skyhawks sports instruction and a focus on life skills such as teamwork and sportsmanship. The STEM Sports® curriculum gives students the opportunity to get behind the sports they love with modules centered around technology, science and innovation. Subjects vary by sport, but include ball design, calculating distances and angles, velocity, acceleration and much more! Participants will also learn the fundamentals each sport through skill-based drills and scrimmages. Skyhawks puts the Sports in STEM.

AGREEMENT FOR SERVICES

THIS AGREEMENT is made by and between the **City of Lockhart**, hereinafter “City” and **Skyhawks Sports Academy**, hereinafter “Service Provider”, jointly referred to as “Parties”.

IN CONSIDERATION of the terms and conditions contained herein the Parties covenant and agree as follows:

1. **Work to Be Performed.** The Service Provider will provide all labor, services, equipment, and material to satisfactorily complete the Scope of Services, example attached hereto as Exhibit “A”. Camp shall be held at mainly at the Lockhart City Park, as well as the Lockhart Swimming Pool. Scheduling of such facilities shall be coordinated with the Lockhart Parks & Recreation Department.

A. **Administration.** The Parks & Recreation Director or his/her designee shall administer and be the primary contact for the Service Provider. Prior to commencement of services, Service Provider shall contact the Parks & Recreation Director or his/her designee to review the Scope of Work, schedule, and date of completion. Upon notice from the Parks & Recreation Director or his/her designee, Service Provider shall commence work, perform the requested tasks in the Scope of Work, or stop work and promptly cure any failure in performance under this Agreement.

B. **Representations.** The City has relied upon the qualifications of the Service Provider in entering into this Agreement. By execution of this Agreement, Service Provider represents it possesses the materials, equipment, experience, ability, skill and resources necessary to perform the work and is familiar with all current laws, rules and regulations which reasonably relate to the Scope of Work. No substitutions of personnel shall be made without the written consent of the City.

C. **Modifications.** The City may modify this Agreement and order changes in the work whenever necessary or advisable. The Service Provider will accept modifications when ordered in writing by the Parks & Recreation Director or his/her designee. The Service Provider shall make such revisions in the work as are necessary to correct errors or omissions appearing therein when required to do so by the City without additional compensation.

D. **Performance.** The City has expectations that the Service Provider will comply with all City stated performance standards including; maintaining a one staff to every ten participant’s ratio, and no staff ever being left one on one with a child. Failure to comply with this standard can result in termination of contract.

2. **Term of Agreement.** This Agreement shall be in full force and effective upon execution of this Agreement and shall remain in effect until completion of all Agreement requirements, or termination of this Agreement, whichever occurs first.

Either party may terminate this Agreement by providing ten (10) days written notice to the other party. In the event of such termination, the Service Provider shall retain the agreed upon percentage of registration fees for all work previously authorized and satisfactorily performed prior to the termination date.

3. **Compensation.** Service Provider will collect and retain 80% of registration fees as full compensation for everything done under this Agreement.

The Service Provider agrees to pay the City 20% of collected registration fees, as full compensation for everything done under this Agreement. Should the Scope of Work be adjusted to add or delete work, the parties shall meet and negotiate a new fee for said services.

4. **Payment.** The Service Provider shall maintain registration financial records and provide such records to the City at the completion of all required services. These financial records shall indicate all registration fees collected by Service Provider and include the amount to be retained by the Service Provider and the amount to be paid to the City.

The City shall be paid in a lump sum upon completion of all required services.

5. **Notice.** Notice shall be given in writing as follows:

TO THE CITY:

Travis Hughes
Director of Parks & Recreation
PO Box 239
Lockhart, TX 78644

TO THE SERVICE PROVIDER:

Ally Reid
Franchise Owner
Skyhawks Sports San Antonio
5887 Kendall Prairie
San Antonio, TX 78244

6. **Applicable Laws and Standards.** The Parties, in the performance of this Agreement, agree to comply with all applicable Federal, State, Local laws, ordinances, and regulations.

7. **Relationship of the Parties.** It is understood, agreed and declared that the Service Provider shall be an independent contractor and not the agent or employee of the City, that the City is interested in only the results to be achieved and that the right to control the particular manner, method and means in which the services are performed is solely within the discretion of the Service Provider. Any and all employees who provide services to the City under this Agreement shall be deemed employees solely of the Service Provider. The Service Provider shall be solely responsible for the conduct and actions of all employees under this Agreement and any liability that may attach thereto.

8. **Ownership of Documents.** All drawings, plans, specifications, and other related documents prepared by the Service Provider under this Agreement are and shall be the property of the City.

9. **Records.** The City or State Auditor or any of their representatives shall have full access to and the right to examine during normal business hours all of the Service Provider's records with respect to all matters covered in this Agreement. Such representatives shall be permitted to audit, examine and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials, payrolls and record of matters covered by this Agreement for a period of three years from the date final payment is made hereunder.

10. **Insurance.** Prior to the commencement of the Scope of Services, the Service Provider shall provide the City with a Certificate of Insurance confirming liability insurance in the event of a loss, damage, or personal injury for its actions, conduct, and performance as set forth in this Agreement. Service Provider shall maintain in force during the full term of this Agreement such liability insurance policy in the amount of one million dollars (\$1,000,000) and at its own expense.

11. **Indemnification and Hold Harmless.** Each party shall indemnify and hold the other, its officers, employees, agents and volunteers harmless from and against any and all claims, demands, orders, decrees or

judgments for injuries, death or damage to any person or property arising or resulting from any act or omission on the part of said party or its agents, employees or volunteers in the performance of this Agreement.

12. **Waiver.** No officer, employee, agent or other individual acting on behalf of either party has the power, right or authority to waive any of the conditions or provisions of this Agreement. No waiver in one instance shall be held to be a waiver of any other subsequent breach or nonperformance. All remedies afforded in this Agreement or by law, shall be taken and construed as cumulative, and in addition to every other remedy provided herein or by law. Failure of either party to enforce at any time any of the provisions of this Agreement or to require at any time performance by the other party of any provision hereof shall in no way be construed to be a waiver of such provisions nor shall it affect the validity of this Agreement or any part thereof.

13. **Assignment and Delegation.** Neither party shall assign, transfer or delegate any or all of the responsibilities of this Agreement or the benefits received hereunder without first obtaining the written consent of the other party.

14. **Subcontracts.** Except as otherwise provided herein, the Service Provider shall not enter into subcontracts for any of the work contemplated under this Agreement without obtaining written approval from the City.

15. **Confidentiality.** Service Provider may from time to time receive information which is deemed by the City to be confidential. Service Provider shall not disclose such information without the express consent of the City or upon order of a Court of competent jurisdiction.

16. **Jurisdiction and Venue.** This Agreement is entered into in Caldwell County, Lockhart, Texas.

17. **Cost and Attorney's Fees.** In the event a lawsuit is brought with respect to this Agreement, the prevailing party shall be awarded its costs and attorney's fees in the amount to be determined by the Court as reasonable. Unless provided otherwise by statute, Service Provider's attorney fees payable by the City shall not exceed the total sum amount paid under this Agreement.

18. **Entire Agreement.** This written Agreement constitutes the entire and complete Agreement between the Parties and supersedes any prior oral or written agreements. This Agreement may not be changed, modified or altered except in writing signed by the Parties hereto.

19. **Anti-kickback.** No officer or employee of the City, having the power or duty to perform an official act or action related to this Agreement shall have or acquire any interest in this Agreement, or have solicited, accepted or granted a present or future gift, favor, service or other thing of value from any person with an interest in this Agreement.

20. **Business License.** Service Provider shall, prior to performance of any work under this Agreement conducted inside city limits, apply for and obtain from the City a business license, as applicable.

21. **Criminal Background Check.** The Service Provider does hereby give the City or an independent investigating agency authorization to conduct a thorough investigation of the Service Provider and its employees professional and personal background, including credit, criminal, and driving. The Service Provider shall be responsible for the cost of any such background check. Prior to performance the City shall have on file a complete background check.

The Service Provider understands and agrees to waive any claim or cause of action relating to use of any and all information gained through this investigation or release of information, and promises to defend and hold harmless the City of Lockhart, its officers and employees, from any claim or loss arising from such investigation and/or release of information.

IN WITNESS WHEREOF, the parties have executed this Agreement this day of , 2023.

CITY : SERVICE PROVIDER:

Lew White, Mayor

By: Ally Reid (Owner, Skyhawks Sports San Antonio)

ATTEST:

APPROVED AS TO FORM:

Julie Bowerman, Interim City Secretary

Monte Akers, City Attorney

Exhibit “A”
Scope of Work

SKYHAWKS SPORTS ACADEMY, INC.

Skyhawks Sports Academy, Inc. provides a wide variety of fun, safe and positive programs that emphasize critical lessons in sports and life, such as teamwork, respect, and sportsmanship. Skyhawks Sports Academy, Inc. programs are designed to give each child a positive introduction into sports while fostering a lifelong love for an active, healthy lifestyle. Their patient and knowledgeable staff use a variety of skill-building games and activities to give each athlete a complete understanding and overview of the sport. Since 1979 Skyhawks Sports Academy, Inc. has taught over one million boys and girls life lessons through sports.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion and/or action regarding the first two Work Authorizations for Halff Associates under the Master General Services Agreement to renovate the city parks.

ORIGINATING DEPARTMENT AND CONTACT: Parks & Recreation - Travis Hughes

ACTION REQUESTED: Consensus

BACKGROUND/SUMMARY/DISCUSSION: Halff Associates has been contracted to provide General Services for the Parks & Recreation Department to renovate the city parks and assist with ongoing projects. The two Work Authorizations being presented provide for the specific scope of work and associated fees as follows:

A. Work Authorization #1 -provides scope of work for the update of our Open Space Master Plan.

B. Work Authorization #2 -provides scope of work for current projects that include splash pad amenities, skatepark repairs, and aquatics facility project guidance/support.

PROJECT SCHEDULE (if applicable): Projects to begin immediately

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): Funds for this project have been allocated from ARPA funds and approved in the last Council meeting (3/7/2023).

PREVIOUS COUNCIL ACTION: Council approved the Master General Services Agreement for Halff Associates in the last meeting (3/7/2023).

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Consensus to begin work

LIST OF SUPPORTING DOCUMENTS: Work Authorization 1_MP Summary, Work Authorization 2_Project Management

EXHIBIT A

SCOPE OF SERVICES

Parks Master Plan 5-Year Update– City of Lockhart, TX

The primary purpose of this planning effort is to prepare a document that will serve as a five-year update to the previously adopted and Texas Parks & Wildlife Department (TPWD) approved City of Lockhart 2018 Parks, Recreation and Open Space Master Plan. This update document will include a brief summary of accomplishments since completion of the last plan, new public input, updated inventory data, updated demographic snapshot, population projections, and updated changes to goals, objectives, standards, and maps as may be applicable so that progress can be measured.

PROJECT ASSUMPTIONS

This scope of work has been prepared using the following assumptions as a basis for its preparation:

- This stand-alone document will serve as a supplement to the previously adopted master plan.
- Staff will prepare a summary of accomplishments by marking up the implementation action plan and individual recommendations as may be appropriate.
- The City will be responsible for scheduling all meetings and posting and advertising requirements.
- The memo-style document will be prepared in Microsoft Word with the information necessary to meet minimum TPWD requirements for a five-year update.

SCOPE OF WORK FOR BASE SERVICES

The planning effort scope of work for base services is as follows:

Demographics

Halff will update the demographic profile using the latest Census data.

PUBLIC ENGAGEMENT

Public Survey

Updated public input is required to update recommendations and priorities for moving forward over the next five years. Halff will conduct one (1) public survey over the course of the project.

- One (1) online community-wide public survey (a short, broadly advertised online survey focusing on changes in satisfaction and priorities for the next five years).

Virtual Meetings with Staff

Halff will also conduct four (4) virtual meetings with staff over the course of the planning process.

- One (1) project initiation meeting
- Two (2) check-in calls
- One (1) document review call

Meetings with City Council and Parks & Recreation Board

Halff will attend three (3) meetings with City Council and/or Parks & Recreation Board over the course of the planning process.

- One (1) joint meeting with City Council and Parks & Recreation Board
- One (1) City Council Workshop
- One (1) City Council Meeting for Adoption

PARKS CONDITIONS ASSESSMENTS

Halff will conduct park condition assessments (a park-by-park conditions assessment which develops a numerical ranking for each facility/property to objectively determine where facility replacement, rehabilitation, or reconstruction is most warranted). The assessments will also include recommendations for relatively low cost but high impact

RECOMMENDATIONS

Halff will create an updated set of plan recommendations. This includes first working with staff to understand what has been accomplished from the current set of recommendations. Recommendations from the previous 2018 Plan which have not been achieved, yet are still applicable, will be integrated into the 5-Year Plan Update and reprioritized. Based on conversations with the City Council and input from staff and the public, Halff will draft additional plan recommendations working within the established 2018 Goals and Objectives framework. In other words, new actions will be numbered sequentially as new recommendations working within the established categories of the 2018 Parks Master Plan.

FINAL DELIVERABLES

The final deliverable will be an independent document titled 2023 Lockhart Parks Master Plan - 5-Year Update. This document will be developed in a manner which meets the requirements of a TPWD compliant plan for a five-year update. The general outline of the document will be as follows:

- Updated resolution
- Updated transmittal letter
- Updated acknowledgements
- Updated demographics
- Summary of new engagement

- New recommendations (including the two concept plans)
- Updated prioritized implementation action plan
- Appendix – Parks Conditions Assessments

Halff will give the City the final deliverable in Adobe PDF and Microsoft Word format. The final deliverable would also include all original digital documents. Including a compilation of Halff's park by park photo library, Halff's generated GIS shapefiles, raw public engagement data, etc. Post-adoption, Halff would submit the plan on behalf of the City for conformance review by the TPWD.

End of Attachment "A"

Exhibit B - Basis of Compensation

2023 Lockhart Parks Master Plan - 5-Year Update Lockhart, Texas

Halff Associates, Inc. will provide labor and personnel to perform the base services outlined in Exhibit "A" on a lump sum basis as shown below. Fees for services will be billed on a monthly basis, based on percentage of work completed.

BASE SERVICES

• 5-Year TPWD Compliant Summary	\$26,824
• Parks Conditions Assessments	<u>\$ 7,586</u>
	\$34,410

OPTIONAL SCOPES OF SERVICES

During the course of, or at the conclusion of, a park master planning project, many cities consider it important to request further research or otherwise engage Halff in additional or optional work efforts not anticipated at project initiation or through the original scope of services. These optional services are in addition to a base scope of work but allow a city to utilize Halff's in-depth parks planning, design, and operational expertise to further advance their City's parks, recreation, and trails system. Potential additional or continuing services could include the following:

- Drafting a parkland dedication and development ordinance or other city ordinance review as it may be related to the development of parks, trails, and open space protection.
- Parks Concept Planning
- M.O.R.E. - Maintenance, Operations, Revenues, and Expenditures Analysis for some (e.g., just the community parks) or all of the parks.
- Additional meetings beyond base services. Each additional meeting or visit beyond those described in the scope will require additional fees to accommodate the request.

End of Attachment "B"

Exhibit C – Anticipated Schedule for Completion

2023 Lockhart Parks Master Plan - 5-Year Update Lockhart, Texas

SCHEDULE FOR COMPLETION OF THE PLANNING EFFORT

Halff Associates, Inc. will perform the base services outlined in Exhibit 'A' within four (4) calendar months from the date of Lockhart's notice to proceed. A complete project schedule will be prepared as part of the kick-off discussions set out in Exhibit "A." This schedule of completion acknowledges that Halff does not have control over the City's adoption schedule.

End of Attachment "C"

WORK AUTHORIZATION NUMBER 1

This Work Authorization is made as of this 21st day of March, 2023, under the terms and

conditions established in the Master Agreement for Professional Services (Lockhart Parks & Recreation General Services), dated March 7th, 2023 (the Agreement), between Lockhart, Texas (City) and Halff Associates, Inc. (HALFF). This Work Authorization is made for the following purpose, consistent with the Project defined in the Agreement:

The City has retained HALFF to provide professional services necessary to provide Project Management, Planning, Design and Construction Management of park renovations, (the "Project")

Section A. - Scope of Services

A.1. HALFF shall perform the following Services:

Per Exhibit A - Scope of Work

A.2. The following Services are not included in this Work Authorization, but shall be provided as Additional Services if authorized or confirmed in writing by the City:

Per Exhibit A – Scope of Work

A.3. In conjunction with the performance of the foregoing Services, HALFF shall provide the following submittals/deliverables (Documents) to City:

Per Exhibit A – Scope of Work

Section B. - Applicable Period and Schedule

This Work Authorization shall be effective as of March 24th, 2023 and continue until August 16, 2023. HALFF shall perform the Services and deliver the related Documents (if any) according to the following schedule:

Section C. - Compensation

C.1. In return for the performance of the foregoing obligations, City shall pay to HALFF the not-to-exceed amount of \$34,410.00, payable according to the Rate Schedule and terms of the Agreement.

C.2. Compensation for Additional Services (if any) shall be paid by City to HALFF according to the Rate Schedule and terms of the Agreement.

Section D. - City's Responsibilities

City shall perform and/or provide the following in a timely manner so as not to delay the Services of HALFF. Unless otherwise provided in this Work Authorization, City shall bear all costs incident to compliance with the following:

D.1. The City will provide any available data and supporting information that the City has in its possession relevant to the work and necessary for use by HALFF to complete this work authorization.

D.2. The City will render decisions expeditiously for the orderly progress of HALFF's services, including placing items on agendas to be considered by the City Council as necessary.

Section E. - Other Provisions

The parties agree to the following provisions with respect to this specific Work Authorization:

E.1. Not applicable.

IN WITNESS WHEREOF, the City and HALFF have executed this Work Authorization.

Lockhart, Texas
(City)

By: _____

Name: _____

Title: _____

Date: _____, 20__

Halff Associates, Inc.
(HALFF)

By:  _____

Name: James Hemenes

Title: Director of Landscape Architecture

Date: March 15, 2023

EXHIBIT A
SCOPE OF SERVICES TO BE PROVIDED
HALFF ASSOCIATES, INC

Project Description / Background:

Lockhart is located approximately 30 miles from Austin and 20 miles from the I-35 corridor and has a population of 14,681 according to the 2020 census. The current parks and recreation system includes 10 parks of various sizes, 1 soccer complex, 1 little league baseball complex, 1 public pool facility with splash pad, and the beginnings of a city-wide trail system with 1.5 miles of hard surface trails and 35 miles of sidewalks.

On March 7, 2023, a Master Service Agreement was entered into between HALFF and the City of Lockhart (City) for a Parks & Recreation Department General Services Contract. The City has retained HALFF to provide Project Management Services to support management and implementation of the City's Parks and Recreation projects in the areas of planning, design, construction administration services and may involve operations and maintenance analysis as needed of the various capital improvements.

A. General Project Management

HALFF shall furnish all materials required to perform the services specified below.

1. Identify specific project activities and update/modify projects organizational and management documents, agreements, processes.
2. Meet with City leaders and City staff to discuss projects.
3. Develop cost estimates and implementation schedules for projects.
4. Assist in providing updates to City staff to update the City website, as appropriate; assist in developing a location on the City website focusing on the City's project design and construction updates.
5. Review all State and Federal funding programs to identify "partnering" opportunities.
6. Assist City staff with information for appearances and presentations to elected officials, government bodies, service organizations, chambers of commerce, neighborhood groups, school groups, various citizen groups, church groups, etc.
7. Provide preliminary planning activities related to establishing the systems and procedures to implement the City projects. Including:
 - a) Meet and coordinate with various city departments and staff to establish goals, constraints, priorities, and responsibilities.
 - b) Develop and maintain a filing system to include project management materials, planning documents, design documents and bid documents.

GENERAL MONTHLY ACTIVITIES

The following is a summary of general monthly activities and work tasks that fall under General Project Management:

- a) Ongoing meetings and phone calls with the Parks and Recreation Director (Director) and Staff to review the Park projects, development schedules, and cost estimates for priority projects;
 - b) Attend City Council meetings, when necessary;
 - c) Prepare budgets and related materials for City Council and work sessions;
 - d) Provide construction administration duties including coordination of bid openings, bid awards, pre-construction meetings, and contractor work authorizations;
 - e) Prepare correspondence for City Staff;
 - f) Meetings/Phone Calls/E-Mails with the Director
 - g) Review/recommend for approval or disapproval of construction payments
 - h) Review/recommend for approval or disapproval outside design consultant invoices (not Halff's)
 - i) Review/recommend for approval or disapproval miscellaneous consultant invoices (geotechnical, irrigator, etc.)
 - j) Approve and recommend for approval or disapproval Professional Services Agreements (PSA's) for outside consultants
 - k) Present design contracts to City Council
 - l) Negotiate PSA Scope and Fee for outside consultants
 - m) Review and Process Work Authorizations for submittal to City Council for approval
 - n) Review /recommend approval or disapproval/process construction change orders
 - o) Review monthly budget reports, track expenditures, project budget amendments
 - p) Prepare advertisements and review bids for City Parks Construction Projects
 - q) Utilize ProjectWise or other Internet project database to facilitate project management and coordination efforts
1. Provide Procurement Phase Bid / Negotiation Management Services focusing on coordination of bid activities and contractor / subcontractor engagement efforts to maximize bidder participation resulting in cost competitiveness. HALFF shall provide these professional services for the Splash Pad and Skate Park projects:
- a) Securing bids by coordinating issuance of Notice to Bidders to prospective contractors and vendors utilizing Civcast or approved City solicitation method. Project bidding registration cost for Civcast will be paid by the City.
 - b) Conducting a pre-bid conference, if necessary, for the construction projects and coordinate responses to contractor questions. Response to the pre-bid conference will be in the form of addenda issued after the conference.
 - c) Tabulating and analyzing of the bids received and recommendation of award for the construction contract in conjunction with preparing for City Council recommendation.
 - d) HALFF will prepare necessary items for City Council award.
 - e) HALFF will prepare notice of award of contract to successful contractor for City signature.
 - f) HALFF will furnish the awarded contractor copies of the drawings and specifications for construction pursuant to the General Conditions of the Construction Contract.

2. Provide Construction Phase Administration focusing on efforts to expedite and improve the efficiency of the construction process through professional planning and execution of the project and individual project activities affecting scope, cost, time, safety, and quality requirements. The construction contractor has total responsibility for construction means, methods, sequence and procedures used in the construction of the projects, and for the safety of its personnel and its operations. HALFF will provide observation of the constructor work, but City will be responsible for actual inspection of the work. Specific activities include:
 - a) Conduct coordination Owner, Design Professional, Contractor (“ODC”) meetings with owner, designer, and construction team no more than twice per month and during critical activities or in response to concerns.
 - b) Provide coordination amongst all project parties:
 - i. Facilitate communication among team members, owner, designer, and contractor.
 - ii. Expedite response to any agency’s requirements that could impact final completion date and occupancy including all utilities, infrastructure, and inspections.
 - iii. Monitor and update progress schedules based on feedback from Contractor and Designer.
 - iv. Review and recommend change orders to City for approval resulting from unforeseen conditions or owner requested scope changes.
 - v. Review and process contractors’ monthly applications for payment.
 - vi. Keep the City informed and provide monthly reports.
 - vii. Coordinate with third party testing, commissioning, and other specialty contractors.
 - viii. Substantial completion and any necessary occupancy coordination with owner.
 - ix. Final close-out and financial reconciliation.

WORK AUTHORIZATION NUMBER 2

This Work Authorization is made as of this 21st day of March, 2023, under the terms and

conditions established in the Master Agreement for Professional Services (Lockhart Parks & Recreation General Services), dated March 7th, 2023 (the Agreement), between Lockhart, Texas (City) and Halff Associates, Inc. (HALFF). This Work Authorization is made for the following purpose, consistent with the Project defined in the Agreement:

The City has retained HALFF to provide professional services necessary to provide Project Management, Planning, Design and Construction Management of park renovations, (the "Project")

Section A. - Scope of Services

A.1. HALFF shall perform the following Services:

Per Exhibit A - Scope of Work

A.2. The following Services are not included in this Work Authorization, but shall be provided as Additional Services if authorized or confirmed in writing by the City:

Per Exhibit A – Scope of Work

A.3. In conjunction with the performance of the foregoing Services, HALFF shall provide the following submittals/deliverables (Documents) to City:

Per Exhibit A – Scope of Work

Section B. - Applicable Period and Schedule

This Work Authorization shall be effective as of March 24th, 2023 and continue until April 24st, 2024. HALFF shall perform the Services and deliver the related Documents (if any) according to the following schedule:

Section C. - Compensation

C.1. In return for the performance of the foregoing obligations, City shall pay to HALFF the not-to-exceed amount of \$20,000.00, payable according to the Rate Schedule and terms of the Agreement.

C.2. Compensation for Additional Services (if any) shall be paid by City to HALFF according to the Rate Schedule and terms of the Agreement.

Section D. - City's Responsibilities

City shall perform and/or provide the following in a timely manner so as not to delay the Services of HALFF. Unless otherwise provided in this Work Authorization, City shall bear all costs incident to compliance with the following:

D.1. The City will provide any available data and supporting information that the City has in its possession relevant to the work and necessary for use by HALFF to complete this work authorization.

D.2. The City will render decisions expeditiously for the orderly progress of HALFF's services, including placing items on agendas to be considered by the City Council as necessary.

Section E. - Other Provisions

The parties agree to the following provisions with respect to this specific Work Authorization:

E.1. Not applicable.

IN WITNESS WHEREOF, the City and HALFF have executed this Work Authorization.

Lockhart, Texas
(City)

By: _____

Name: _____

Title: _____

Date: _____, 20__

Halff Associates, Inc.
(HALFF)

By:  _____

Name: James Hemenes

Title: Director of Landscape Architecture

Date: March 15, 2023

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: March 21, 2023

AGENDA ITEM CAPTION: Discussion and/or action to consider Resolution 2023-04 terminating the Hangar Ground Lease Agreement dated February 3, 2021 between the City of Lockhart, Texas and Lockhart Hangar Partners, LLC.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: On February 3, 2021, the City of Lockhart entered a ground lease agreement with Lockhart Hangar Partners, LLC for land at the Lockhart Municipal Airport for purposes of constructing hangars and other aviation related improvements 12 months of the City's approval of plans for such construction. Plans for the hangar improvements were submitted and were approved by the City's Engineer on November 22, 2021. As of November 22, 2022, Lockhart Hangar Partners failed to commence or complete the construction of the hangars within 12 months of the approved plans, therefore putting Lockhart Hangar Partners, LLC in default of the agreement.

Lockhart hangar Partners, LLC was provided 30 days written notice on January, 2023, allowing it to remedy the default. However, the Partners failed to construct or take the steps necessary to cure the default of the agreement.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: Entered Ground Lease Agreement with Lockhart Hangar Partners, LLC - February 3, 2021

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends approval of Resolution 2023-04 terminating the Ground Lease Agreement with Lockhart Hangar Partners, LLC.

City of Lockhart, Texas

Council Agenda Item

Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Resolution 2023-04, Letter Dated January 12 2023, .

RESOLUTION 2023-04

**A RESOLUTION OF THE CITY COUNCIL OF LOCKHART, TEXAS,
TERMINATING THE HANGAR GROUND LEASE AGREEMENT DATED
FEBRUARY 3, 2021, BY AND BETWEEN THE CITY OF LOCKHART,
TEXAS AND LOCKHART HANGER PARTNERS, LLC**

WHEREAS, by agreement titled “Hangar Ground Lease Agreement, City of Lockhart, Texas, Ground Lessor and Lockhart Hangar Partners, LLC, Ground Lessee,” dated effective February 3, 2021 (“the Agreement”), the City leased to Lockhart Hangar Partners, LLC (“Partners”) a parcel of land described therein for the purpose of constructing, installing, maintaining, and operating a hangar building or buildings for the purpose of parking, storing, servicing, maintaining and modifying of aircraft thereon; and

WHEREAS, the Agreement provided that Partners would use commercially reasonable and diligent efforts to complete construction of one or more hangars and other improvements within (the earlier of) 12 months of the City's approval of the plans for such construction; and

WHEREAS, such plans for construction were approved by the City’s engineer on November 22, 2021, meaning that construction should have been completed by November 22, 2022; and

WHEREAS, Partners failed to commence or complete construction or seek an extension of time to do so by or before November 22, 2022, thereby putting Partners in default under the Agreement; and

WHEREAS, the Agreement provides that following provision of 30 days written notice and opportunity to cure a default, that the City may cancel the Agreement; and

WHEREAS, the City provided written notice to Partners of opportunity to cure within 30 days by letter to Partners dated January 12, 2023; and

WHEREAS, Partners did not complete construction or take other steps to cure the default prior to the expiration of 30 days from such notice;

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

1. The foregoing recitals are adopted and incorporated herein for all purposes.
2. Pursuant to the terms of the Hangar Ground Lease Agreement, City of Lockhart, Texas, Ground Lessor and Lockhart Hangar Partners, LLC, Ground Lessee,” dated effective February 3, 2021, the City is fully authorized to terminate said Agreement, and does so terminate and cancel by majority vote of the City Council, effective as of the date of the passage and adoption of this Resolution.

PASSED AND ADOPTED on this the 21st day of March 2023.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowerman, Interim City Secretary

Monte Akers, City Attorney



MESSER ★ FORT ★ McDONALD

THE MUNICIPAL LAW FIRM

NORTH TEXAS | AUSTIN | ABILENE

January 12, 2023

Mr. Matt Mowen
Lockhart Hangar Partners, LLC
10925 Signal Hill Rd.
Austin, TX 78737

Re: Notice of Default under Hangar Ground Lease Agreement between the City of Lockhart and Lockhart Hangar Partners, LLC, dated February 3, 2021

Dear Mr. Mowen:

I serve as city attorney for the City of Lockhart, and I've been asked to send you this Notice of Default regarding the referenced Agreement. I've also been provided with copies of the emails between you and City staff regarding the performance requirements for Lockhart Hangar Partners under the Agreement.

As you are aware, Sec. 4.4 of the Agreement provides that your company, as Lessee, shall "use commercially reasonable and diligent efforts to complete construction of the Hangars and other such Improvements within the earlier of 12 months of the City's approval" of the plans for such construction. Those plans were approved by the City's engineer, Jeff Dahm, on November 22, 2021, meaning that construction should have been completed by November 22, 2022. However, despite repeated communications and suggestions that you seek an extension of the deadline, Lockhart Hanger Partners has failed to either commence construction or seek an extension of time for commencement and completion as of the date of this letter.

Sec. 18.3 of the Agreement provides that upon default by the Lessee, and failure of the Lessee to remedy the default within 30 days of written notice from the City, that the City may cancel the Agreement by providing written notice of such cancellation. The purpose of this letter is to provide Lockhart Hangar Partners with such Notice of Default pursuant to Sec. 18.3.

I am advised that the City does not desire to terminate the lease. As demonstrated by emails from the City's Public Works Director, Sean Kelley, particularly since October 2022, City staff has encouraged your company to take action to seek an extension from the City Council. However, to date, neither commencement of construction nor a request for an extension has been received.

Accordingly, please be advised that if Lockhart Airport Hangars, LLC has not taken action to obtain an extension for completion of construction within 30 days of the date of this letter, that the City is obligated to notify your company that the Agreement is terminated.

Yours truly,

Monte Akers

Cc: Steve Lewis, Sean Kelley



Lockhart

T E X A S

2022-2023 Strategic Work Plan



The Strategic Planning Process

From January through April 2022, the City of Lockhart embarked on a strategic planning process to create strategic priorities for 2022-2023. The following is the process used to reach the conclusions for the plan:

The process kicked off with a preliminary Zoom between the City Manager, Steve Lewis, Mayor Lew White, and professional facilitator Alysia A. Cook, PCED, IOM with Opportunity Strategies LLC. The three met to review key issues facing the city, understand the programs and projects currently underway, and to prepare the process and format for the planning session.

On April 8, 2022, the City of Lockhart Management Team met at the Library for Part 1 of the Strategic Work Planning Session for 2022-2023.

On April 9, 2022, the City of Lockhart City Council and City Manager met at the Library for Part 2 of the Strategic Work Planning Session for 2022-2023.



Day One – Management Team

Day One began with City Manager Steve Lewis reviewing with the Management Team the City of Lockhart's accomplishments and success stories of 2021.

Following that, the City Manager and the facilitator shared some leadership concepts and considerations with the Lockhart Management Team. This led to some group discussions about the importance of continuous learning and leadership development.

The City Manager discussed with the participants that when goals are adopted by the City Council, they provide a positive impact for the Management Team in at least 4 different ways:

- a) Direction is clearly set by City Council
- b) Once that direction is established, differences can be discussed in a more open, less polarizing manner
- c) Saves time in decision making on projects/programs
- d) City Manager's recommendations can be better aligned with ultimate objectives

Mission of Lockhart Management Team

To promote and influence the alignment of organizational resources by focusing on:

- a) Organizational planning and issues
- b) Open communication with elected officials, staff, boards, commissions, and citizens
- c) Ensuring City of Lockhart is a leader in Central Texas regarding issues with community relevance
- d) Implementing programs that derive from the City Council and community's goals

Start – Stop – Continue

The facilitator then engaged the Management Team in a group exercise called *Start – Stop – Continue* which divides participants into small groups and has them offer feedback on what the City needs to start doing, stop doing, and continue doing.

These are individual manager recommendations and not necessarily agreed to by all managers or by City Council members. The responses are as follows:

Start

- Long-term capital planning
- Increasing non-emergency communications
- Administering annual customer service surveys that are statistically valid
- Developing recreation programs
- Indoor community recreation center
- City facilities and community infrastructure improvements
- New spaces for city facilities
- Modernize Human Resources policies including technology
- A vehicle acquisition fund
- Decreasing steps in the hiring process
- Staff planning for future growth
- Modernizing our contracts, best practices, attorney, etc. including reviewing for mutually beneficial language and avoiding one-sided contracts

Stop

- Ineffective/outdated contracts
- Thinking small
- Six-month probationary period for personnel
- Reconnecting customers after 10pm
- Providing free services (such as banners and road closures) and establish a fee schedule for these special requests
- Requiring utility inspections for every change of occupant

Continue

- Longevity pay
- Forward-looking planning for quality growth
- Law enforcement outreach with community
- Contracting (sending RFPs) for solid waste collection
- Supporting tourism
- Modernizing technology, e.g. paperless, Go Green
- Enhancing community investment
- Planning our wayfinding and signage
- Growing events that enhance overnight stays in Lockhart and maximize HOT \$ collections
- Economic growth including considering developing a 4th industrial park
- Striving for improved customer service
- Community engagement including public open houses and social media



Next, the Management Team embarked on a discussion around the following topics which also included some departmental reports on the status of various projects:

- Growth Trends
- Land Development
- Economic Development
- Service Delivery
- Workforce Development
- Long Range Financial Outlook

Following those discussions, the facilitator led the Management Team through a discussion of what they each thought should be the 2022-2023 goals City Council would establish the following day. She recorded those recommendations, then the group reached consensus on what would be put forth to the Council to consider.

The final decisions for 2022-2023 were made by City Council the following day and are listed below.

Day Two – City Council

Day Two began with City Manager Steve Lewis reviewing with City Council the City of Lockhart's accomplishments and success stories of 2021.

Expectations – City Council

Following that, the facilitator asked City Council to share any expectations for the day. Responses were as follows:

- TxDOT – Wayfinding and Signage
- Summerside Subdivision turn lane and traffic light
- Urgent Care facility
- Comprehensive mental health care for first responders
- Keeping City Staff wages competitive
- Need for an Assistant City Manager
- Need for a grantwriter
- Regional animal shelter
- Next industrial park and/or property

The following is the City of Lockhart 2022-2023 Strategic Work Plan.

City of Lockhart Vision:

- To be a first-class community that has maintained its integrity and sense of community characterized by livable neighborhoods and quality schools.
- To be a City that focuses on family by ensuring quality recreational and cultural activities, services, housing, economic, and educational opportunities that promote a well-rounded productive member of the community.
- To be a City that is friendly to visitors and future residents with a spirit of fellowship and cooperation by accommodating their needs and recognizing the wealth in cultural, ethnic and age diversity.
- To be a City committed to sustainability by diligently balancing community needs with available resources and managing growth in a smart and fiscally responsible manner.
- To be a City that celebrates and embraces its long and rich history by reinvesting in neighborhoods, preserving areas and buildings of historic significance and returning the Central Business District to an economically viable and lively activity center.
- To be a City recognized for the quality of its built environment and the integration of the natural landscape throughout the community.
- To be a City that ensures a good balance between residential, commercial, industrial, and public/institutional uses supported by quality infrastructure and transportation systems.
- To be a City known for its innovative solutions to managing growth, progressiveness of City government, and responsiveness to the needs of citizens and businesses.

Source: Lockhart 2020 Comprehensive Plan

Goal #1:

**City
Facilities**

Goal #2:

**Human Resources/
Staffing**

Goal #3:

**Parks &
Recreation**

Goal #4:

Infrastructure

Goal #5:

**Modernization &
Communications**

Goal #6:

**Development &
Quality of Life**

Goal #7:

**Revenue
Sustainability**

2022-2023 Goals:

Each of the following seven goals is guided by the values of diversity and inclusion. Diversity and inclusion are a tapestry that is woven through every goal, every service, and every program.

Goal #1: City Facilities

To begin planning for new city facilities and offices.

Goal #2: Human Resources/Staffing

To enhance our HR services to ensure Lockhart remains a competitive employer.

Goal #3: Parks & Recreation

To develop the Parks & Recreation program and services.

Goal #4: Infrastructure

To enhance physical infrastructure and branded wayfinding throughout Lockhart.

Goal #5: Modernization & Communications

To modernize our in-house and online technology, systems, and communications to serve residents more efficiently and tell the Lockhart story.

Goal #6: Development & Quality of Life

To continually improve the quality of life and employment opportunities of the people of Lockhart.

Goal #7: Revenue Sustainability

To ensure the long-term financial health and sustainability of the City of Lockhart.

Goal #1: City Facilities

To begin planning for new city facilities and offices.

- 1.1 Consider which facilities improvements should be funded by certificates of obligation vs. bonds
- 1.2 Begin plans to replace/update City Hall
- 1.3 Begin plans to replace/update Police/Fire/Training facilities
- 1.4 Begin plans to replace/update Maintenance/City Barn Utilities
- 1.5 Reclaim old space at the hospital
- 1.6 Lease additional space at the EDC building
- 1.7 Conduct a Facilities Study with architects and engineers
- 1.8 Consider Airport improvements (TxDOT Aviation) in the study

Goal #2: Human Resources/Staffing

To enhance our HR services to ensure Lockhart remains a competitive employer.

- 2.1 Hire ACM (Assistant City Manager) immediately
- 2.2 Hire City Manager Support Staff (Executive Assistant or Administrative Assistant)
- 2.3 Once new ACM is hired, assign him/her with developing a Staffing Plan
- 2.4 Once new ACM is hired, assign him/her with developing a Succession Plan
- 2.5 Consider adding additional staff city-wide as needed
- 2.6 Retain law enforcement officers by ensuring compensation competitiveness
- 2.7 Implement a formal EAP (Employee Assistance Program)
- 2.8 Secure a grantwriter (explore opportunities for hiring one vs. contractor)

Goal #3: Parks & Recreation

To develop the Parks & Recreation program and services.

- 3.1 Develop adult and youth programming that utilize existing facilities
- 3.2 Conduct successful outreach to sports leagues across Texas and neighboring states
- 3.3 Consider new Parks & Rec facilities such as pickleball, volleyball, and frisbee golf
- 3.4 Plan for and implement safety improvements of existing facilities
- 3.5 Plan for and implement aesthetic improvements of existing facilities
- 3.6 City Council requests to meet with Parks & Rec Director and City Manager to discuss ideas and brainstorm next steps in the Parks Plan including:
 - Work session, then tour Parks facilities with Parks & Rec Director
 - Discuss short-term vs. long-term Parks & Rec needs
 - Develop plan to survey citizens including bond exploration

Goal #4: Infrastructure

To enhance physical infrastructure and branded wayfinding throughout Lockhart.

- 4.1 Conduct public open houses to determine public wishes for Downtown
- 4.2 Council to approve a final Downtown Conceptual Design and authorize staff to implement
- 4.3 Consider an additional commercial district with retail and mixed-use offerings
- 4.4 Issue the RFP for a Comprehensive Plan update (hire firm by January 2023, then CIP (capital improvement plan) to follow
- 4.5 Explore downtown WiFi options including geofencing

Goal #5: Modernization & Communications

To modernize our in-house and online technology, systems, and communications to serve residents more efficiently and tell the Lockhart story.

- 5.1 PIO (Public Information Officer) to secure proposals for a new website design including:
 - Online forms and application portals (permitting, employment, variance requests, etc.)
 - Must be mobile responsive platform
 - Ensure ease of use and innovative utility of site
 - Include a portal to the Lockhart Economic Development Corporation website
- 5.2 Hire a consultant to 1) build a survey to ask the public what information they seek to find on the City of Lockhart website and 2) compare Lockhart website to other communities with high utilization of an innovative website
- 5.3 Streamline application processes of permits, developer proposals, engineering, employment, etc. to be placed on website (see 5.1)
- 5.4 Verify internet access at all City facilities



Goal #6: Development & Quality of Life

To continually improve the quality of life and employment opportunities of the people of Lockhart.

- 6.1 Consider proposed sidewalk ordinance
- 6.2 Facilitate/incentivize more housing options including:
 - Rental housing options
 - Workforce housing options
 - Higher-income housing
 - Infill/revitalized housing within centers of commerce (existing or planned)
 - Senior/retiree housing
- 6.3 Continue to promote family-friendly events in Downtown
- 6.4 Encourage higher development standards (within state legislature constraints) to research modernization techniques and make recommendations to City Manager for consideration
- 6.5 Continue to implement Animal Control Audit recommendations
- 6.6 Continue to provide concerts on the square

Goal #7: Revenue Sustainability

To ensure the long-term financial health and sustainability of the City of Lockhart.

- 7.1 Explore and increase film production permitting fees
- 7.2 Create and implement fees for banners, road closures, event special requests
- 7.3 Use grantwriter (see 2.8) to find and write grants that benefit the City of Lockhart and its residents
- 7.4 Conduct discussions between City Council and Staff regarding which items can/should be funded by certificates of obligation vs. bonds
- 7.5 Update/increase construction permit fees and impact fees
- 7.6 Explore a bond vote for the items proposed by Parks & Rec and Council from Goal #3
- 7.7 Explore the concept of a Community Foundation with community benefactor options including other communities who have successfully created and implemented a Community Foundation

City of Lockhart Leadership

The 2022 City Council and Management Team participating:

City Council:

Lew White, Mayor

Angie Gonzales-Sanchez, Mayor Pro-Tem

Brad Westmoreland, Councilmember At-Large

Juan Mendoza, Councilmember District 1

David Bryant, Councilmember District 2

Kara McGregor, Councilmember District 3

Jeffrey Michelson, Councilmember District 4

Management Team:

Steve Lewis, City Manager

Julie Bowermon, Director of Human Resources

Connie Constancio, City Secretary

Travis Hughes, Director of Parks & Recreation

Randy Jenkins, Fire Chief

Mike Kamerlander, Economic Development Director

Sean Kelley, Public Works Director

Pam Larison, Director of Finance

Bobby Leos, Electric Superintendent

Victoria Maranan, Public Information Officer

Bertha Martinez, Director of Library Services

Ernest Pedraza, Chief of Police





City of Lockhart

2020-2021 Strategic Priorities

Prepared by:

