PUBLIC NOTICE

AGENDA

LOCKHART CITY COUNCIL

April 7, 2026

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. Presentation and discussion regarding the 2026 Chisholm Trail Homecoming Rodeo. **5**

B. Discuss Hotel Occupancy Tax (HOT) allocations as recommended by the HOT Advisory Board for the 2026 funding year. **6-149**

C. Presentation and discussion of the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2024-25 Annual Comprehensive Financial Report (annual financial audit) by BrooksWatson & Company, PLLC., an independent public accounting firm. **150-360**

D. Discussion regarding Resolution 2026-15 accepting the petition for annexation the annexation and setting the date of the public hearing for the annexation of 141.2 acres in the John A. Neill Survey, Abstract No. 20, located south of Seawillow Road and approximately 2,250 feet east of FM 1322, located in the Lockhart ETJ. **361-375**

E. Discuss Resolution 2026-16 authorizing City Manager to sign a three-year renewal agreement with Global Payments Direct, Inc. to provide merchant services and credit card payment processing for City of Lockhart. **376-390**

F. Discuss awarding RFP 2026-01- Replacement and installation of a new elevator at the Dr. Euguene Clark Library to ATTA Elevators of Austin, Texas in an amount not to exceed $126,431.00. **391-445**

G. Discuss authorizing the City Manager to solicit proposals from qualified firms to develop design plans for City Hall improvements to reconfigure space for staff and customer service needs and approve an amount not to exceed for design and improvements funded from the 2025 Certificates of Obligation. **446**

H. Discussion regarding a proposed Traffic Calming Policy and guidelines for implementing Speed Cushions as a traffic calming measure. 447-468

I. Discuss Ordinance No. 2026-14 amending Chapter 54, Article IV of the City of Lockhart Code of Ordinances, adding the term short-term rental to the definition of Hotel. 469-473

J. Discussion regarding Resolution 2026-17 canvassing the returns for the Special Election held on March 31, 2026 for the purpose of filling the vacancy in the office of City Council, Councilmember District 2, to complete the remaining term of office for Councilmember District 2. 474

K. Discuss Ordinance 2026-15 ordering a special election of runoff to be administered by the Caldwell County Elections Administrator on May 2, 2026, for the purpose of electing one member of the Lochart City Council (Councilmember District 2) to fill the vacancy resulting from the constitutional resignation of Councilmember John Castillo; designating early voting polling places and hours; designating election day polling places and hours; ordering notices of election to be given as prescribed by law in connection with such election; providing for the appointment of election judges and clerks; authorizing the Mayor and City Secretary to take all actions necessary to comply with applicable election laws; and providing a savings/repealing clause, severability clause and an effective date; IF A RUNOFF ELECTION IS NEEDED. 475-476

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. DISCUSSION/ACTION ITEMS

A. Discussion and/or action regarding Hotel Occupancy Tax (HOT) allocations as recommended by the HOT Advisory Board for the 2026 funding year. 477-620

B. Presentation, discussion and/or action regarding the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2024-25 Annual Comprehensive Financial Report (annual financial audit) by BrooksWatson & Company, PLLC., an independent public accounting firm. 621-831

C. Discussion and/or action regarding Resolution 2026-15 accepting the petition for annexation the annexation and setting the date of the public hearing for the annexation of 141.2 acres in the John A. Neill Survey, Abstract No. 20, located south of Seawillow Road and approximately 2,250 feet east of FM 1322, located in the Lockhart ETJ. 832-846

D. Discussion and/or action regarding Resolution 2026-16 authorizing City Manager to sign a three-year renewal agreement with Global Payments Direct, Inc. to provide merchant services and credit card payment processing for City of Lockhart. 847-861

E. Discussion and consideration of awarding RFP 2026-01- Replacement and installation of a new elevator at the Dr. Euguene Clark Library to ATTA Elevators of Austin, Texas in an amount not to exceed $126,431.00. 862-916

F. Discussion and/or action regarding authorizing the City Manager to solicit proposals from qualified firms to develop design plans for City Hall improvements to reconfigure space for staff and customer service needs and approve an amount not to exceed for design and improvements funded from the 2025 Certificates of Obligation. 917

G. Discussion and/or action regarding a proposed Traffic Calming Policy and guidelines for implementing Speed Cushions as a traffic calming measure. 918-939

H. Discussion and/or action regarding Ordinance No. 2026-14 amending Chapter 54, Article IV of the City of Lockhart Code of Ordinances, adding the term short-term rental to the definition of Hotel. 940-944

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

- Update regarding the MyGovernment Online (MGO) permitting system.
- Lockhart Looking Forward Comprehensive Plan awarded the 2026 American Planning Association Small Town and Rural (STaR) Division Vernon Deines Award.
- Update on the newly acquired hydro-excavator trailer.
- Update on asset disposal with Public Auto Auction.

6. COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST

7. COUNCIL ACTION REGARDING THE MARCH 31, 2026 SPECIAL ELECTION

A. Discussion and/or action to adopt Resolution 2026-17 canvassing the returns for the Special Election held on March 31, 2026 for the purpose of filling the vacancy in the office of City Council, Councilmember District 2, to complete the remaining term of office for Councilmember District 2. 945

B. Administer Oath of Office to newly elected Councilmember, as a result of the March 31, 2026 Special Election IF NO RUNOFF ELECTION IS NEEDED. **946**

C. Discussion and/or action to adopt Ordinance 2026-15 ordering a special election of runoff to be administered by the Caldwell County Elections Administrator on May 2, 2026, for the purpose of electing one member of the Lochart City Council (Councilmember District 2) to fill the vacancy resulting from the constitutional resignation of Councilmember John Castillo; designating early voting polling places and hours; designating election day polling places and hours; ordering notices of election to be given as prescribed by law in connection with such election; providing for the appointment of election judges and clerks; authorizing the Mayor and City Secretary to take all actions necessary to comply with applicable election laws; and providing a savings/repealing clause, severability clause and an effective date; IF A RUNOFF ELECTION IS NEEDED. **947-948**

8. EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.071, PRIVATE CONSULTATION WITH ATTORNEY TO SEEK LEGAL ADVICE ABOUT MATTERS SUBJECT TO THE ATTORNEY CLIENT PRIVILEGE:

A. Discussion regarding proposed Development Agreement with Packsaddle Partners for Livengood Development proposed master planned community on approximately 433 acres to be located west of U.S. 183 and South of Robin Ranch Road.

9. OPEN SESSION

A. Discussion and/or action regarding proposed Development Agreement with Packsaddle Partners for Livengood Development proposed master planned community on approximately 433 acres to be located west of U.S. 183 and South of Robin Ranch Road.

10. 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 March 31, 2026 at 4:30 p.m.

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Presentation and discussion regarding the 2026 Chisholm Trail Homecoming Rodeo.

ORIGINATING DEPARTMENT AND CONTACT: Administration -

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Event organizers will attend the Council meeting to provide an update on the 2026 Chisholm Trail Homecoming Rodeo.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discuss Hotel Occupancy Tax (HOT) allocations as recommended by the HOT Advisory Board for the 2026 funding year.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: On March 12, 2026, the Hotel Occupancy Tax (HOT) Advisory Board met to review and discuss Hotel Tax funding applications for FYE 2026. The City of Lockhart collects a 7% Hotel Occupancy Tax from hotels, bed & breakfasts, and other lodging facilities. The revenue from the HOT fund may be used only to directly promote tourism and the hotel and convention industry. The Funding Application Form provides applicants the specific eligible uses of HOT funds under state law requirements, outlines city policy, and provides guidance on the priority uses for Hotel Tax funds. A copy of this form is attached for reference.

This funding cycle, the City received nine applications from eight organizations. The eight organizations include: Anything Curatorial, Inc., Caldwell County Historic Jail Museum, Cirque Vida, Courthouse Nights, Gaslight-Baker Theatre, Greater Caldwell County Hispanic Chamber of Commerce, Lockhart Chamber of Commerce, and Lockhart Initiative for Tourism. Applicants attended the HOT Advisory Board meeting and made formal presentations. The total amount requested was $212,500.

After discussion and consideration, the HOT Advisory Board submits a proposed funding allocation of $174,000 for FYE 2026 to Council for review and final approval. Also attached are the FYE 2026 Application Funding Chart providing the HOT Advisory Board's detailed funding recommendations and the previous year's allocation history, and the submitted Funding Applications for review.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:
Funds Required: $174,000
Account Number: 220-5199-2XX-00
Funds Available: $108,158
Account Name: HOTEL/MOTEL EXPENDITURES

FISCAL NOTE (if applicable): Two quarters of revenue collections remain in FYE 2026.

PREVIOUS COUNCIL ACTION:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff request direction from the Council for the allocation of HOT funds.

LIST OF SUPPORTING DOCUMENTS: FYE 2026- HOT Use Application Form, FYE 2026 - HOT Board Approved - Application Funding Chart, FYE 2026 - HOT Funding Applications, FYE 2026 - HOT Applicant Presentations

FUNDING APPLICATION FORM

HOTEL OCCUPANCY TAX USE GUIDELINES UNDER TEXAS STATE LAW

State Law: By law of the State of Texas, the City of Lockhart collects a Hotel Occupancy Tax (HOT) from hotels, bed & breakfasts, and other lodging facilities. Under state law, the revenue from the HOT may be used only to directly promote tourism and the hotel and convention industry. **Chapter 351 of the Tax Code states that the use of HOT funds is limited to:**

a) **Convention Centers and Visitor Information Centers:** the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing operation and maintenance of convention center facilities or visitor information centers, or both;

b) **Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;

c) **Advertising, Solicitations and Promotions that Directly Promote Tourism and the Hotel and Convention Industry**: advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;

d) **Promotions of the Arts that Directly Promote Tourism and the Hotel and Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms.

e) **Historical Restoration and Preservation Activities that Directly Promote Tourism and the Hotel and Convention Industry:** historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.

f) **Sporting Event Expenses that Substantially Increase Economic Activity at Hotels:** Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.

g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations:

1. the commercial center of the city;
2. a convention center in the city;

3. other hotels in or near the city; or
4. tourist attractions in or near the city.

The law specifically prohibits the use of the local hotel tax to cover the costs for general city transit costs to transport the general public.

h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

City Policy: The City of Lockhart accepts applications from groups and businesses whose program fits into one or more of the above categories. All requests for funds should be submitted by the official application**.** The application will be reviewed by the City of Lockhart's HOT Advisory Board at a regularly scheduled meeting. The applicant may choose to be present at the meeting to answer any questions regarding the application.

Based on the application, the City of Lockhart's HOT Advisory Board will make a recommendation to the City Council. The City Council will make the final decision on your request.

Eligibility and Priority for Hotel Tax Funds: Priority will be given to those events and entities based on their ability to generate overnight visitors to the City of Lockhart. Events can prove this potential to generate overnight visitors by:

a) **historic information on the number of room nights used during previous years of the same events**;

b) **current information on the size of a room block that has been reserved at area hotels** to accommodate anticipated overnight guests attending the funded event;

c) **historical information on the number of guests at hotel or other lodging facilities that attended the funded event (through surveys, guest directories, or other sources**;and/or

d) **examples of the planned marketing of the programs and activities that will likely generate overnight visitors** to local lodging properties from this event.

Use of Revenues from Event: A portion of the revenues from any event and/or project receiving any type of funding assistance from the HOT funds should be channeled back into the future costs of operating that same event or the continued operation of the project.

Supplemental Information Required With Application: Along with the application, please submit the following:

_____ Proposed Marketing Plan for Funded Event

_____ Schedule of Activities or Events Relating to the Funded Project

Submit to: City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Application

Date: _____

Organization Information

Name of Organization: _____

Address: _____

City, State, Zip: _____

Contact Name: _____ Contact Phone Number: _____

Web Site Address for Event or Sponsoring Entity _____

Non-Profit or For-Profit status: _____ Tax ID #: _____

Entity's Creation Date: _____

Purpose of your organization: _____

_____

_____

Event Information

Name of Event or Project: _____

Date of Event or Project: _____

Primary Location of Event or Project: _____

Amount Requested: $_____

How will the funds be used: _____

_____

_____

_____

_____

Primary Purpose of Funded Activity/Facility:

_____

_____

_____

_____

Percentage of Hotel Tax Support of Related Costs

_____ Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities_____%

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☐ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $_____

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city**. Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: _____
2. Expected Attendance: _____
3. How many people attending the Event or Project will use City of Lockhart hotels? ___

   Number of the people many nights will they stay: _____
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: _____

   _____

   _____
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	**Assistance Amount**	**Number of Hotel Rooms Used**
_____	_____	_____
_____	_____	_____
_____	_____	_____

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? _____

   _____

   _____
7. Please list other organization, government entities, and grants that have offered financial support to your project: _____

_____

_____

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

_____

_____

_____

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $_____
Radio: $_____
TV: $_____
Other Paid Advertising: $_____

Number of Press Releases to Media _____
Number Direct Mailings to out-of-town recipients _____

Other Promotions _____

10. Will you include a link to local hotels on your website for booking during this event?

_____

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

_____

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

_____

_____

_____

13. What geographic areas does your advertising and promotion reach: _____

_____

14. How many individuals will your proposed marketing reach who are located in another city or county? _____

15. If the funding requested is related to a permanent facility (e.g. museum, visitor

    center): Expected Attendance Monthly/Annually: _____

    Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

HOTEL OCCUPANCY TAX (HOT)
FUNDING APPLICATION REQUESTS
FYE 2026

Organization (Alphabetical)	(A) Convention Center or visitor's center	(B) Registration of Convention Delegates	(C) Advertisting, Solicitations, Promotional programs to attract tourists and convention delegates.	(D) Promotion of the Arts that directly enhance tourism and the hotel & convention industry. (limit 15% budget)***	(E) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs. (limit 15% budget)***	(F) Expenses including promotional expenses, directly related to sporting events.	(G) Funding transportation systems for transporting tourists from hotel to any of the following: 1) commercial center; 2) convention center; 3) other hotels; and 4) tourist attractions.	(H) Signage directing tourists to sights and attractions that are frequently visited by hotel guests in the municipality.	HOT BOARD APPROVED ALLOCATIONS FYE 2026	TOTAL REQUESTED FUNDING FYE 2026	PRIOR YEAR REQUESTED FUNDING FYE 2025	CITY COUNCIL AND HOT BOARD APPROVED ALLOCATIONS FYE 2025
				$26,100	$26,100							
Anything Curatorial, Inc. (DBA Spellerberg Projects) (NP) First Friday Visiting Artist Exhibition Program	$ -	$ -	$ 3,000	$ -	$ -	$ -	$ -	$ -	$ 3,000	$ 5,000	$ 5,000	$ 5,000
Caldwell County Historic Jail Museum & Visitors Center (NP)					15,000				15,000	15,000	15,000	15,000
Cirque Vida Entre Dios Cielos/Under Two Skies									-	4,500	-	-
Courthouse Nights			20,000	7,000					27,000	20,000	20,000	15,000
Gaslight-Baker Theatre (NP)					9,000				9,000	18,000	15,000	15,000
Greater Caldwell County Hispanic Chamber of Commerce (NP) Cinco de Mayo Festival			15,000	7,500					22,500	25,000	25,000	20,000
Greater Caldwell County Hispanic Chamber of Commerce (NP) Diez y Seis Festival			15,000	7,500					22,500	25,000	25,000	20,000
Lockhart Chamber of Commerce (NP) Lockhart Hometown Spring Festival and Fair									-	15,000	60,000	$ 60,000
Lockhart Initiative for Tourism (LIT) (NP) Lockhart Downtown Book Fair and Cemetery Tour			13,000	2,000					15,000	25,000	10,000	10,000
Downtown and Tourism Department Visitors Center	50,000								50,000	50,000		
250th 4th of July Event			10,000						10,000	10,000		
	$ 50,000	**$ -**	**$ 76,000**	**$ 24,000**	**$ 24,000**	**$ -**	**$ -**	**$ -**	**$ 174,000**	**$ 212,500**	**$ 175,000**	**$ 160,000**

CURRENT HOT FUNDS AVAILABLE: **$ 108,158**

PROJECTED FYE 2026 YEAR-END HOT FUNDS AVAILABLE: **$ 174,000**

***Abbreviations:** Non-Profit (NP) | For-Profit (FP) - as stated on application.

***Limit of 15% based on projected FYE 2026 available fund balance ($174,000). This amount represents the absolute maximum cap.

Application

Date: Feb 27, 2026

Organization Information

Name of Organization: Anything Curatorial, Inc. (dba Spellerberg Projects)

Address: Gallery: 103 S Main St. / Mailing: 334 Heartwood Dr.

City, State, Zip: Gallery: Lockhart TX 78644 / Mailing: Austin TX 78745

Contact Name: Marty Spellerberg Contact Phone Number: 737-333-9760

Web Site Address for Event or Sponsoring Entity spellerbergproject.com

Non-Profit or For-Profit status: 501(c)(3) Tax ID #: 33-3605054

Entity's Creation Date: 2025

Purpose of your organization:

Anything Curatorial Inc. operates Spellerberg Projects, an artist-run center at 103 S Main St on the Lockhart square that presents a year-round program of exhibitions by visiting artists from across the U.S. and internationally. The gallery offers studios to local working artists.

Event Information

Name of Event or Project: First Friday Visiting Artist Exhibition Program

Date of Event or Project: April 2026 – March 2027

Primary Location of Event or Project: 103 S Main St, Lockhart (Historic District)

Amount Requested: $ 5,000

How will the funds be used:

HOT funds will directly promote tourism and the hotel industry by covering two costs associated with overnight hotel activity. Support of $2,800 will cover lodging for visiting artists who travel to Lockhart to install and present exhibitions, putting hotel occupancy tax revenue directly back into Lockhart hotels and short-term rentals. The remaining $2,200 will fund targeted marketing, including event calendar submissions, digital advertising, and email outreach to attract overnight visitors from Austin and San Antonio to First Friday exhibition receptions. Without dedicated lodging support, the gallery must limit visiting artist invitations to those who can cover their own travel costs, reducing the program's geographic reach and the hotel nights it generates.

Primary Purpose of Funded Activity/Facility:

We bring out-of-town artists to Lockhart who need a place to stay. Over the past 2.5 years, we have documented 22 visiting artist trips from 12 cities across 10 states and 2 countries, generating 47+ overnights in Lockhart. We draw an average of 170 visitors per event, 62% from outside Lockhart. This directly promotes tourism and attracts overnight visitors. HOT support allows the gallery to guarantee lodging for every visiting artist, removing the single biggest barrier to bringing artists from farther afield, while investing in the marketing .nfrastructure to convert that audience into measurable hotel impact.

Percentage of Hotel Tax Support of Related Costs

23% Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

0% Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

18% Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 18 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☒ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $ $2,200

☒ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $ $2,800

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.** Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.** Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 10
2. Expected Attendance: 255 per month; 2,500–3,000 over the funded year
3. How many people attending the Event or Project will use City of Lockhart hotels? 10–12

   Number of the people many nights will they stay: 20–25
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: N/A
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)?

   Historic room night data: Direct documentation of every visiting artist hotel stay. Hotel guest attendance data: A visitor survey administered at all First Friday receptions currently captures geographic origin. We are adding an overnight stay question to measure whether gallery visitors are staying in Lockhart hotels, giving us hotel impact data from both artists and audiences. Marketing reach: Website analytics tracking geographic origin of online visitors and growth in sessions from Austin and San Antonio. Email newsletter and Instagram subscriber counts.

7. Please list other organization, government entities, and grants that have offered financial support to your project:

   A $30,000 Andy Warhol Foundation grant application is currently pending.

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

Admission is free. Spellerberg Projects operates on a noncommercial model where exhibitions are free and open to the public, removing barriers for visitors and maximizing foot traffic to downtown Lockhart. There is no anticipated net profit from the funded activities. Revenue from studio rentals and consulting services supports ongoing operations. The exhibition program's contribution to Lockhart's economy flows through the hotel nights it generates and the visitors it brings to downtown businesses – a return that feeds directly back into the HOT revenue base.

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper:	$ 0
Radio:	$ 0
TV:	$ 0
Other Paid Advertising:	$ 2,200, digital marketing

Number of Press Releases to Media 12 per year

Number Direct Mailings to out-of-town recipients Email newsletter with 1,187 subscribers

Other Promotions: Instagram (3,612 followers); First Friday coordination with neighboring businesses and Hello Lockhart; event calendar submissions to Austin listing sites

10. Will you include a link to local hotels on your website for booking during this event?

Yes. We will add a "Visiting Lockhart" section to our website with links to Hello Lockhart's local hotels and short-term rentals. This material will also be linked from our email newsletters to encourage overnight stays.

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

No.

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

(1) Systematic submission of First Friday receptions and exhibition openings to Austin and San Antonio event listing sites (Visit Austin, Do512, 365 Things to Do in Austin). (2) Application for Google Ad Grants (free search advertising for nonprofits). (3) use the gallery's existing email newsletter (1,187 subscribers) to target the Austin market with tourism-focused content, including a "Visiting Lockhart" sectio in every send.

13. What geographic areas does your advertising and promotion reach:

Primary: Austin (44% of current visitors) – the largest and most reachable source of overnight visitors. Secondary: San Antonio, San Marcos, Kyle, and the I-35 corridor. National and international reach through Instagram and visiting artist networks: each exhibition extends to the artist's own audience in cities such as Brooklyn, Chicago, Nashville, and Miami, attracting visitors who may already be traveling to Central Texas.

14. How many individuals will your proposed marketing reach who are located in another city or county? **10,000–15,000**

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center): Expected Attendance Monthly/Annually: **2,500–3,000 annually**

Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Audience overnight stays unknown; adding question to visitor survey. What is known: 10–12 visiting artists per year.

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Spellerberg Projects

First Friday Visiting Artist Exhibition Program Marketing Plan for Tourism Promotion

Situation Analysis

Spellerberg Projects' exhibition program is at an inflection point. After ten years of steady operation, the gallery's audience is growing rapidly, and the visiting artist pipeline has expanded internationally, with upcoming exhibitions by artists from Germany and Canada. And Lockhart itself is building momentum as an arts destination: six organizations on the square are working toward a Texas Cultural District designation, with a TCA application planned for July 2026.

This growth is happening organically, but it's outpacing the gallery's marketing infrastructure. The gallery has an established email newsletter (1,187 subscribers) and an active Instagram presence (3,612 followers), but no paid advertising, no systematic presence on Austin event calendars, and no Google Analytics on its website. The visitor data available — collected through in-gallery clipboard surveys — already shows that the audience is largely out-of-town and growing. A modest investment in marketing tools now will convert that organic growth into measurable, documented tourism impact for Lockhart's hotel industry.

The gallery and its audience

Spellerberg Projects is an artist-run center at 103 S Main Street on the Lockhart square, operating since 2016. The gallery has presented over 60 exhibitions to date, hosting 10–12 per year by visiting artists with monthly First Friday receptions. Visitor survey data collected since October 2025 (183 surveys across 1,355 visitors on 24 open days) shows:

- First Friday receptions average 170 visitors per event
- 65% are first-time visitors
- 62% of visitors come from outside Lockhart
- 44% travel from Austin
- 18% from farther afield — San Antonio, San Marcos, Kyle, Houston, Dallas, Marfa, Denver, New Jersey
- 27% of visitors also visit Commerce Gallery during the same trip, suggesting cross-pollination between cultural venues on the square

The visiting artist model and hotel impact

The exhibition program brings artists from outside Lockhart to install and present work. Since July 2023, the gallery has documented 22 visiting artist trips from 12 cities across 10 states and 2 countries (Germany, Canada), generating 47+ overnights in Lockhart. This is cultural tourism

in both directions: artists travel to Lockhart and stay in local lodging, and their exhibitions draw audiences who come from Austin and beyond. The program directly promotes tourism and generates overnight visitors year-round.

Context

Lockhart is building toward a Texas Cultural District designation, a process involving six arts organizations on and around the square. The gallery's visitor data and tourism marketing efforts contribute to the district-wide case for arts-driven tourism. A strong track record of hotel impact from the exhibition program strengthens the district's application and Lockhart's broader tourism positioning.

The Market

Lockhart is part of the Austin-Round Rock-Georgetown MSA. Austin, the primary visitor market, is a 40-minute drive on US-183. San Antonio is roughly 65 miles south — outside the state tourism office's 50-mile threshold, making San Antonio visitors unambiguous tourists. Lockhart's identity as a BBQ destination brings a baseline of food tourism visitors; survey data confirms crossover between food and cultural tourism. The gallery's positioning — noncommercial contemporary art in a small-town storefront — is distinct from anything in Austin and offers a reason to visit that is specific to Lockhart.

Collaborators

Spellerberg Projects operates alongside several organizations on the Lockhart square whose programming complements and amplifies the gallery's tourism draw.

Commerce Gallery presents rotating exhibitions of regional contemporary art and hosts its own First Friday openings; survey data shows 27% of Spellerberg visitors also visit Commerce Gallery during the same trip, confirming cross-pollination between venues.

Hello Lockhart, the tourism promotion platform operated by the Lockhart Initiative for Tourism, maintains an events calendar and business directory that lists gallery events alongside dining, accommodations, and other attractions — the gallery's exhibitions will be submitted to this calendar as part of the marketing plan. **KLKT Radio (107.9 FM)**, launched in 2024, provides hyperlocal media coverage of arts events.

Courthouse Nights, a free monthly concert series on the courthouse lawn (April–August), and **Gaslight-Baker Theatre**, a community theater operating since 1998 in a historic 1920 venue, draw audiences to downtown Lockhart on different nights and in different seasons, expanding the overall pool of cultural visitors.

Together these organizations create a cluster of cultural programming that gives visitors multiple reasons to come to Lockhart and to stay longer — or to come back.

Competitors

The gallery's primary audience competition is Austin's own arts scene. **Austin's East Side** galleries hold their own First Friday events, and institutions like the **Blanton Museum** and the **Contemporary Austin** offer free or low-cost programming that doesn't require a 40-minute drive. For day-trippers looking for a small-town outing from Austin, **Fredericksburg**, **Wimberley**, and **Dripping Springs** are established destinations with stronger tourism infrastructure.

Spellerberg Projects competes by offering something none of these alternatives provide: a noncommercial contemporary art program in a town already on the map for food tourism. The gallery doesn't need to outcompete Austin's arts institutions; it needs to give Austin residents a reason to make the drive. The visiting artist model — where nationally recognized artists install and present work in a small-town storefront — creates events that feel distinctive and worth the trip. The cross-pollination with Lockhart's BBQ tourism (visitors already coming for food discover the gallery) and the growing cultural cluster on the square reinforce this positioning.

Target Audiences

Primary: Austin arts-interested visitors.

Already the largest source of out-of-town visitors (44%). Reachable through free and low-cost digital channels. Within easy driving distance for day trips and overnight stays. Many visit in groups, often on First Fridays.

Secondary: San Antonio and I-35 corridor.

San Antonio falls outside the 50-mile radius, making these visitors unambiguous tourists who are more likely to generate overnight stays. San Marcos and Kyle are midway between Austin and Lockhart, with growing populations.

Tertiary: National audiences reached through visiting artist networks.

Each visiting artist shares their exhibition with their own audience (social media, mailing lists), thereby extending the gallery's reach to cities such as Brooklyn, Chicago, Nashville, and Miami. While most of these contacts won't travel to Lockhart, the visibility reinforces the gallery's reputation. This may attract visitors who are already traveling to Central Texas.

Marketing Tactics

Spellerberg Projects

Event calendar submissions

Submit First Friday receptions and exhibition openings to Austin event listing sites: Visit Austin events calendar, 365 Things to Do in Austin, Do512, and Austin360. Also submit to San Antonio equivalents. Focus on exhibitions with the strongest out-of-town draw (visiting artists from notable cities, distinctive media, or themes). Target: every First Friday reception and at least 6 additional exhibition events per year, submitted to a minimum of 3 listing sites. This directly promotes tourism by putting the gallery's events in front of Austin and San Antonio audiences actively looking for things to do.

Google Ad Grants

Apply for Google's nonprofit ad grant program through Anything Curatorial's 501(c)(3) status, which provides free search ads on Google.com. Use to promote First Friday receptions and exhibition openings to users searching for arts events in Austin and San Antonio. Target keywords: "art events near Austin," "Lockhart galleries," "First Friday Lockhart," and exhibition-specific terms. Target: active campaign running by Q2 of the funded period.

Email newsletter

The gallery's existing email newsletter has 1,187 subscribers. HOT funds will support tourism-focused content — exhibition previews, First Friday reminders, and a "Visiting Lockhart" section with links to local hotels and short-term rentals in every send. Continued list growth through in-gallery sign-ups and website subscriptions.

Instagram promotion

Maintain an active Instagram presence (3,612 followers) to promote visiting artist exhibitions, artist profiles, behind-the-scenes installation content, and First Friday receptions. Each visiting artist's exhibition generates 5–10 posts that reach both the gallery's and the artist's audiences (cross-tagging). The account will be converted to a Business account during the funded period, enabling geographic analytics on followers and post reach — data that will support future HOT applications and Cultural District reporting.

Website improvements

Add a "Visiting Lockhart" section with links to Hello Lockhart's listing of local hotels and short-term rentals. Install Google Analytics to track the geographic origin of website visitors. Add exhibition-specific landing pages optimized for search. Analytics will provide ongoing documentation of out-of-town interest in the exhibition program.

Visitor survey expansion

Spellerberg Projects

Continue the in-gallery clipboard survey at all First Friday receptions. Add a question as to whether the visitor is staying overnight in Lockhart. This directly measures the gallery's hotel impact and strengthens future HOT applications with the kind of data the Advisory Board prioritizes.

Measurement and Outcomes

The marketing plan is designed to produce measurable tourism outcomes:

- **Hotel nights generated:** Documented visiting artist stays (property, nightly rate, number of nights) — targeting 20–25 hotel nights during the funded period, up from an annualized rate of approximately 18
- **Out-of-town visitors attracted:** Visitor survey tracking geographic origin, first-time vs. return, and (new) overnight stay data — targeting maintenance of 62%+ out-of-town visitor share as total attendance grows
- **Marketing reach to tourists:** Website analytics geographic data (new), email newsletter subscriber geography via segmentation (new), Instagram audience insights by city after Business account conversion (new) — establishing baseline metrics for ongoing tourism promotion
- **Visitor survey expansion:** Addition of zip code and overnight stay questions to produce the hotel impact data that strengthens future HOT applications

Budget

Category (d): Arts promotion that directly enhances tourism and the hotel industry — $2,800. Funds in this category will cover overnight lodging for visiting artists traveling to Lockhart to install and present exhibitions. Based on documented history, the gallery hosts 10–12 visiting artists per year, with an average stay of 2 nights at an average nightly rate of $118. Artists travel from Dallas, Brooklyn, Chicago, Nashville, Miami, San Antonio, and internationally (Germany, Canada). Each visit directly generates hotel room nights in Lockhart. With HOT support guaranteeing lodging, the gallery can prioritize artists from outside Texas rather than limiting invitations to those within driving distance. This is the most direct possible use of hotel occupancy tax funds: the money goes to hotel rooms.

Category (c): Advertising, solicitations, and promotional programs to attract tourists — $2,200. Funds in this category will support targeted marketing to attract out-of-town visitors to Lockhart for exhibition receptions and First Friday events. Specific activities: submission of events to Austin and San Antonio event listing sites (Visit Austin, Do512, 365 Things to Do in Austin); tourism-focused growth of the gallery's existing email newsletter (1,187 subscribers) and Instagram (3,612 followers) to drive visits from the Austin market; and printed promotional

Spellerberg Projects

materials. These efforts directly promote tourism by reaching audiences in Austin (44% of current gallery visitors) and San Antonio and converting awareness into visits to Lockhart.

HOT-Funded: Lodging — category (d)				
Visiting artist lodging	—	$2,800	HOT	10–11 artists × avg 2 nights × $118/night; based on 47+ documented nights over 2.5 years
HOT-Funded: Marketing — category (c)				
Event calendar submissions	Exhibition Manager	$400	HOT	Visit Austin, Do512, 365 Things, Austin360
Google Ad Grants setup and management	Exhibition Manager	$350	HOT	Free nonprofit ad program; target "art events near Austin," "First Friday Lockhart"
Email newsletter content and sends	Exhibition Manager	$400	HOT	1,187 subscribers; monthly exhibition previews with "Visiting Lockhart" hotel link
Instagram promotion	Gallery attendants	$300	HOT	3,612 followers; 5–10 posts per exhibition with artist cross-tagging
Visitor survey administration	Gallery attendants	$250	HOT	Clipboard surveys at all First Fridays; adding zip code and overnight stay questions
Website updates + analytics	Exhibition Manager	$200	HOT	Google Analytics install; "Visiting Lockhart" page with hotel links
Printed materials	—	$300	HOT	Postcards and flyers for Austin distribution
Total HOT Request		**$5,000**		

Spellerberg Projects

Organization-Funded Costs				
Exhibition Manager (remaining 82%)	Jennifer Moore	$7,250	Spellerberg Projects	Manages exhibitions, coordinates visiting artists, handles installation logistics
Gallery attendants + First Friday supplies (remaining 82%)		$2,783	Spellerberg Projects	Staff open hours and receptions; conduct visitor surveys
Exhibition documentation photography		$2,400	Spellerberg Projects	Professional documentation of all 12 exhibitions
Artwork shipping		$4,125	Spellerberg Projects	~$375/exhibition × 11 exhibitions requiring shipping
Total Organization Match		**$16,558**		
Total Program Cost		**$21,558**		

Spellerberg Projects

Schedule of Activities or Events Relating to the Funded Project

First Friday Visiting Artist Exhibition Program
Spellerberg Projects | 103 S Main St, Lockhart, TX 78644 April 2026 – March 2027

Exhibition Dates

- First Friday April 3, 2026
- First Friday May 1, 2026
- First Friday June 5, 2026
- First Friday July 3, 2026
- First Friday August 7, 2026
- First Friday September 4, 2026
- First Friday October 2, 2026
- First Friday November 6, 2026
- First Friday December 4, 2026
- First Friday January 1, 2027
- First Friday February 5, 2027
- First Friday March 5, 2027

Each date is an exhibition reception, 6–9 PM. Exhibitions run approximately one month each. The gallery is open Saturdays 11 AM – 3 PM, First Fridays 6–9 PM, and for special events.

Recurring Activity by HOT Category

Category (d): Arts Promotion — Visiting Artist Lodging

The following cycle repeats for each exhibition involving a visiting artist (approximately 10 of 12 per year; some exhibitions feature local or regional artists who do not require overnight lodging):

- Visiting artist arrives in time for First Friday
- 2-night stay in Lockhart lodging
- Artist attends reception
- Lodging documented (property name, nightly rate, number of nights)

Spellerberg Projects

Category (c): Advertising and Promotion — Tourism Marketing

The following cycle repeats monthly, timed to each exhibition:

- Press release issued for incoming exhibition
- Exhibition submitted to Austin and San Antonio event listing sites
- Exhibition submitted to Hello Lockhart events calendar
- Email newsletter send (exhibition preview, "Visiting Lockhart" hotel links)
- Instagram promotion (exhibition previews, artist profiles, visitor highlights)
- Google Ad Grants campaign updated with exhibition-specific keywords
- In-gallery visitor surveys administered at reception and on open days
- Website analytics reviewed for geographic traffic patterns

Application

Date: 2/27/2026 (for 2026)

Organization Information

Name of Organization: Caldwell County Historic Jail Museum & Visitors Center
(Operated by: Caldwell County Historical Commission)

Address: 315 East Market Street **(Mailing Address: PO Box 1419)**

City, State, Zip: Lockhart, TX 78644

Contact Name: Coyle Buhler, Chair Contact Phone Number: 512-376-8636

Web Site Address for Event or Sponsoring Entity: http://caldwellcountyhistoricalcommission.org/home.html
(https://m.facebook.com/CaldwellCountyHistorical Commission/)

Non-Profit or For-Profit status: Non-Profit Tax ID #: 74-0750132

Entity's Creation Date: 1974

Purpose of your organization: **Heritage Tourism**. Strategically located and highly visible, the historic Jail Museum & Visitors Center will attract, entertain and educate over **2,250** tourists and visitors throughout a typical year with tourism-related information, public interpretive exhibits, outreach programs and special events. The historic 1909 Caldwell County Jail building is fully open to the traveling public and a tremendous tourist attraction alone. To promote local heritage tourism, the historic Jail Museum collects, identifies, and preserves historical material pertaining to the rich history of Lockhart, Caldwell County, and its residents. The Jail Museum & Visitors Center collection consists of the historic jail building, local area relevant historic artifacts, photographs, books, documents and maps. The Jail Museum & Visitors Center is operated by the Caldwell County Historical Commission.

Event Information

Name of Event or Project: Caldwell County Historic Jail Museum & Visitors Center

Date of Event or Project: 1/1/2026-12/31/2026

Primary Location of Event or Project: 315 East Market Street, Lockhart, TX 78644

Amount Requested: $ 15,000

How will the funds be used: The funds will be used consistent with Chapter 351 (e) of the Texas Tax Code. This includes historical restoration, preservation and maintenance activities and advertising, conducting solicitations and promotional programs to encourage tourists and convention delegates to

visit preserved historic sites or museums. The funds will be used to preserve, repair, restore and maintain the historic Museum structure and historic materials exhibited. Also, the funds will be used for heritage-tourism related advertizing and informational materials (See attach budget). In addition on weekends, using other donated funds, when the Chambers of Commerce and many other points of interest may be closed, the Jail Museum & Visitors Center will support the community tourism-related efforts as a visible tourist attraction, providing brochures and other local information to visiting tourists. The historic Jail Museum & Visitors Center **does not** intend to replace, but augment, the one primary designated visitor's center for the City of Lockhart. HOT funds **will not** be used for visitor center direct operating expenses.

Primary Purpose of Funded Activity/Facility: **Preserve and maintain the historic Jail Museum and promote Heritage Tourism. Approximately 90% of the expected over 2,250 registered weekend visitors in a typical year are tourists from outside Caldwell County.** In the past, the Jail Museum & Visitors Center has hosted visitors from over **224 different Texas cities** and over **46 different states**. Also, the Jail Museum & Visitors Center has hosted international tourists representing over **59 foreign countries**. The Jail Museum & Visitors Center is a community non-profit operation supported by many dedicated volunteers. The vast majority of support activities for the Jail Museum & Visitor Center are performed by unpaid volunteers. Over **1,650 registered hours of volunteer work** were documented in the past year. A docent is on duty to welcome and inform all guests during hours of public operation. The requested HOT funds will **NOT** be used to offset the cost of docent related activities or direct visitor center operating expenses. The HOT funds will be used to preserve, repair, restore, protect and maintain the historic Museum structure and historic materials exhibited. Also, the funds will be used for Lockhart historical tourism-related promotional materials (consistent with Chapter 351 (e) of the Texas Tax Code).

Percentage of Hotel Tax Support of Related Costs: "Costs" are only event-related (see attached budget)

48.4 Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

78.4 Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event (Consistent with Chapter 351 (e) of the Texas Tax Code)

0 Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event (Funds are not used for Museum Docent activities – all maintenance is by contract labor)

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 0 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, **operation**, and maintenance of convention center facilities or **visitor information centers**, or both. Amount requested under this category: $ **-0.00- [see Item (e) below].** ◆

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☐ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $_____

☒ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.** Amount requested under this category: **$ 15,000**

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.** Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 42 (Started In 1983)
2. Expected Attendance: Over 2,250
3. How many people attending the Event or Project will use City of Lockhart hotels? ?
   Number of the people many nights will they stay: ?
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: No. Very seldom does an out-of-town visitor book lodging in advance just to visit only a museum or visitors center. But, many of the visitors to the Jail Museum & Visitors Center come exclusively to witness, learn and discover the rich history of Lockhart and Caldwell County. While doing so, the visitors are directed by the Jail Museum Docent to local lodging, restaurants, and many other points of interest in the area. **Consistently, over 90% of the registered weekend visitors are from outside Caldwell County and are ideal prospects for over-night lodging. Many are from another state, or another country, and in need of lodging. The Jail Museum & Visitor Center is open with comprehensive visitor information on the weekend, when many other tourist information locations are closed.**
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
2025	$ 15,000.00	?
2024	$ 15,000.00	?
2023	$ 17,000.00	?
2022	$ 5,000.00	?

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? The Jail Museum & Visitors Center attempts to register each and every visitor. Approximately 25%-30% refuse or fail to register. We will attempt to obtain the visitor over-night lodging statistical information.

7. Please list other organization, government entities, and grants that have offered financial support to your project: The Jail Museum & Visitors Center is a community non-profit operation supported by many dedicated volunteers and donors. It depends on and appreciates all donations, both large and small. Excluding HOT funds, total donations in most years are well below the costs of maintaining the building. Without HOT funds, the Jail Museum would suffer a large net funds deficit. Caldwell County supports the Jail Museum & Visitors Center by providing the historic jail building with periodic minor maintenance at no cost. In addition, Caldwell County has provided a total of $4,000 cash over the past five years to supplement operating costs. In addition, for many prior years in the Fall, typically approximately 400 additional visitors would come to Lockhart from around central Texas to the very popular and successful Cemetery Tour (aka:"Speaking of the Dead: Intriguing Stories of the Past"). It is a twilight and after-dark historical adventure fund raiser, where visitors meet many "Kindred Spirits" that have "come back from the grave" to tell their personal stories about the historic Lockhart area. The Caldwell County Historical Commission has collaborated with many other local organizations (i.e. City of Lockhart, LISD, Gaslight-Baker Theater, Chamber) to sponsor Jail Museum & Visitors Center outreach activities to raise donated funds for the benefit of the Jail Museum & Visitors Center preservation expenses. These out-reach programs bring many additional tourists to Lockhart and have been fund-raising activities to fund the Jail Museum & Visitor Center operations and preservation budget.

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?
A donation of $5 for adults and $3 for children is suggested for a tour of the Museum exhibits and upper floors containing the historic jail cells. Very seldom has the Jail Museum had an annual operating funds surplus since beginning operations. We depend on outside donations to cover shortfalls.

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet: The Jail Museum & Visitors Center does not have funds to engage in paid heritage promotions, unless provided through HOT funding.

Newspaper:	$ PSAs
Radio:	$ PSAs
TV:	$ PSAs
Other Paid Advertising:	$ 2,550

Number of Press Releases to Media: 35 (2022 & 2023 & 2024)

Number Direct Mailings & Emailing to out-of-town recipients: ~10,500 (2022, 2023, 2024 & 2025)

Other Promotions: To promote and publicize local attractions to tourists from outside of Lockhart, the historic jail building has been made available to **multiple film groups** and to **paranormal groups** that conducted experiments in an attempt to detect any "ghosts" or "spirits". They also produce and host widely viewed **internet videos** and **podcasts**. We have continued to be featured on **"Day Tripper"** television program. The Jail Museum & Visitors Center has been featured in numerous publications, including the ***Texas Hill Country Magazine***. Annually, volunteers conduct several weekday **educational tours** and local **heritage presentations** for K-12 and university classes, Scout troops, and Chamber of Commerce **bus tours**. In the past, the Jail Museum & Visitors Center has participated in a local homes tour conducted by a local service sorority. These many out-reach programs bring many additional tourists and visitors to Lockhart. The Museum distributes **promotional brochures** to museums and towns throughout Texas for redistribution. As mentioned in #7 above, in many past years, typically over 400 additional visitors have come to Lockhart from around central Texas to the very popular and successful Cemetery Tour (aka: "Speaking of the Dead: Intriguing Stories of the Past").

10. Will you include a link to local hotels on your website for booking during this event?
Yes, if authorized and provided.

11. Will you negotiate a special rate or hotel/event package to attract overnight stays? ___
We will promote any special rates offered by local lodging through existing platforms.

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event? We will include local lodging info on existing platforms and with in-house displays of provided materials and information.

13. What geographic areas does your advertising and promotion reach: **Worldwide**, through the internet. As a past example, groups from Australia and Oregon came to Lockhart exclusively to visit the Lockhart Cemetery, Jail Museum, and area historic sites on family heritage trips. The Jail Museum & Visitor Center aided in the visitors' trip planning, research and coordination. All was completed both via internet and in-person at the Jail Museum & Visitor Center. In the past, the Jail Museum & Visitors Center has hosted and registered visitors from **over 224 different Texas towns and cities, over 45 different states, and over 59 foreign countries**.

14. How many individuals will your proposed marketing reach who are located in another city or county? Over 2,025 in-person (90%- based on prior year stats) and 1000's via the internet & email

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):
    Expected Attendance Monthly/Annually: Over 2,250/ distributed fairly equally over the year.
    Percentage of those in attendance that are staying at area hotels/lodging facilities: ? %
    Note: Consistently, over 90% of the registered weekend visitors to the Jail Museum & Visitors Center are from outside Caldwell County and ideal prospects for local over-night lodging. We do not have any current data as to the number or percent that are staying in local lodging facilities.

Please Submit To:

City of Lockhart HOT Advisory Board

c/o Finance Department

P.O. Box 239

Lockhart, TX 78644

HISTORIC CALDWELL COUNTY JAIL MUSEUM
&
VISITORS CENTER



HERITAGE TOURISM

PROPOSAL

HISTORIC CALDWELL COUNTY JAIL MUSEUM
&
VISITORS CENTER
Lockhart, Texas

Operated by
CALDWELL COUNTY
HISTORICAL COMMISSION

MISSION STATEMENTS OF THE HISTORIC CALDWELL COUNTY JAIL MUSEUM & VISITORS CENTER

Located in the City of Lockhart, the mission of the Historic Caldwell County Jail Museum & Visitors Center is to promote heritage tourism for the economic benefit of Lockhart and surrounding Caldwell County, by preserving, exhibiting and sponsoring the recorded and material history of the area.

Strategically located and highly visible, the Jail Museum & Visitors Center will attract, entertain and educate over 2,250 tourists and visitors throughout a typical non-pandemic year with tourist-related information, public interpretive exhibits, outreach programs and special events.

On weekends, when the Chambers of Commerce and many other points of interest are closed, the Jail Museum & Visitors Center will support the community tourist-related efforts as a visible tourist attraction, providing brochures and other local information to visiting tourists. The Jail Museum & Visitors Center will augment, not replace, the City's primary visitors center.

The Jail Museum will collect, identify, and preserve historical material pertaining to the rich history of Lockhart, Caldwell County, and its residents and visitors. The Jail Museum collection will consist of the historic jail building, local area relevant historic artifacts, photographs, books, documents and maps.

REQUEST FOR A HOTEL OCCUPANCY TAX FUND ALLOCATION

We respectfully request an amount of $15,000 from the prospective allocation of the Hotel Occupancy Tax Fund. This money will be allocated exclusively to preserve, repair, restore and maintain the historic Museum structure and historic materials exhibited. Also, the funds will be used to promote heritage-tourism related advertizing and informational materials consistent with Chapter 351 (e) of the Texas Tax Code.

HISTORIC CALDWELL COUNTY JAIL MUSEUM
&
VISITORS CENTER
Lockhart, Texas

Operated by
CALDWELL COUNTY HISTORICAL COMMISSION

Annual Funds Recap: Over the past year, the Historic Caldwell County Jail Museum & Visitor Center received **$15,000** funding from the City's annual Hotel Occupancy Tax Fund distribution. **Thank You!** A total distribution of **$15,000** is anticipated and requested for the coming year. **The total amount received from the Hotel Occupancy Tax Fund distribution will be used to partially off-set the expense to preserve, repair, restore, maintain and promote the historic Museum structure, its historical exhibits, and promote local heritage-tourism.** The Jail Museum & Visitor Center is a community non-profit operation.

HOT Fund Allocation Request: The Jail Museum & Visitor Center total operating expenses for **2026** are budgeted at **$31,025** for the upcoming fiscal year (budget attached). The building preservation/restoration/repairs and advertizing/promotional HOT qualifying expenses budgeted for the year total **$28,575**. Any short-fall in the overall Jail Museum & Visitors Center annual operating budget must be made-up from donations and year-round fund raising activities.

For the coming fiscal year, we respectfully request $15,000 from the Hotel Occupancy Tax Fund distribution. This money will be allocated consistent with Chapter 351(e) of the Texas Tax Code. This requested distribution would help overcome short-falls in fund raising for building restoration, preservation, maintenance, and the promotion of heritage-tourism.

Jail Museum & Visitors Center Tourism Benefits: The Lockhart area history and heritage are its greatest assets. The Jail Museum & Visitors Center stands tall as a strategically located and highly visible focal point for weekend tourists and visitors to Lockhart. As conditions and precautions allow, the Visitors Center will be open every weekend when most tourists are in the area. It will be open on Saturdays and Sundays, when many other local tourist information locations are typically closed. Also, many times volunteers are able to accommodate special requests for tours during the week. The Jail Museum & Visitors Center operation interacts with a large variety of groups of tourists and local public throughout the year.

In a typical year, the Museum & Visitors Center receives over 2,000 registered guests. Over 90% of our weekend visitors were tourists from outside the Caldwell County area. In the past, the Visitors Center has hosted visitors from over 224 different Texas cities and 46 different states, including as far-away as Alaska and Connecticut. Also, the Visitors Center has hosted international tourists representing over 59 foreign countries (including: Japan, South Korea, China, Russia, Philippines, Singapore, Indonesia, Australia, New Zealand, India, Bangladesh, Ukraine, Russia, Germany, Denmark, Sweden, Finland, Turkey, Greece, Hungary, France, Italy, Spain, Israel, England, Scotland, Ireland, Kenya, Nigeria, Argentina, Venezuela, Colombia, Ecuador, Nicaragua, Guatemala, Barbados, Puerto Rico, Jamaica, Mexico and Canada).

Jail Museum & Visitors Center Heritage Tourism Outreach: To promote and publicize local attractions to tourists from outside of Lockhart, the historic jail building has been made available to multiple film groups and to paranormal podcast groups that conducted experiments in an attempt to detect "spirits from the past". We have continued to be featured on the "Day Tripper" television program and the *Texas Hill Country Magazine*. Every time the Jail Museum is featured, Lockhart and the Jail Museum & Visitors Center receive a great response with increased out-of-town visitors. To promote and publicize local attractions year-round to tourists and visitors already in Lockhart, the Jail Museum Visitors Center will continue to distribute appropriate local tourism brochures made available to us by various groups.

For many past years, in the early Fall, typically over 400 additional visitors come to Lockhart from around central Texas to the very popular and successful Cemetery Tour (aka:"Speaking of the Dead: Intriguing Stories of Lockhart Past"). It is a twilight and after-dark historical adventure, where visitors meet many "Kindred Spirits" that have "come back from the grave" to tell their personal stories about the historic Lockhart area. The Caldwell County Historical Commission sponsors this historical tourism outreach for the benefit for the Jail Museum & Visitors Center. It brings many additional tourists to Lockhart and has been the primary fund-raising activity for the Jail Museum & Visitors Center.

Volunteer Support Activities: The Jail Museum & Visitors Center is a community non-profit operation supported by many dedicated volunteers. It depends on and appreciates all donations, both large and small. The vast majority of support activities for the Jail Museum & Visitor Center are performed by unpaid volunteers outside the posted hours of public operation. Over **1650 volunteer hours** were documented for the past year. In addition to the activities previously mentioned, we have conducted several educational tours for K-12 and university classes, Boy Scout troops, and Chamber of Commerce bus tours. These and other outreach programs bring many additional tourists and visitors to Lockhart.

In addition to tourist-related operations, the historic Jail Museum building is undergoing a multi-year program of planned restoration and preservation as funds become available from specific grants and donations. Hotel Occupancy Tax funds have been allocated to restoration, preservation and maintenance projects. These activities are typically scheduled during non-public hours and do not interfere with the Visitors Center's beneficial tourist-related operation. The rich history and heritage of the local area is also actively promoted as funds are available.

Thank You: On behalf of the Historic Caldwell County Jail Museum & Visitors Center, I would like to thank the Lockhart City Council, the HOT Advisory Board, and the Finance Department for its foresight and funding in the past years. We encourage you to continue your support for this historic Lockhart jewel. The Jail Museum & Visitors Center offers a great economic benefit to the entire community.

Respectfully submitted,

Coyle Buhler, Chair
Caldwell County Historical Commission
Historic Caldwell County Jail Museum & Visitors Center

HISTORIC CALDWELL COUNTY JAIL MUSEUM and VISITORS CENTER

ANNUAL EXPENSES (*HOT Qualified):	2025 Actual	2026 Budget
Docent – Promotion - Heritage Tourism*	$ 1,900.00	$ 2,250.00
Credit Card Fees	614.44	750.00
City of Lockhart*	2,788.68	2,900.00
Insurance – Property Preservation*	1,618.57	1,750.00
Telephone - ATT	903.10	1,000.00
Supplies – Operations	88.67	300.00
Supplies – Maintenance / Preservation / Repairs*	78.14	250.00
Maintenance – Building Preservation (Labor)*	2,087.54	3,375.00
Advertizing / Promotion – Materials*	2,027.71	1,800.00
Pest Control – Termites / Ants/Bees*	308.52	500.00
Promotion / Advertizing – Heritage Tourism*	(Included^)	750.00
Fees / Other	337.00	400.00
Restoration / Preservation (Special Projects Backlog)*	6,170.00	15,000.00
TOTAL MUSEUM EXPENSES (Calendar Year)	**$18,922.57**	**$ 31,025.00**

MUSEUM RESTORATION / PRESERVATION (*HOT QUALIFIED) BACKLOG

Electrical: Repairs / Upgrades	$ 12,250.00
Environmental: Air Conditioning/Dehumidification Upgrades/Repairs (3rd)	6,250.00
Third Floor: Archive Storage Space Security / Rehab / Preservation	6,400.00
Exterior: Preservation / Repairs / Painting	3,050.00
Windows: Restoration / Repairs / Replacements / Security	1,200.00
Accessibility Upgrades	5,250.00
Interior: Preservation / Repairs / Painting	6,500.00
Museum Signage / Displays: Repairs / Preservation / Security	2,750.00
Plumbing: Repairs / Upgrades / Maintenance	6,100.00
Inventory / Records-Graffiti Recording / Preservation	3,200.00
Basement & Tree Damage Cleanup / Rehab / Upgrades	8,000.00
Security: Cameras, Electronics, Miscellaneous Supplies and Maintenance	5,250.00
TOTAL PRESERVATION / RESTORATION BACKLOG*	**$66,200.00**

Application

Date: 2/26/2026

Organization Information

Name of Organization: Cirque Vida

Address: 223 Little Ranch rd.

City, State, Zip: Red Rock, TX 78662

Contact Name: Xochitl Sosa Contact Phone Number: 510-219-5157

Web Site Address for Event or Sponsoring Entity: www.cirquevida.com

Non-Profit or For-Profit status: Fiscally sponsored non-profit Tax ID #: 88-2298962

Entity's Creation Date: 05-01-2022

Purpose of your organization: Cirque Vida is a high-caliber circus company committed to creating and serving accessible art to Texas artists and residents.

Event Information

Name of Event or Project: Entre Dios Cielos/ Under two skies

Date of Event or Project: Fall 2026

Primary Location of Event or Project: Gerry Ohlendorf Performing arts Center

Amount Requested: $ 4,500

How will the funds be used:

Funding will support housing, transportation, and lodging for out-of-town artists and the choreographer during the rehearsal and performance period. Cirque Vida collaborates with internationally recognized artists and creators to present high-quality, innovative performances for audiences in this region of Texas.

An estimated $3,800 will be allocated to artist travel and accommodations. The remaining $700 will support regional marketing efforts targeting audiences in San Antonio, Austin, and surrounding communities to ensure strong attendance and broad community engagement.

Primary Purpose of Funded Activity/Facility:

Entre Dos Cielos is a multi-disciplinary performance project that highlights the beauty, depth, and complexity of Texas's multicultural identity and the shared border that has shaped it. Rooted in the understanding that Texas culture is not singular but a living blend of histories, influences, and traditions, this work explores how Mexican and Texan heritage have continually informed and coexisted with one another.
Through an innovative fusion of circus arts, Baile Folklorico, dance, physical storytelling, and live music, the production embodies the collision and convergence that define the region. Movement becomes a language through which cultural exchange, resilience, and shared roots are expressed.
Original music by Deadman, the award-winning Texas-based musical group, anchors the piece with a sonic landscape that reflects both sides of the border, honoring traditional sounds while expanding into contemporary interpretations.
We are excited to also partner with Lockhart High School to include student performers from their new Mariachi Program, who will contribute to select moments of the production, deepening the community connection and expanding the cultural dialogue at the heart of this work.
This 90-minute full-length piece will be presented at the Frank O' Lendory Auditorium at Lockhart High School, with a two-day run and a total of 3 performances.

Percentage of Hotel Tax Support of Related Costs

5-10% Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 60 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☑ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition ofthese major art forms : $ 4500

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under thiscategory: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from anothercity or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or nearthe city**. Amount requested under this category: $_____

What sites or attractions will tourists be taken to by thistransportation?_____

Will members of the general public (non-tourists) be riding on thistransportation? _____

What percentage of the ridership will be localcitizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 0
2. Expected Attendance: 2500
3. How many people attending the Event or Project will use City of Lockhart hotels? ___

   Number of the people many nights will they stay: _____
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: _____

   _____

   _____
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
_____	_____	_____
_____	_____	_____
_____	_____	_____

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? _____

   We will have question attached to our ticketing asking 1. Where do you live? 2. Zip code 3. Will you be staying in a hotel in Lockhart?

   _____
7. Please list other organization, government entities, and grants that have offered financial support to your project: _____

   We are waiting to hear back about the Elevate Grant and the ACLU artist in residence grant

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

Yes, we will have a range of ticket prices from first row to student tickets.
We will not know if we will have a profit til after we hear about grants and other funding sources.

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $ 600
Radio: $
TV: $
Other Paid Advertising: $ 1000

Number of Press Releases to Media 30
Number Direct Mailings to out-of-town recipients 630

Other Promotions We will be running online ads, posters, interviews with radio and TV stations, student promotion through Lockhart highschool, Mailing lists, paying influencers, and yard signs around lockhart

10. Will you include a link to local hotels on your website for booking during this event?

yes

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

yes

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

social media stories highlighting the abundance of downtown Lockhart and include posts about "How to make a weekend stay- out of Lockahart"

13. What geographic areas does your advertising and promotion reach:

Central and south texas, our instagram reaches an international audience

14. How many individuals will your proposed marketing reach who are located in another city or county? 630 on our mailing list 2,100 followers on instagram

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):

    Expected Attendance Monthly/Annually: _____

    Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Marketing Strategy for Cirque Vida's "Entre Dos Cielos"

1. Local Community-Based Marketing

A. Partner with Local Institutions

- **Lockhart Chamber of Commerce**: asks for newsletter inclusion + event calendar listing.
- **Lockhart Highschool**: flyers, teacher/student discounts, communication from the highschool to faculty, students, and families.
- **Eugene Clark LIbrary**: posters + small performance teaser/demo during an event.
- **Courthouse Nights:** A Summer music series that brings the town to the courthouse for live music April-August and can be a great way to spread the word through flyers, teaser demo and stage shout outs
- **Chisholm Trail Parade**. Place circus performers with Lockhart Highschool Mariachi band/A float that exhibits the circus performers and band and/or flyer distribution during parade
- **The Lockhart Initiative of Tourism** and their Instagram **@HelloLockhart**
- **KLKT,** Lockhart's local radio station
- **78644 Podcast:** Celebrating Art and Music in Lockhart

B. Business-to-Business Collaborations Lockhart businesses are community and arts focused and can be counted on to help get the word out.

- **Black's BBQ, Kreuz Market, Smitty's, Terry Blacks, Chisholm Trail** ticket discount cards, table tents.
- **Chaparral Coffee, Summer Moon Coffee**
- **Shops on the Square**: posters + social media shares.
- **Local Air Bnbs** to help encourage a weekend stay
- **Willow Gardens Yoga:**
- **Dancing Center Unlimited**

3. Digital + Social Strategy

A. Social Media Rollout (4–6 weeks before)

6 WEEKS OUT

- Launch announcement with hero image or teaser video.
- "What is *Entre Dos Cielos*?" intro post.
- Share rehearsal footage from Deadman + circus ensemble.

5 WEEKS OUT

- Performer spotlights (Deadman + aerialists).
- First mariachi rehearsal clip.
- Behind-the-scenes: costumes, props.

4 WEEKS OUT

- Longer BTS mini-docs (30–60 sec).
- Story series: "Why Lockhart? Why now?"
- Local partnerships posts (cafes, shops offering ticket discounts or giveaways).

3 WEEKS OUT

- Ticket push #1.
- Parent/student voices from Lockhart High.
- Aerial rehearsal slow-mos (always perform well).

2 WEEKS OUT

- Teaser of two different musical moments from the show.
- "Meet the creatives" video (you, directors, composers).
- Cross-posts from Deadman's accounts.

1 WEEKS OUT

- Daily countdown.
- "What to expect" video.
- Tech rehearsal glamour posts (lights, aerials).

- Same-day Stories + reposts + user content.

B. Facebook for Local Audience
- Post regularly in the following groups:
  - **Lockhart Community Group**
  - **LIT (Lockhart Initiative for Tourism)**
  - **Lockhart Highschool Facebook/Instagram**
- Create a **Facebook Event** with trailer clips + ticket link.

C. Email Campaign
This will include combined email groups for Cirque Vida, Deadman, 78644 Podcast and Lockhart Highschool
Send 3-4 rounds:
1. **Announcement**
2. **Meet the Cast**
3. **Behind the Scenes**
4. **Last Chance / Final Push**

4. Traditional Marketing

A. Posters + Flyers
- Local business' around the square and lockhart
- Courthouse square bulletin boards
- Eugene Clark Library
- Golden Hour
- The Dancing Center Unlimited
- Hotels + Airbnb welcome books

B. Press + Local Media
Reach out to:
- Press release
- Lockhart Post-Register
- Austin Chronicle (for regional reach)
- KOOP Radio
- KLKT Radio station in Lockhart
- Fox 7's "Good Day Austin"
- Lockhart Post Register
- Sun Radio Promotion

5. Live Activation + Community Presence

A. Pop-Up Performances
Short 3–5 minute teasers:
- **First Friday**: Circus performers and live music with flyer distribution
- **Chisholm Trail Parade**: Place circus performers with Lockhart Highschool Mariachi band. A float that exhibits the circus performers and band and/or flyer distribution during the parade.
- **Courthouse Nights:** A Summer music series that brings the town to the courthouse for live music April-August and can be a great way to spread the word through flyers, teaser demo and stage shout outs

6. Ticketing Incentives
- **Early bird pricing** (first 10–20 tickets)
- **Group discounts**
- **Family packages**
- **Highschool Students/Faculty Discounts**

7. Partnerships & Sponsorships

- Wella Foods
- Texas Hatters
- Lockhart Initiative for Tourism

8. Day-of Experience to Build Word of Mouth

People in small towns spread news FAST. Make show day memorable:

- Photo-op wall with show branding
- Stilt greeter or costumed character at entrance
- Quick 5-second clips for guests to share

Application

Date: 2/24/26

Organization Information

Name of Organization: Courthouse Nights

Address: 610 S. Main St.

City, State, Zip: Lockhart, TX 78644

Contact Name: Rachel Lingvai Contact Phone Number: 512-689-2726

Web Site Address for Event or Sponsoring Entity https://www.rachandrhodespresents.com/courthouse-nights

Non-Profit or For-Profit status: Non-Profit Tax ID #: 33-3190222

Entity's Creation Date: 1/28/25 as a non-profit, through Rach & Rhodes from May 2021

Purpose of your organization: Courthouse Nights' primary purpose is to bring our community together through music and the arts.

Event Information

Name of Event or Project: Courthouse Nights

Date of Event or Project: April-August, 3rd Friday of the month - 5 events

Primary Location of Event or Project: Downtown Lockhart Square

Amount Requested: $20,000

How will the funds be used: The funds will be used to help with everything from paying talent, hiring professional sound and photography/video, expanding our reach to San Marcos radio and a bigger presence with Austin radio and print ad promo (KUTX, Austin Chronicle), paying production staff, feeding volunteers and talent, insuring ourselves for the year.

Primary Purpose of Funded Activity/Facility:

Our primary purpose of Courthouse Nights is to bring our community together on the Lockhart square to celebrate eachother! Our community is diverse and we purposely book talent to showcase that! We strive to book a line-up that reflects all of us and brings us all together. Another purpose of CN is to highlight our downtown businesses. We purposely do not allow vending in order to drive revenue into the hands of our local owners & operators.

Percentage of Hotel Tax Support of Related Costs

50 Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

50 Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 75 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☒ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $ 20,000

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city**. Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 5
2. Expected Attendance: 500+/month - 25,000/season
3. How many people attending the Event or Project will use City of Lockhart hotels? 1/3

   Number of the people many nights will they stay: 1 or 2
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: N/A
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
2025	$15,000	
2024	$10,000	

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? survey of hoteliers
7. Please list other organization, government entities, and grants that have offered financial support to your project:

   City of Austin Live Music Fund 2023, Every year we have financial sponsors in order for this to happen. We have a list of present & past sponsors I can provide, both private and commercial

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

It is a free event for the community. We do not net a profit.

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $_____
Radio: $_____
TV: $_____
Other Paid Advertising: $ 4k - print ads, poster art, content creation, banners, season lineup posters, ~~merchandise~~ (wearable adverts)

Number of Press Releases to Media _____
Number Direct Mailings to out-of-town recipients _____

Other Promotions We have never had enough raised to even begin to put towards media outlets. ~~This is where the city's grant money could really help us. We do spend hours upon hours~~ creating social media blasts. We were able to use money from last year's hotel tax to pay for paper and online ads in chronicle.

10. Will you include a link to local hotels on your website for booking during this event?

Yes, we will. Last year we linked Hello Lockhart's list of Airbnb's on our social media.

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

We will try.

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

When promoting shows, we will be sure to have a page that reflects overnight stay options (Best Western, etc.). We did this last year with Hello, Lockhart.

13. What geographic areas does your advertising and promotion reach: _____

Central Texas (Austin, San Marcos, San Antonio), Houston, we also have a band from Louisiana and from Dallas.

14. How many individuals will your proposed marketing reach who are located in another city or county? 50

15. If the funding requested is related to a permanent facility (e.g. museum, visitor

    center): Expected Attendance Monthly/Annually: N/A

    Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Courthouse Nights Marketing Plan

Application Name:	Courthouse Nights Corp.		
Project Name:	**Courthouse Nights**	**Contact:**	Rachel Lingvai
Project Location:	**Lockhart, TX - Downtown Square**	**Contact Cell:**	512-689-2726
Project Date:	**once/month April - August**	**Contact E-mail:**	rachel@rachandrhodesprese
BUDGET AMOUNT	**$10,000**		

ONLINE CAMPAIGNS

Vendor	Target Market	Local Audiences or Tourists?	Online Campaign Type	Qty	Online Run Dates	Online Rate / CPM	Total Cost
Content Creator - Contractor		**Both**					$ 2,000.00
Content Design - Contractor		**Both**					$ 2,000.00
							$ -
							$ -
							$ -
							$ -
						Total Online Campaigns	**$ 4,000.00**

PRINT ADS - *If Applicable*

Vendor	Target Market	Local Audiences or Tourists?	Print Placement Size	Qty	Print Run Dates	Rate	Total Cost
Austin Chronicle	**18-50**	**Austin**	varies				
							$ 1,000.00
						Total Print	**$ 1,000.00**

RADIO ADS - *If Applicable*

Station	Target Market	Local Audiences or Tourists?	Radio Spot Length (:15 or :30)	Qty	Radio Spot Time of Day	Rate	Total Cost
Sun Radio	**18-25**	**San Marcos**	varies				$ 1,000.00
							$ -
							$ -
						Total Radio	**$ 1,000.00**

PRODUCTION OF MARKETING ASSETS

Production Element	Vendor	Qty	Rate	Total Cost
Banners / Billboards / Signage	Printing Solutions + Custom Tent with Logo			$ 2,500.00
Contractors - Design (Admat, Poster, Stickers, etc)	Season Poster			$ 500.00
Contractors - Publicist				$ -
Contractors - Website	Website/email			$500
Contractors - Street Teams				$ -
Event Merch Item-1	season replenish			$500
Event Merch Item-2				$ -
Printing				$ -
			Total Production Costs	**$ 4,000.00**

Courthouse Nights Marketing Plan

	Total Costs	In-Kind & Unpaid Outreach Plan: $3000	
ONLINE	$ 4,000.00	Social Media Share by Event Artists:	
PRINT	$ 1,000.00	Social Media Share by Event Organizer Networks:	
RADIO	$ 1,000.00	Social Media Share by Event Venue:	
PROD/MISC	$ 4,000.00	Event Detail Web Listing by Event Venue & Ticketing Platform:	
TOTAL COSTS	$ 10,000.00	Event Detail Share via Organizational E-Blasts:	
MARKETING BUDGET	10,000.00	Radio PSAs:	
DIFFERENCE +/-	-	Press Release & Press Interviews:	
		Visit Austin Event Listings:	
		Community Event Listings:	

Courthouse Nights



LOCKHART, TX

APRIL 17TH
The Texas Gentlemen

MAY 15TH **Shinyribs**

JUNE 19TH **Soul Supporters**

JULY 17TH
Honey Island Swamp Band

AUGUST 21ST **Nightbird**
FLEETWOOD MAC & STEVIE NICKS TRIBUTE

Fridays • 7pm-10pm

South side of Courthouse Lawn

Application

Date: February 27, 2026

Organization Information

Name of Organization: Gaslight-Baker Theatre

Address: 216 S. Main

City, State, Zip: Lockhart, TX, 78644

Contact Name: Jason Jones Contact Phone Number: 512-563-6975

Web Site Address for Event or Sponsoring Entity www.mygbt.org

Non-Profit or For-Profit status: Non-profit Tax ID #:

Entity's Creation Date:

Purpose of your organization: Community Theatre

Event Information

Name of Event or Project: Restoration of Buildings

Date of Event or Project: 2025

Primary Location of Event or Project: Baker theatre. Main Auditorium

Amount Requested: $ $18,000

How will the funds be used:

The next project is to repair safety issues in the ceiling and the lighting grid and hopefully make room for some extra lighting. Also, as part of the project, we will be looking at floor repair and paint in the auditorium. The ceiling issue have to do with tile replacement. The grid (the apparatus that holds the theatre lighting) needs to be re-secured to the rafters. It may be possible to replace the current grid with something more lightweight that will still do the job. Some electrical work will be involved, but only replacement of old wires.

Primary Purpose of Funded Activity/Facility:

Safety and repair of existing structure with an eye to future expansion.

Percentage of Hotel Tax Support of Related Costs

_____ Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

80
_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities_____%

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☐ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and soundrecording,

and other arts related to the presentation, performance, execution, and exhibition ofthese major art forms : $_____

☒ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.** Amount requested under this category: $15,000

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under thiscategory: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or nearthe city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.** Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: _____

2. Expected Attendance: 7.986

3. How many people attending the Event or Project will use City of Lockhart hotels? ___

   Number of the people many nights will they stay: _____

4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: _____

5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
2023	15k some returned	
2024	15k	
2025	15k extended til ~~June~~	

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? _____

   We now have a tracking survey question built into our online ticketing and are advertising local hotels on the website and in our programs.

7. Please list other organization, government entities, and grants that have offered financial support to your project: None so far this year.

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?
N/A

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $_____
Radio: $_____
TV: $_____
Other Paid Advertising: $_____

Will bring these numbers to presentation

Number of Press Releases to Media _____
Number Direct Mailings to out-of-town recipients _____

Other Promotions _____

10. Will you include a link to local hotels on your website for booking during this event?
Already on our site but linking through Chamber of Commerce.

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?
Depends on shows and needs.

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

As listed above, we are trying out some new tracking and advertising models for our hotels.

13. What geographic areas does your advertising and promotion reach: All of Central Texas and a small percentage internationally

14. How many individuals will your proposed marketing reach who are located in another city or county? _____

Working through this currently. Will bring to presentation.

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):

Expected Attendance Monthly/Annually: 7,986 projected this year. We exceeded expectation by nearly 800 this year.

Percentage of those in attendance that are staying at area hotels/lodging facilities: Unknown %

Please Submit to:

City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Supplemental Information Required With Application: Along with the application, please submit the following:

_____ Proposed Marketing Plan for Funded Event

_____ Schedule of Activities or Events Relating to the Funded Project

Submit to: City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Application

Date: 27 FEB 2026

Organization Information

Name of Organization: GREATER CALDWELL COUNTY HISPANIC CHAMBER of COMMERCE

Address: 112 S MAIN ST, SUITE C

City, State, Zip: Lockhart, TX 78644

Contact Name: Rob Ozuna Contact Phone Number: 512-921-8000

Web Site Address for Event or Sponsoring Entity www.caldwellcountyhispanicchamber.com

Non-Profit or For-Profit status: VALID Tax ID #: 74-2811162 8

Entity's Creation Date: 1987

Purpose of your organization: Promote business within Caldwell County through community service, reinvestment in community, and the support economic development.

Event Information

Name of Event or Project: Cinco de Mayo 2026, Diez y Seis de Septiembre 2026
PROJECT: CARROZA del DESFILE

Date of Event or Project: MAY 1-2, 2026, SEP 11-12, 2026, 2026-27

Primary Location of Event or Project: Historic Downtown Lockhart

Amount Requested: $ 25,000 / 25000 / 15000

How will the funds be used: a) Funds will be used for the enhancement of our community events, which drive tourism to Lockhart. B) Investment in parade float to showcase our culture, Organization, and city in parades around the State of TEXAS.

Primary Purpose of Funded Activity/Facility:

Improve Quality of Events and Promotion of Industry

Percentage of Hotel Tax Support of Related Costs

30% Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

0 Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

0 Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 0 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☑ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $ 10,000

☑ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition ofthese major art forms : $ 40,000

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.** Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under thiscategory: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from anothercity or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or nearthe city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.** Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 30+ years
2. Expected Attendance: 2500 - 3000
3. How many people attending the Event or Project will use City of Lockhart hotels? 5%

   Number of the people many nights will they stay: 2
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: Yes 2-8
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
5/23 + 9/23	40,000	12
5/24 + 9/24	40,000	16
5/25 + 9/25	40,000	8

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? Reports from hotels
7. Please list other organization, government entities, and grants that have offered financial support to your project: n/a

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?
No admission Fee, Yes - Net Profit = $7000 - 10,000 each event

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $ ✓
Radio: $ ✓
TV: $
Other Paid Advertising: $ ✓

Number of Press Releases to Media 4
Number Direct Mailings to out-of-town recipients 0

Other Promotions Podcast, promotion & other events related

10. Will you include a link to local hotels on your website for booking during this event?
Yes

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?
No

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

None

13. What geographic areas does your advertising and promotion reach: Central Texas

14. How many individuals will your proposed marketing reach who are located in another city or county? 15,000

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):

    Expected Attendance Monthly/Annually: n/a

    Percentage of those in attendance that are staying at area hotels/lodging facilities: 5 %

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Application

Date: 2/27/2026

Organization Information

Name of Organization: Lockhart Chamber of Commerce

Address: 104 W. Market St.

City, State, Zip: Lockhart, Texas 78644

Contact Name: Megan Carvajal Contact Phone Number: 512-398-2818

Web Site Address for Event or Sponsoring Entity www.lockhartchamber.com

Non-Profit or For-Profit status: 501c6 Tax ID #: 74-0750055

Entity's Creation Date: 1935

Purpose of your organization: The mission of the Lockhart Chamber of Commerce is to promote a prosperous business environment for our members and enhance our community.

Event Information - Please see attached application event details including requested attachments

Name of Event or Project: Lockhart Hometown Spring Festival and Fair

Date of Event or Project: March 27, 2027

Primary Location of Event or Project:

Amount Requested: $

How will the funds be used:

Primary Purpose of Funded Activity/Facility:

_____

_____

_____

_____

Percentage of Hotel Tax Support of Related Costs

_____ Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities_____%

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☐ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $_____

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city**. Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: _____
2. Expected Attendance: _____
3. How many people attending the Event or Project will use City of Lockhart hotels? ___

   Number of the people many nights will they stay: _____
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: _____

   _____

   _____
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	**Assistance Amount**	**Number of Hotel Rooms Used**
_____	_____	_____
_____	_____	_____
_____	_____	_____

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? _____

   _____

   _____
7. Please list other organization, government entities, and grants that have offered financial support to your project: _____

_____

_____

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

_____

_____

_____

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $_____
Radio: $_____
TV: $_____
Other Paid Advertising: $_____

Number of Press Releases to Media _____
Number Direct Mailings to out-of-town recipients _____

Other Promotions _____

10. Will you include a link to local hotels on your website for booking during this event?

_____

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

_____

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

_____

_____

_____

13. What geographic areas does your advertising and promotion reach: _____

_____

14. How many individuals will your proposed marketing reach who are located in another city or county? _____

15. If the funding requested is related to a permanent facility (e.g. museum, visitor

    center): Expected Attendance Monthly/Annually: _____

    Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

HOT Application 2026

Lockhart Hometown Spring Festival & Fair — One-Day Event

Lockhart Hometown Spring Festival & Fair

Proposed Date: Last Saturday in March. March 27, 2027
Location: Downtown Square and adjacent downtown streets (Lockhart, TX)
Amount Requested (HOT): $15,000
Admission: Festival & Fair, FREE. Live Music Showcase, ticket price TBD

Event Summary

Lockhart Hometown Spring Festival (State Fair Edition) is a one-day celebration that brings the community together right in the heart of downtown—on the Historic Square and the surrounding streets—transforming it into a classic, small-town fair experience. Families and visitors can stroll through a lively "midway" of traditional state fair games hosted by local high school student groups, browse local makers and community booths, and enjoy the sights, sounds, and flavors that make Lockhart feel like home. At the center of it all, the Blue Ribbon Hall invites bakers of all ages to enter their best cookies, pies, cakes, and hometown favorites for friendly competition, complete with ribbons, community judging, and crowd-pleasing displays.

Throughout the day, the festival spotlights Lockhart pride with student performances, interactive activities, and a Living History Lane featuring short reenactments and storytelling moments inspired by the city's past. As the sun goes down, the energy shifts into an evening Live Music Showcase, inviting festivalgoers to stay downtown a little longer for a joyful night of hometown talent under the lights. With free admission and low-cost activities supported by local sponsorships, the Lockhart Hometown Spring Festival is designed to be welcoming, affordable, and unforgettable—a perfect weekend reason to visit, explore downtown, and experience Lockhart at its very best.

Primary Purpose of HOT-Funded Activity

To directly promote tourism and overnight visitation to Lockhart by marketing a signature, destination-worthy community festival that increases weekend travel demand, drives visitor spending, and supports local lodging through targeted regional advertising and hotel partner promotions.

Recommended HOT Funding Categories and Budget Allocation

HOT Category	Planned Use	Amount
(c) Advertising / solicitations / promotional programs	Paid ads, listings, creative production, visitor-facing materials	$9,000
(d) Promotion of the Arts	Student showcases + evening Live Music Showcase (promotion/production)	$5,000
(e) Historical preservation activities that promote tourism	Living History Lane interpretive materials and promotion	$1,000

How HOT Funds Will Be Used

- Geo-targeted paid social advertising (Austin/San Antonio/San Marcos corridor and surrounding counties) promoting the festival as a weekend destination.
- Paid event listings and calendar placements in regional tourism/event outlets to reach out-of-town audiences.
- Creative production for digital ads, event landing page graphics, and print-ready promotional assets.
- Visitor map, wayfinding, and welcome signage that improves downtown navigation and visitor experience.
- Promotion and production support tied to publicly accessible arts programming (such as student showcases and evening Live Music Showcase).
- Interpretive and promotional materials for Living History Lane (for example: program print, exhibit signage, ‘Then & Now’ photo display).
- Visitor survey tools (QR signage) and basic tracking for hotel impact measurement (lodging links, promo codes where applicable).

Required Form Responses (draft)

Years event has been held	0 (new event)
Expected attendance	3,500 (year-one estimate for free downtown event)
Estimated hotel users / average nights	180 visitors / 1 night average
Room block	Planned: 20–35 rooms Saturday night across participating local lodging partners (final hotels TBD)
Website includes hotel links	Yes — a ‘Stay in Lockhart’ page with direct lodging links
Hotel rate/package negotiation	Yes (planned) — request festival weekend rates or perks (late checkout, dining coupon, etc.)

How hotel impact will be measured	QR visitor survey + hotel partner feedback + tracking clicks to lodging links and any promo code usage
Geographic reach	Greater Austin, Greater San Antonio, San Marcos/New Braunfels/Seguin corridor, and nearby counties
Admission / profit use	Free admission; ticket price for evening concert. Any net proceeds reinvested into future community events, programming, and chamber operations.

Attachment 1: Proposed Marketing Plan (One-Day)

Objective:
Drive regional visitation and increase overnight stays by positioning the festival as a weekend destination experience (fair-style midway + downtown heritage + evening live music).

Target Markets:
- Austin metro
- San Antonio metro
- San Marcos/Kyle/Buda corridor
- New Braunfels/Seguin
- Nearby counties and regional travelers

Key Messages:
- Free entry on the historic square
- Blue Ribbon Baking Competition (State Fair-style)
- Student-run Midway games and prizes
- Lockhart Living History Lane reenactments
- Evening Live Music Showcase — 'stay the night in Lockhart'

Channel Strategy and Tactics:
- Paid social (FB/IG) geo-targeted to weekend travelers; creative emphasizes the evening music showcase to encourage overnight bookings.
- Search ads for weekend trip/event queries (Lockhart + nearby cities).
- Regional calendar/listing placements and partner distribution (tourism sites, community calendars).
- Press releases (Austin, San Antonio, regional) and outreach to lifestyle/event writers.
- Printed posters/rack cards placed in partner businesses in nearby cities and along the corridor.
- Hotel partner coordination: request festival weekend rates/perks, publish booking links, and promote 'Stay Saturday Night' callouts.

Measurement:

- QR-based visitor survey capturing origin + lodging behavior (staying overnight / where / nights).
- Hotel partner feedback after the event (occupancy notes; promo code usage if used).
- Website analytics: clicks to lodging links and page views for ‘Stay in Lockhart’.

Attachment 2: Schedule of Activities (One-Day)

Festival Hours:
10:00 AM – 10:00 PM (evening music showcase included)

Primary Location:
Downtown Square and adjacent downtown streets

Core Zones:
- Student Midway (classic state fair games + Prize Barn)
- Blue Ribbon Hall (baking/pantry/crafts exhibits + judging + awards)
- Living History Lane (short reenactments + ‘Then & Now’ displays + story stations)
- Main Stage (student showcases + evening Live Music Showcase)
- Local Vendor Market + Food Court
- Info/Welcome Booth + first aid/safety support

Sample Run of Show (draft):
- 10:00 AM — Festival opens; Midway and Market open
- 10:30 AM — Opening ceremony + featured student performance (band/choir)
- 11:00 AM — Living History Scene #1
- 12:00 PM — Blue Ribbon Hall judging begins; exhibits open to public viewing
- 1:00 PM — Student club spotlights + demonstrations (CTE, athletics challenges)
- 2:00 PM — Living History Scene #2 + downtown ‘Then & Now’ photo exhibit feature
- 3:30 PM — Blue Ribbon Awards announced on Main Stage
- 4:00 PM — Living History Scene #3 (final)
- 5:00 PM — Community recognition + sponsor thanks
- 6:30 PM–10:00 PM — Live Music Showcase (multiple sets; family-friendly; designed to support overnight visitation)
- 10:00 PM — Event closes; cleanup begins

Application

Date: 02/17/2026

Organization Information

Name of Organization: Lockhart Initiative for Tourism

Address: 102 S Commerce St

City, State, Zip: Lockhart, TX 78644

Contact Name: Tamara Carlisle and Christine Ohlendorf Contact Phone Number: 512-657-1850 / 512-940-4784

Web Site Address for Event or Sponsoring Entity hellolockhart.com

Non-Profit or For-Profit status: Non-profit Tax ID #: EIN 33-3128428

Entity's Creation Date: 01/29/2025

Purpose of your organization: The mission of the Lockhart Initiative for Tourism (LIT) is to attract visitors while preserving the unique character of our small-town community. We are dedicated to fostering a positive impact on our local economy and celebrating what makes our town exceptional. By promoting arts, culture, and heritage while providing resources, funding opportunities, and strategic partnerships; LIT seeks to advance Lockhart as a unique destination for events, exploration and enjoyment.

Event Information

Name of Event or Project: Lockhart Downtown Book Fair and Cemetery Tour

Date of Event or Project: October 2026

Primary Location of Event or Project: Downtown by Library and Lockhart Cemetery

Amount Requested: $ $15,000-25,000

How will the funds be used: Grant funds will support essential event infrastructure, including tent and chair rentals, as well as necessary equipment and hardware required for safe and efficient event setup.

Funding will also be allocated to secure and compensate entertainment acts associated with the events, ensuring high-quality programming for attendees.

Any remaining funds will be directed toward strategic promotion and marketing efforts designed to increase attendance, encourage overnight stays, and expand regional economic impact. This may include hosting featured authors and special guests whose participation enhances the cultural and educational value of the events.

Primary Purpose of Funded Activity/Facility:

These funds are critical to both launching a new community event and sustaining heritage events that no longer receive support from their founding organizations.

Support will enable us to introduce new programming that strengthens community engagement while also preserving longstanding traditions that reflect our region's cultural identity.

Together, these efforts ensure continued vitality, accessibility, and long-term sustainability for both emerging and legacy events.

Percentage of Hotel Tax Support of Related Costs

75% Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

Staff is Volunteer, entertainment is paid by contract

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 0 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐X **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $ 5,000

☐X **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $ $15,000-$20000

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐x **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $ 5,000

What tourist attractions will be the subject of the signs?

Event signage will celebrate the many dimensions of our community—highlighting its vibrant arts and humanities, distinctive culinary traditions (including beloved local barbecue), thriving retail and vintage districts, and positioning Lockhart as an inviting home base for memorable day trips throughout the region. By showcasing these experiences, we aim to inspire visitors to explore more deeply, extend their stays, and invest in our local culture and economy. Whenever possible, we will prioritize engaging local professionals and vendors, ensuring that the economic and creative benefits of these events remain within the community.

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 1 and 2nd year

2. Expected Attendance: ~500+

3. How many people attending the Event or Project will use City of Lockhart hotels? ~20

   Number of the people many nights will they stay: 1+

4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: N/A

5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
unknown		

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? We will survey short term rentals and hotels and report impact.

7. Please list other organization, government entities, and grants that have offered financial support to your project: We have not received any grant funding for 2026

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

Proceeds from these events will be reinvested to support future event planning and sustainability, while also providing financial benefit to valued community partners, including Friends of the Library (Book Fair) and the Caldwell County Museum (Cemetery Tour)

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $ 500
Radio: $ 500 (KLKT)
TV: $
Other Paid Advertising: $ 500

Number of Press Releases to Media n/a
Number Direct Mailings to out-of-town recipients

Other Promotions Social Media

10. Will you include a link to local hotels on your website for booking during this event?

Already included on our website

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

n/a

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

See attached marketing plan

13. What geographic areas does your advertising and promotion reach: Primarily Texas

14. How many individuals will your proposed marketing reach who are located in another city or county? 3,000

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):

    Expected Attendance Monthly/Annually: n/a

    Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

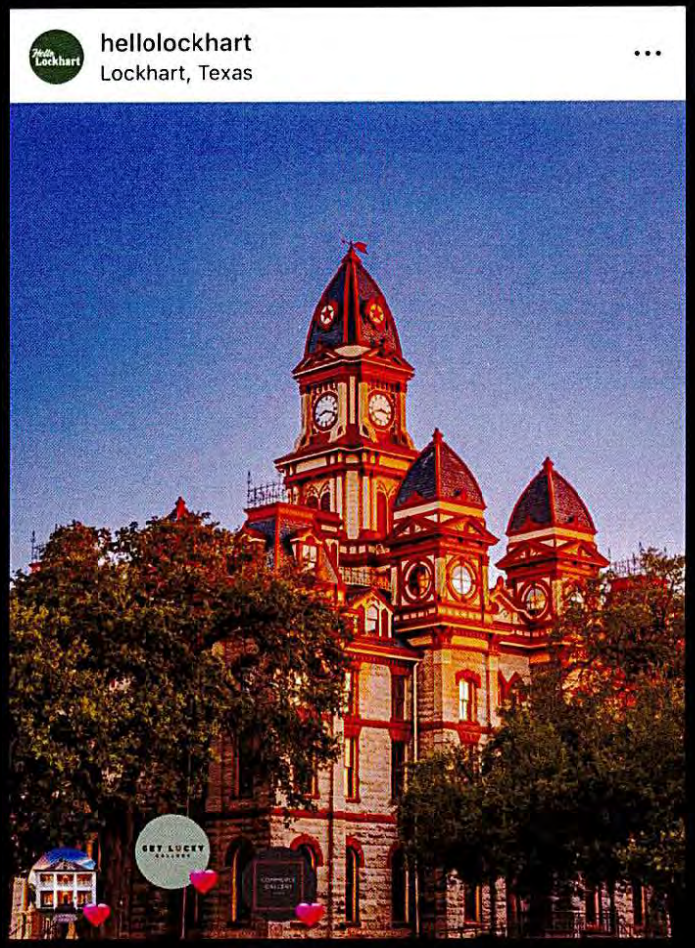
Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Lockhart Cemetery Tour & Downtown Book Fair

A celebration of literacy, storytelling, and community in the heart of Texas

READ EXPLORE STAY

LOCKHART INITIATIVE FOR TOURISM



Marketing Overview & Timeline

A phased promotional campaign builds anticipation from early awareness through event day, leveraging digital content, community partnerships, and on-the-ground outreach.



1

Save the Date

Initial post with sizzle reel from last year's event to generate early buzz

2

New Content Drop

Fresh promotional content captured and released as event approaches

3

Teaser & Tickets

Teaser posted when ticket link goes live — 5 weeks out from event

4

On-the-Ground Push

Posters placed at local businesses starting mid-September

SPECIAL EVENT

Cemetery Spirit Tour — Schedule of Events



A unique immersive experience combining history, storytelling, and community spirit — all included in one ticket.

01

Arrive & Park at Mill Scale

Restrooms available on-site

02

Board Hay Ride Trailer

Tractor-pulled ride to the cemetery

03

Flow Through Spirit Locations

Experience all spirits at each stop along the route

04

Pavilion Gathering

Post-tour snacks & beverages included in ticket

05

Hay Ride Return

Total experience: approximately 1 hour 20 minutes

Marketing Objectives

The campaign is designed to grow the Book Fair's reach, deepen community pride, and position Lockhart as a cultural destination — with the historic library as the focal point.

Grow Attendance

Increase overall attendance year-over-year

Attract Regional Visitors

Encourage overnight stays from surrounding communities

Cultural Destination

Further Lockhart as a vibrant cultural hub

Drive Foot Traffic

Support local businesses, restaurants, and retail

Community Pride

Strengthen awareness of literary arts and heritage programming

CHAPTER 3

Target Audiences

Primary Audiences

- Families and readers within a 50–75 mile radius
- Book clubs and literary groups
- Educators, librarians, and students
- Cultural tourists seeking arts & humanities experiences

Secondary Audiences

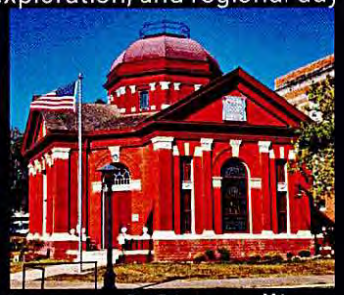
- Visitors drawn to Lockhart's culinary reputation (barbecue tourism)
- Regional day-trippers from Austin, San Antonio, and surrounding communities
- Heritage and history enthusiasts



CHAPTER 4

Branding & Messaging

All marketing materials will position the Book Fair as more than a literary event — it's a full weekend experience of shopping, dining, historic exploration, and regional day trips.



Literacy & Storytelling

A celebration of community through the power of stories



Cultural Hub

Lockhart as a vibrant destination beyond its culinary identity



Meet Local Authors

Opportunities to meet authors and engage in literary programming

> **Conceptual Taglines:** "Stories That Bring Us Together" · "Read. Explore. Stay."

CHAPTER 5

Digital Marketing Strategy

Website

Utilize hellolockhart with link to Book Fair landing page featuring event details, author lineup, and full schedule

Social Media

Coordinated content on Instagram with cross-posts to Facebook. Author spotlights, countdown reminders, and cross-promotion with community partners and local businesses — including tie-in activities, menu items, and signature drinks with literary references

Email Marketing

Segmented messaging to educators, book clubs, and attendees from regional events. Details shared to Lockhart Downtown Business Association for logistics and digital shares

CHAPTER 5 CONTINUED

Print, On-the-Ground Promotion & Media

→ Poster Distribution

Event posters distributed throughout Lockhart and neighboring cities

→ Promotional Signage

Highlighting arts, retail, dining, and lodging options

→ Community Outreach

Outreach to libraries, schools, and independent bookstores

→ Event Calendars & Print Ads

Inclusion in community and regional event calendars; purchase print ads with possible features from local publications

CHAPTER 6

Budget Allocation & Evaluation

Marketing Budget May Support

- Website maintenance & hosting
- Graphic design services
- Paid social media advertising
- Printing & distribution
- Media outreach & photography

Success Metrics

Attendance Numbers	Social Media Reach & Engagement
Website Traffic Analytics	Lodging & Partner Feedback
Post-Event Surveys	Economic Impact Observations

☆ EVENT DAY

Welcome & Library Experience

The historic library serves as the heart of the Book Fair, greeting visitors with curated window displays and interactive touches that set the tone for the day.

📚 Window Displays

Library windows showcase event highlights and list sponsors/supporters

📖 Fun Book Signs

Playful signs around booths — e.g., "Books...the original hand held device!" and "Yay books!"

🏷️ Commemorative Stamps

Book stamps available at booths — a commemorative stamp to show purchases at the Book Fair



10:00 AM – 12:00 PM

Morning Programming

10:00 AM — All Booths Open

The fair kicks off! All vendor booths are live and ready for visitors.

10:00 AM — Reading Is Fundamental

Volunteers give away children's books to the first 200 kids at their booth (until supplies run out).

10:30 AM — KLKT Radio Remote

Live radio broadcast reporting from Downtown Lockhart.

10:45 AM — Spanish Storytime

Community member reads a book in Spanish for storytime.

11:00 AM — Local Author Spotlight

Meet & greet with signing featuring local Lockhart authors.

12:00 PM – 1:30 PM

Midday Highlights



12:00 PM — Live Fire Demo

Live fire demonstration with sampling at booth featuring cookbooks, grilling, and Texas books for purchase



12:15 PM — Dr. Seuss Promo

Cat in the Hat character mingling with attendees. The Foot Book paired with Fruit by the Foot samples!



1:00 PM — Author Book Signing

Featured author book signing with commentary



1:30 PM — State Park Booth

State Park staff promoting Book Walks at the park

Courthouse Nights

Lockhart TX

2026 HOT Applicant





What is Courthouse Nights?

Courthouse Nights brings the ENTIRE community together through music.

CN is a family-friendly, monthly concert series on the Caldwell County Courthouse lawn in Lockhart, TX. It is held from April to August every year. This series is a free concert which aims to bring a different genre of music each month in hopes to represent Lockhart's rich, diverse community. **CN is a non-profit organization.**

COURTHOUSE NIGHTS GOALS

01

Create a fun & safe atmosphere for connecting our entire community.

Located on our beautiful downtown square.

02

Foster a sense of unity through the arts.

Free concert so all can partake and enjoy.

03

Show off our beautiful downtown square.

By not allowing outside vendors, we encourage all to shop on our square for food, drink and other concert needs.

Why are grants so important for us?

And Why Do We Need You?



Each year, we reach out to our community to offer sponsorship opportunities. With Lockhart's continued growth, more businesses and individuals have the chance to support and give back to their community. While growth brings new opportunities, we also recognize that it has increased the level of competition within the sponsor pool.

We need you because:

- We want to keep CN free for the community!
- Each month costs roughly $6k to produce.
- We want to be able to advertise outside of town.
- We want to hire a professional production team.
- We want to pay artists what they should be paid.
- We would like to hire a staff.

WHERE DOES THE GRANT MONEY GO?

We've had 4 successful seasons of fun for the community thanks to our sponsors and grants.



Insurance

We need to keep all safe and sound.

$350/month



Talent

We hire popular bands from the central texas area who are fun for all.

$2500-5000/month



Staff

We hire a LOCAL and professional team every season.

$2100/month



Marketing

- Signage/Banners
- Content Creation
- On-line presence
- Wearable marketing
- Radio/print advertising (hopefully)

$1000/month

What Kind of Economic Impact Does the Series Have on Lockhart?

CN is 100% Vendor-Free!

We want to highlight our beautiful downtown square!

This translates to highlighting our local businesses! Each month we have an average of 500 people on our square both locals and out of town visitors.

2025 data pulled from several restaurants directly on the square showed an average of 60% sales increase on CN Fridays compared to non-CN Fridays from April-August, most of which even surpassed First Friday numbers.

Data off the square shows an increase in Airbnb sales and hotel stays on CN weekends. We are also told consistently by new residents that they moved here because of a CN experience. That’s powerful!



Courthouse Nights promotes tourism AND celebrates our community!

We would be honored to be awarded a 2026 HOT grant!

Our popularity is growing! We also now have a board to help with planning, operating and managing. We really hope to partner more with the City of Lockhart and the Economic Development Team to promote this series as a way to generate more economic growth for our businesses, tourism and hotel industries here in Lockhart.

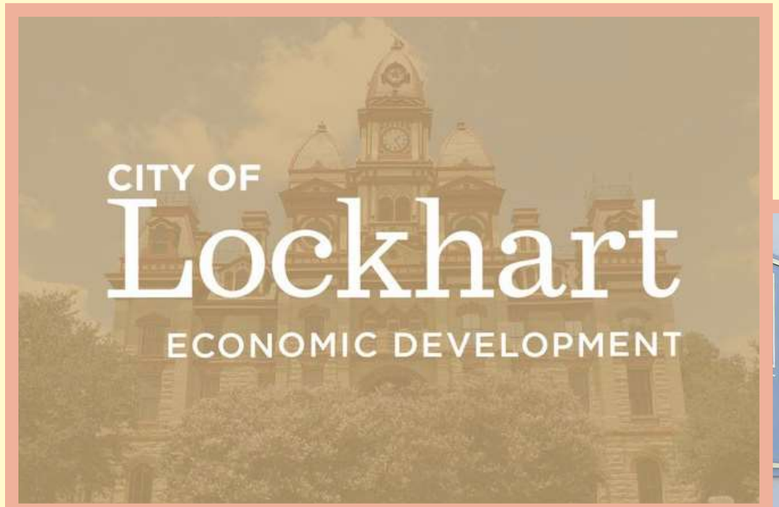


AWARDS & GRANTS

- 2023 City of Austin’s Live Music Fund Awardee

- 2024 & 2025 City of Lockhart Hotel Occupancy Tax (HOT) Awardee

- City of Lockhart “Best Of” Awardee
  - 2021-2024 Best Community Event
  - 2022-2024 Best Live Music Venue







Courthouse Nights

FREE EVENT • BYOB • FREE EVENT

LOCKHART, TX

APRIL 17TH **The Texas Gentlemen**

MAY 15TH **Shinyribs**

JUNE 19TH **Soul Supporters**

JULY 17TH NEW ORLEAN'S OWN **Honey Island Swamp Band**

AUGUST 21ST FLEETWOOD MAC & STEVIE NICKS TRIBUTE **Nightbird**

Fridays • 7pm-10pm

South Side of Courthouse Lawn

Courthouse Nights

Lockhart TX

Thank you!

See ya’ on the lawn April 17th!



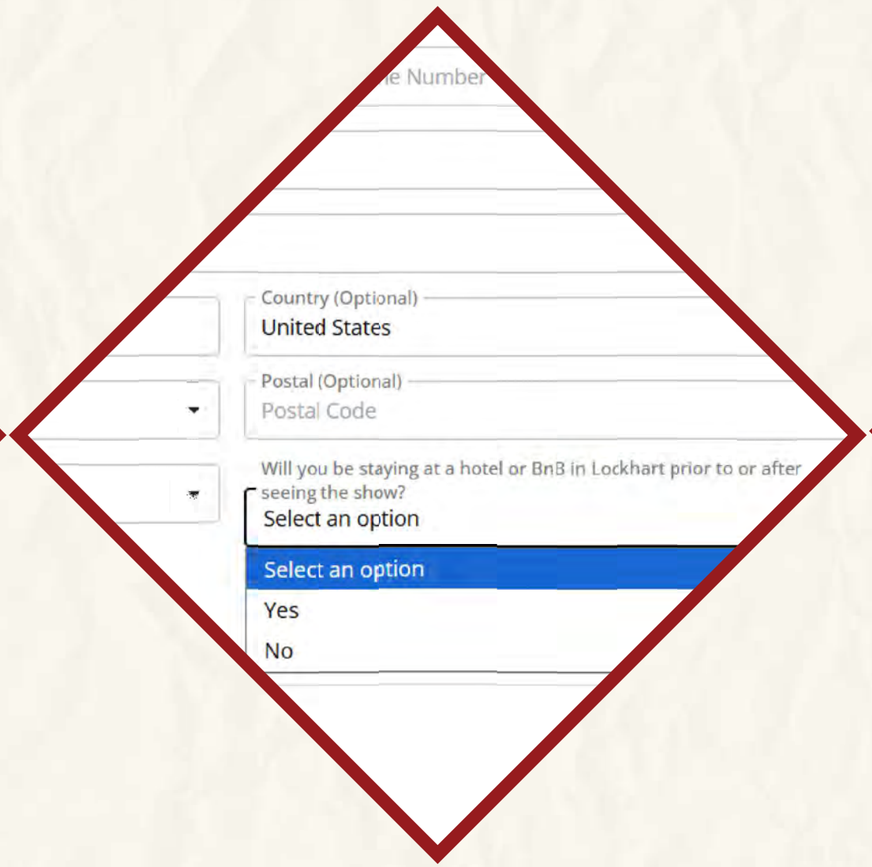
GASLIGHT-BAKER THEATRE HOT FUNDS

Invest in us to Invest in the Community

SEE A PLAY, THEN STAY INITIATIVE

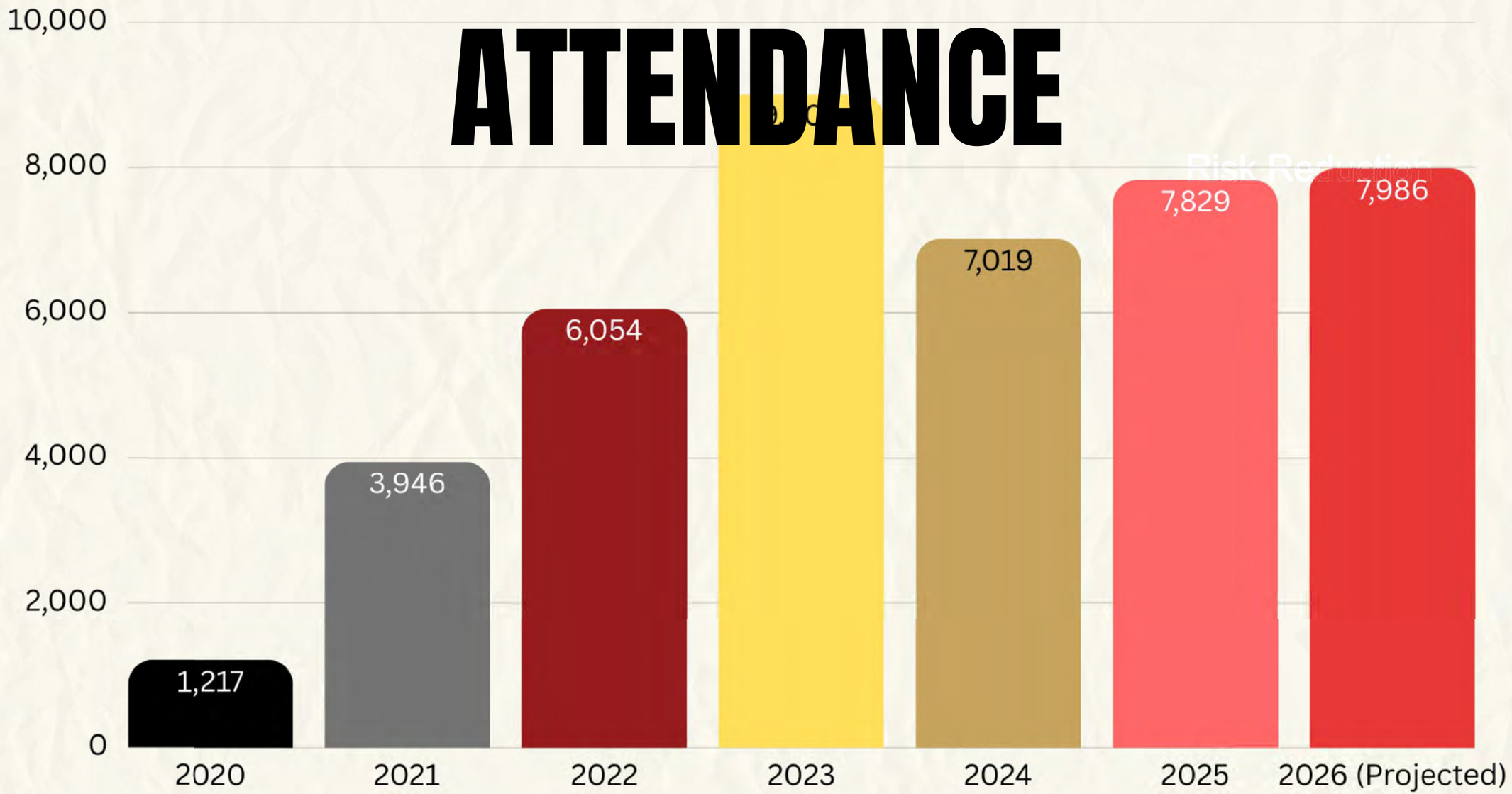
Through our “See a Play, Then Stay” initiative, Gaslight - Baker Theatre promotes local hotels on our ticketing platform, season programs, and website, encouraging visitors to turn a night at the theatre into an overnight stay in Lockhart.







YEARLY ATTENDANCE





VOLUNTEERISM ×××

Gaslight - Baker Theatre is 100% volunteer - run, with an estimated 500 volunteers each year contributing their time and talent on stage, backstage, and behind the scenes to bring live theatre to Lockhart and its visitors.

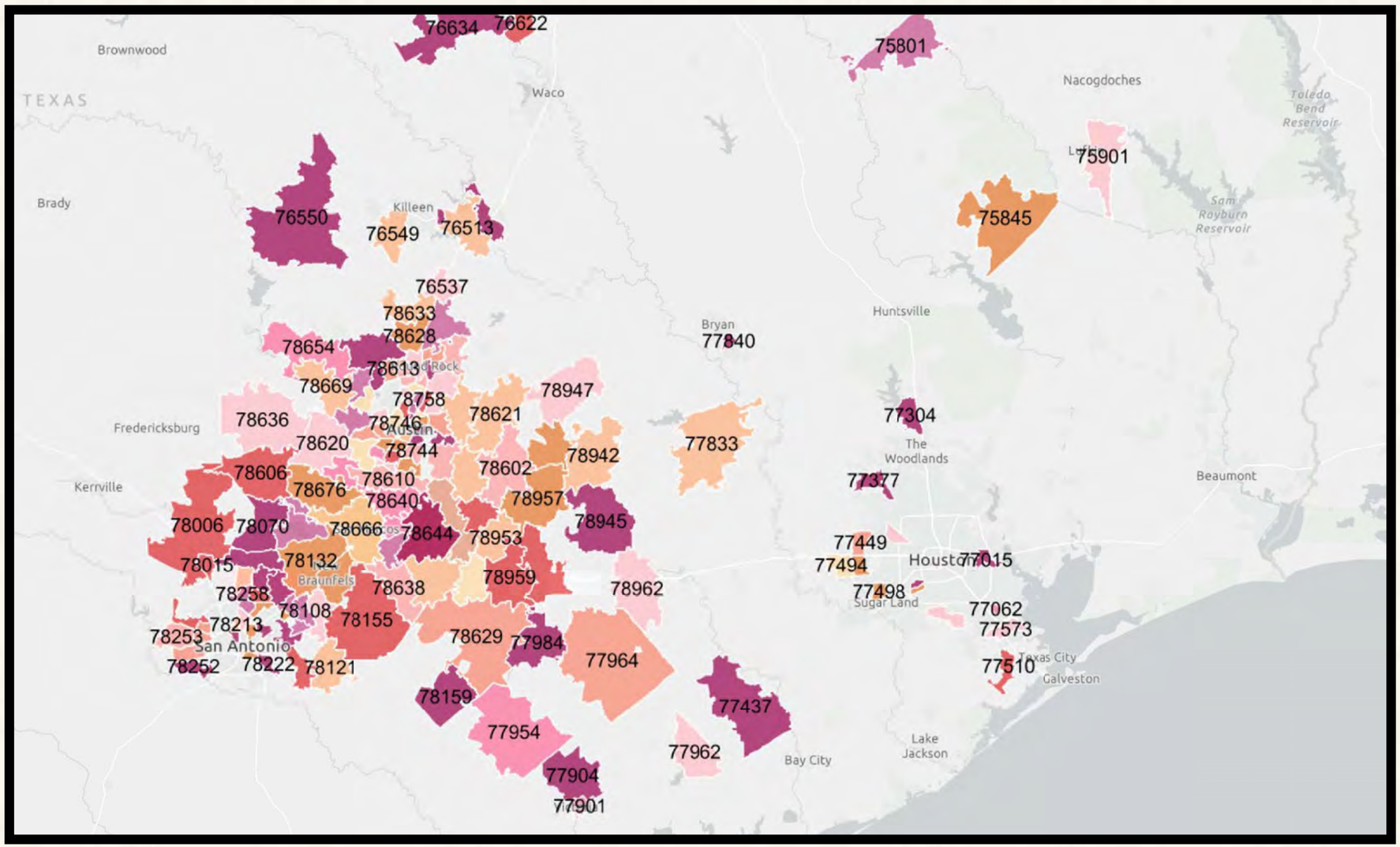
EDUCATION AND GROWING PROGRAMS

Gaslight - Baker Theatre continues expanding arts education with Spring Break Camp, five Improv Summer Camps, and Musical Theatre Camp, plus new programs like Homeschool Theatre, Singing for the Actor (Kids), Musical Theatre Dance, Tap Dancing, and an all - ages improv group for newcomers.

We are Growing! New Classes 2026: Adult Tap, Adult Musical Theatre Dance, and a Director's Apprenticeship Program

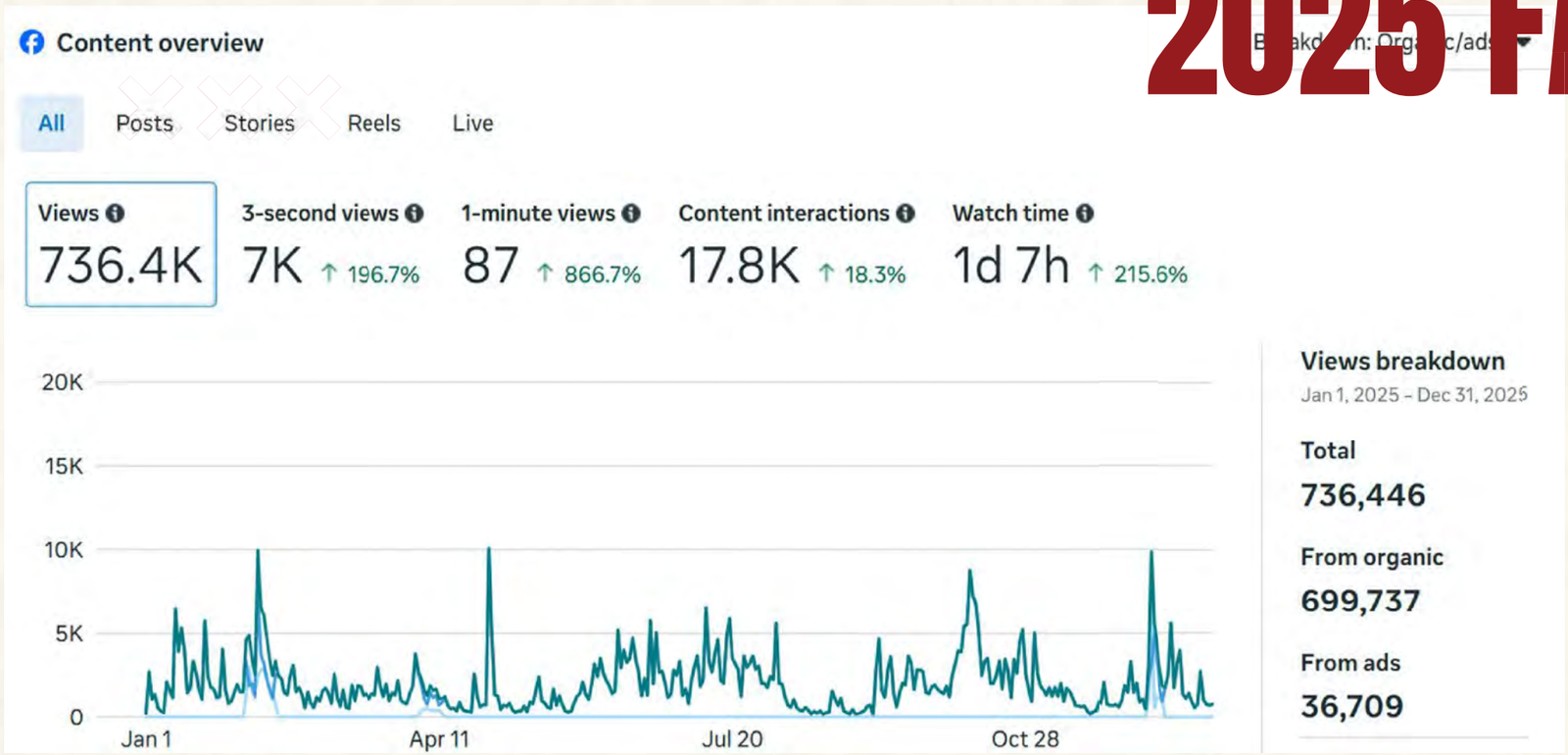


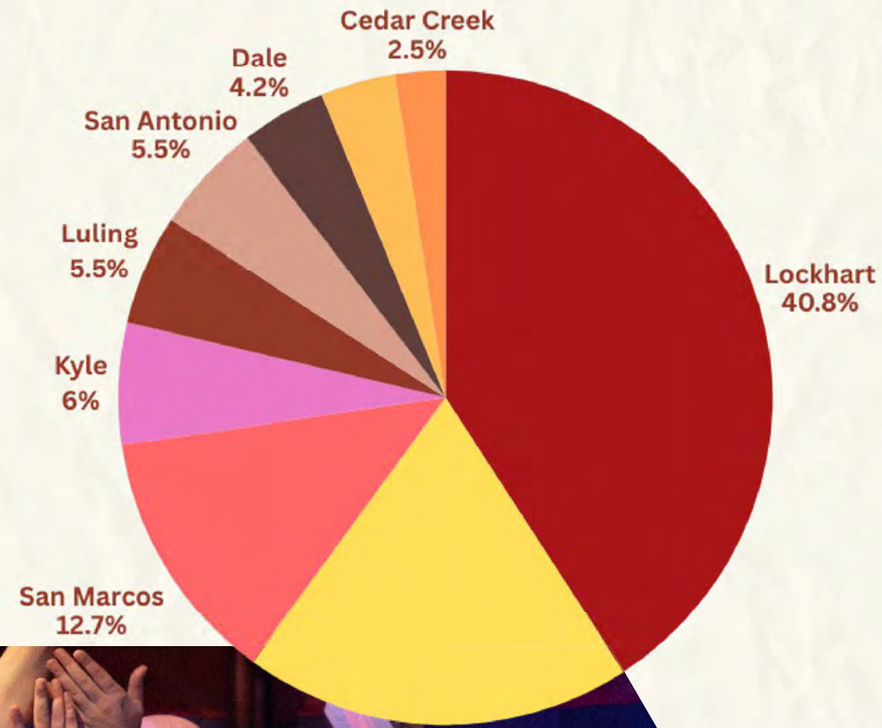
TICKETS BY ZIP CODE





2025 FACEBOOK REACH





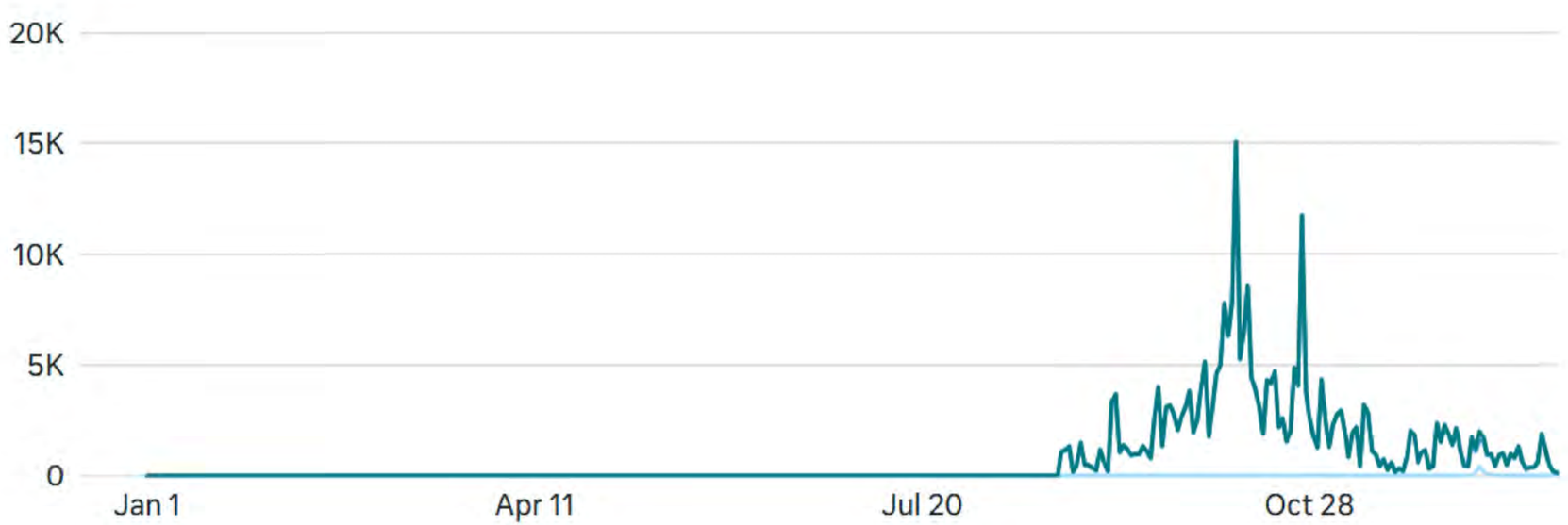


2025 INSTAGRAM REACH

Views 281.4K

Reach 23.4K ↑ 57.8%

Content interactions 5.7K ↑ 100%



Views breakdown

Jan 1, 2025 – Dec 31, 2025

Total

281,373

From organic

280,501

From ads

872



INTENDED HOT FUND APPLICATIONS

Gaslight Baker THEATRE

For 2026, Gaslight - Baker Theatre is requesting $18,000 to fund key restorative and safety improvements to our auditorium and building, including replacing the drop ceiling, reinforcing the lighting grid, and restoring the flooring, ensuring a safe, welcoming, and well - maintained space for audiences, volunteers, and visitors to Lockhart.



THANK YOU

Thank you for supporting Gaslight-Baker Theatre and our mission to bring live theatre, education, and visitors to Lockhart.

MyGBT .org

GREATER CALDWELL CO.

HISPANIC

CHAMBER OF COMMERCE

Supporting Culturally-Relevant Tourism in Lockhart through Hotel Occupancy Tax Funding for 2026.

Presented to HOT Funds Committee and Lockhart City Council, March 12, 2026.



Our Mission

Promote business and culture in Caldwell County

Our Network

Partnering with 65+ local businesses

Our Status

501(c)(3) non-profit organization since 1987

Our Funding Makes an Impact:

Scholarships

$15,000 provided to Caldwell County Graduating Seniors through a rigorous application process.

Community Engagement

This year, we hosted Cinco de Mayo and Dies Y Seis festivals, 5K and 10K races, and a Royal Court Competition for Young Women.

Supporting Businesses

Our ribbon cutting ceremonies and networking events support businesses throughout the county.

SCHOLARSHIPS & EDUCATION





SCHOLARSHIPS & EDUCATION





COMMUNITY EVENTS & ENGAGEMENT









COMMUNITY EVENTS & ENGAGEMENT









COMMUNITY EVENTS & ENGAGEMENT







SUPPORTING BUSINESSES





SUPPORTING BUSINESSES





BUSINESS RECOGNITION

Each year, we celebrate our local business and community leaders through our networking and awards gala.



HOT Funds & Economic Impact



Tourists

Come from outside Caldwell County to visit our festivals and events.



Attendees

On average per event weekend.



Annual Spending

Direct Revenue for Local Businesses & Hotels

PROPOSED USES OF HOT FUNDS



MARKETING

20% of Funds to target tourists in Austin and San Antonio



INFRASTRUCTURE

30% of Funds to apply to stage and sound equipment, as well as security and facilities for our annual events



PROGRAMMING

50% of our Funds to acquire performers and artists to headline our events; supporting the Cinco de Mayo 5K/10K races that draw visitors and athletes from surrounding areas

CONCLUSION

GCCHCC has a demonstrated ability to drive tourism through its annual cultural events. The availability of these funds to continue to enhance our presence in the Central Texas area is vital to driving up the attendance and local impact of these festivals. Please recognize this as an investment that helps keep Lockhart as a hotspot for tourism, culture, and fun. This will only benefit local hotels, businesses, and other attractions.



Spellerberg Projects

Lockhart HOT
March 2026



Update on the Lockhart Cultural District

Courthouse Nights

LOCKHART INITIATIVE FOR TOURISM

KL 107.9

Gaslight Baker THEATRE

78644

Spellerberg Projects

soundwavesart

Update on the Lockhart Cultural District

Complete:

Letter of Intent Submitted January 27

Upcoming:

Full application Due June 15

Also:

TCA Arts Respond Due July 15



What is Spellerberg Projects?

501(c)(3) artist-run center on the Lockhart square

10 years of operation

60+ exhibitions

Visiting artists from across the U.S. and internationally

Free and open to the public



Visiting Artist, 2023–27

Texas:

3 from Dallas
2 from San Antonio
1 from Abilene
1 from Corpus Christi

Out of State:

3 from Brooklyn, NY
2 from Chicago, IL
1 from Arkansas
1 from Cincinnati, OH
1 from Fairfield, Iowa
1 from Lincoln, NE
1 from Miami, FL
1 from Nashville, TN

International:

1 from Germany
1 from Denmark
1 from Canada

Our Audience

First Friday receptions average 170 visitors

62% from outside Lockhart

44% from Austin

65% first-time visitors



The Ask

$5,000 total

$2,800 for visiting artist lodging (Category D)

$2,200 for tourism marketing (Category C)

23% of total program cost



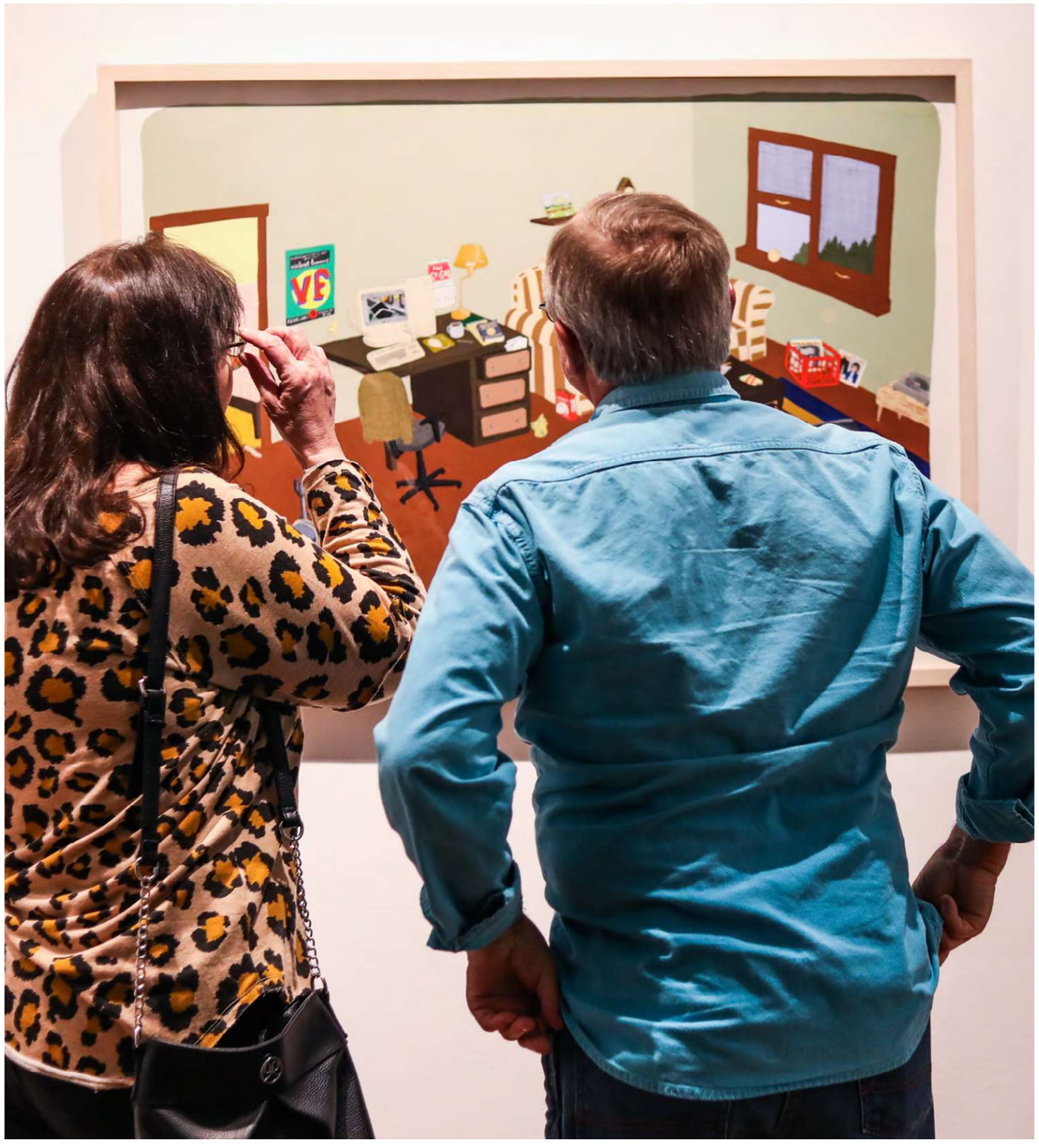
Lodging

Covers overnight stays for 10-12 visiting artists per year

Average: 2 nights at ~$118/night

HOT dollars go directly to Lockhart hotels

Without this support, we limit invitations to artists who can cover their own travel

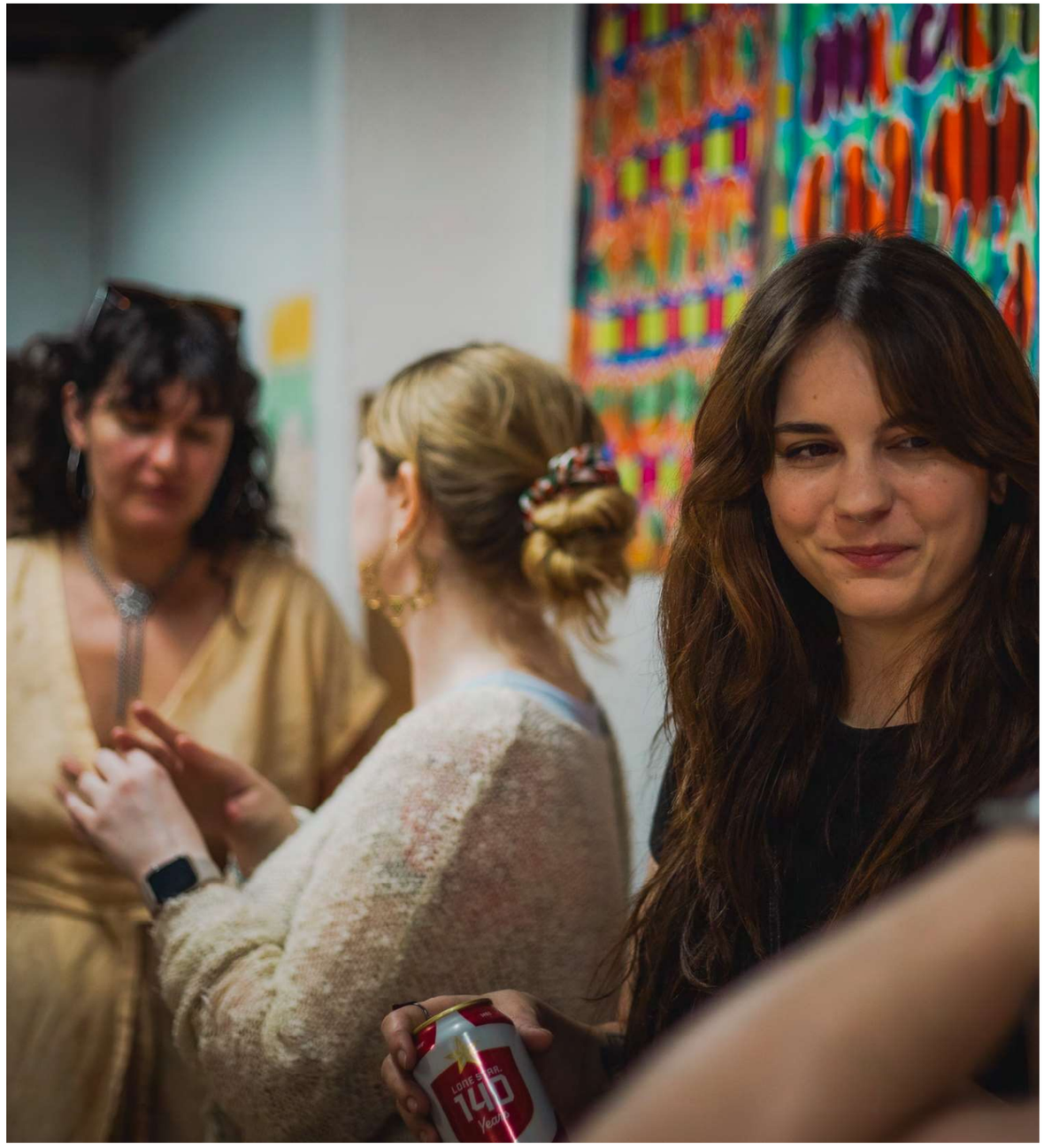


Marketing

Event calendar submissions (Visit Austin, Do512, 365 Things)

Digital ads targeting Austin, San Antonio

Email newsletter
Instagram promotion
Web analytics



How We Measure Impact

Direct documentation of every visiting artist hotel stay

Visitor surveys: geographic origin, first-time vs. return, overnight stays



What's Ahead

2026-27 season: 12 exhibitions, 10+ visiting artists

Andy Warhol Foundation grant pending ($30,000)

Our program is growing. This investment helps us expand tourism impact!



Thank You

Spellerberg Projects
103 S Main St, Lockhart

Marty Spellerberg
marty@spellerberg.org

spellerbergprojects.com



City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Presentation and discussion of the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2024-25 Annual Comprehensive Financial Report (annual financial audit) by BrooksWatson & Company, PLLC., an independent public accounting firm.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

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 fifth and last year for BrooksWatson & Company, PLLC to perform the City's annual audit.

BrooksWatson & Company, PLLC has issued an **unmodified (clean)** opinion. An unmodified 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 2025 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.

The City has been awarded a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for six consecutive years. The current Annual Comprehensive Financial Report for FYE 2025 will be submitted to the GFOA to determine eligibility for another certificate.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:
Funds Required:
Account Number:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

Funds Available:
Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends acceptance of the audited FY 2023-2024 Annual Comprehensive Financial Report.

LIST OF SUPPORTING DOCUMENTS: Final Audit 9.30.25



CITY OF LOCKHART, TX

2025

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2025


Lockhart
TEXAS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

of the

City of Lockhart, Texas

For the Year Ended
September 30, 2025

Prepared by

Finance Department


Lockhart
TEXAS

City of Lockhart, Texas

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September 30, 2025

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Lockhart
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INTRODUCTORY SECTION

Lockhart

March 17, 2026

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, 2025, 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, 2025. 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 are 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 most recent U.S. Census Bureau reporting, the estimated population of the City of Lockhart is 18,591, 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 18,591 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 populations of approximately 18,591 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 790 teachers, professionals, and support staff.

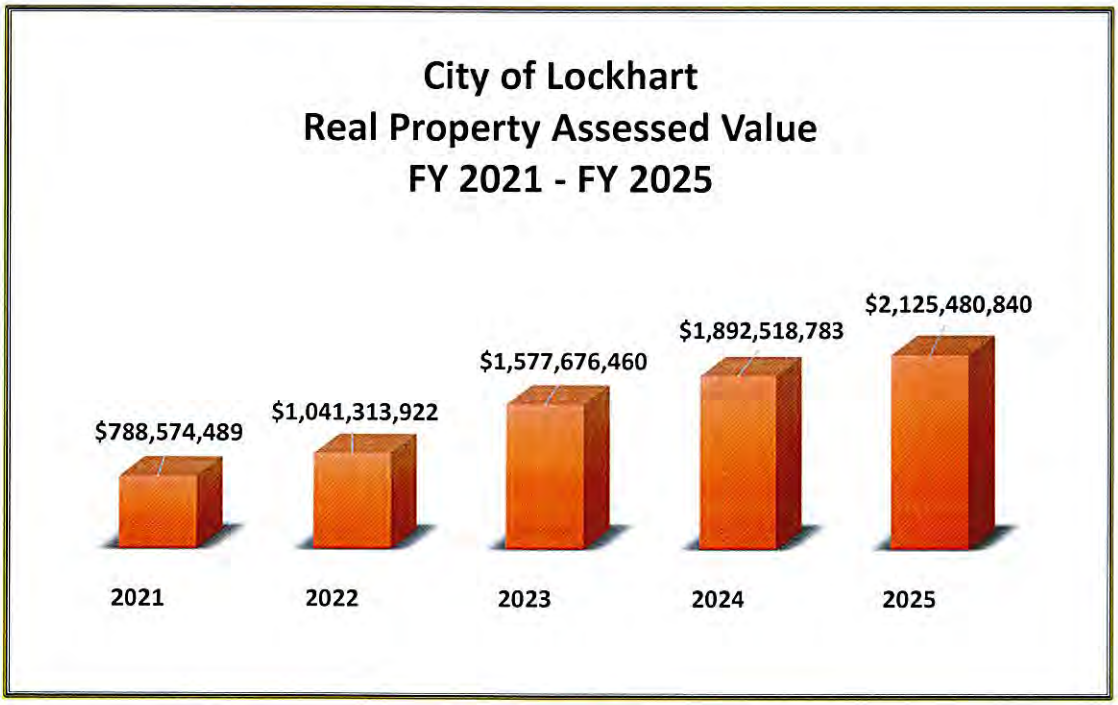
In 2020, the COVID-19 pandemic created an unprecedented situation for the City of Lockhart and for every municipality across the United States, but with it brought the passage of the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Coronavirus Response and Relief Supplemental Appropriations 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 to be used for further economic relief from the COVID-19

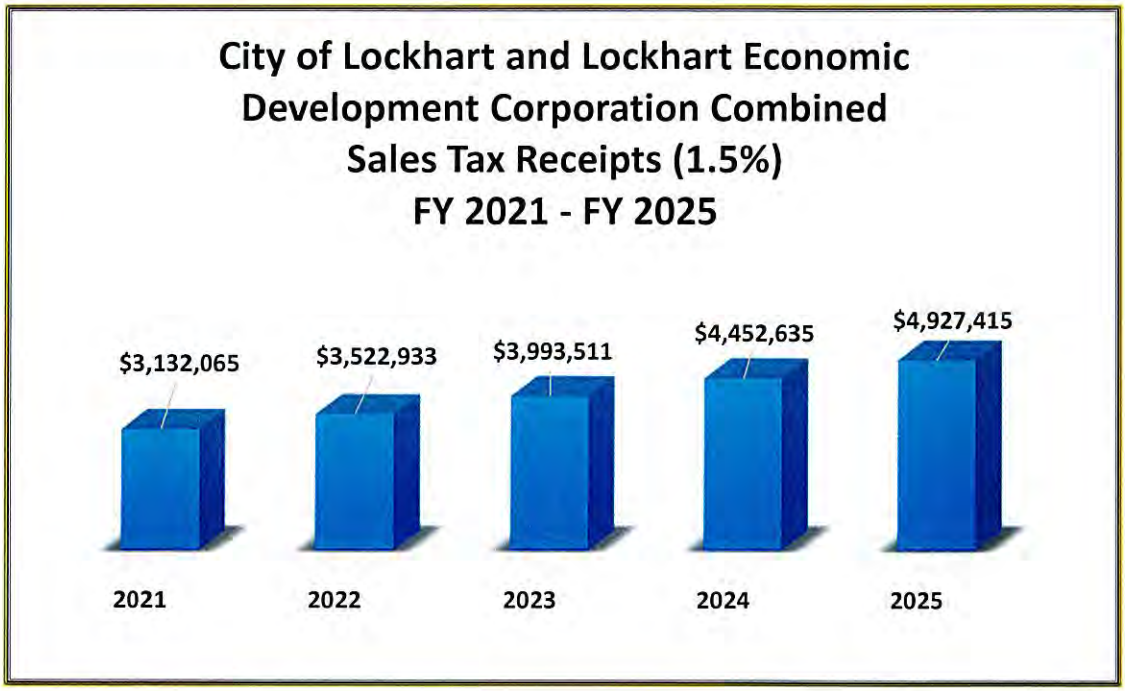
pandemic. The broad eligible uses for ARPA funds include COVID-related expenses (directly or indirectly), premium pay for essential workers, government service programs under certain circumstances, necessary improvements in water, sewer, or broadband infrastructure (whether related or not to COVID-19), and revenue replacement. The City Council approved the spending of ARPA funds in Fiscal Year 2022 for the much needed improvements to water and sewer infrastructure and revenue replacement. The City Council formally obligated the remaining ARPA funds in December 2024 to various projects associated with Animal Services, Library, Fire, Parks & Recreation, Police, and Public Works. The City must expend all remaining funds by December 31, 2026.

Due to the stable economy, the City of Lockhart has a credit rating of AA- from Standard and Poor's as of July 2025. Over the past 10 years, the City has experienced significant economic growth and investment. The City's population is growing at a steady rate, increasing at 29.3% over the last five years. The growth of Austin and San Antonio metro areas is spreading toward Lockhart but at a slower pace than neighboring counties.

The City experienced consistent growth in real property assessment values from Fiscal Year 2021 through 2025 (see chart below). The City anticipates this positive trend to continue due to the construction of multiple subdivisions and the increase in assessed values of current properties; both are attributable to an increase in local population and growth pressures of Central Texas on the regional housing market.



The last five years the City of Lockhart has seen a significant increase in collections of the total 1.5% tax rate on retail sales within the city due to new businesses and a healthy area economy. The 1.5% rate is comprised of 1% allocated to the City's General Fund and 0.5% allocated to the Lockhart Economic Development Corporation. Sales tax collections for 2025 were at an all-time high according to the City's revenue history.



Long-term Financial Planning

The City Council approved a budget that maintained the general fund balance at 36% for Fiscal Year 2025. This is above the 25% minimum reserve required by the Fund Balance – Stabilization and Excess of Reserves Policy. The City of Lockhart's maintains a sound financial position due to conservative budgeting practices and internal expenditure controls, as evident from its strong fund balances.

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 consistent 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. The Financial Policy is

also approved by the City Council which provides more comprehensive guidelines and internal accounting controls and procedures. The annual adoption of these policies reaffirm the City of Lockhart's commitment to strengthen our financial policies in alignment with current best practices in governmental accounting and incorporate recommendations from our annual audit review process.

Major Initiatives

The City started construction on the approved historic downtown revitalization project with an anticipated completion date in Fiscal Year 2026. The City issued Certificates of Obligation in the amount of $20,000,000 to fund various capital projects including: design and construction of the new aquatics facility, acquisition and renovation of an indoor recreation center, upgrades to the existing City Hall, land acquisition for a future police and/or fire facilities, and other improvements to existing City parks. In addition, the improvements to wastewater utility lines and street and sidewalk improvements also continued through the fiscal year.

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, 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 for Excellence in Financial Reporting

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 (ACFR) for the fiscal year ended September 30, 2024. 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. This is the sixth year in a row which the City has received this award. We ensure that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting the ACFR for fiscal year ended September 30, 2025 to the GFOA to determine its eligibility for another certificate.

Acknowledgements

We would like to express our sincere appreciation to the City's employees for their dedication and commitment to the City, especially those responsible for the maintenance of records upon which this report is based. The preparation of this report would not have been possible without the skill, effort, and dedication of the administrative staff and the finance department. Acknowledgement is given to representatives of BrooksWatson & Company, PLLC for their assistance in producing the final product.

Finally, appreciation is given 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,

Joseph Resendez, City Manager

Keeli Michna, Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Lockhart
Texas

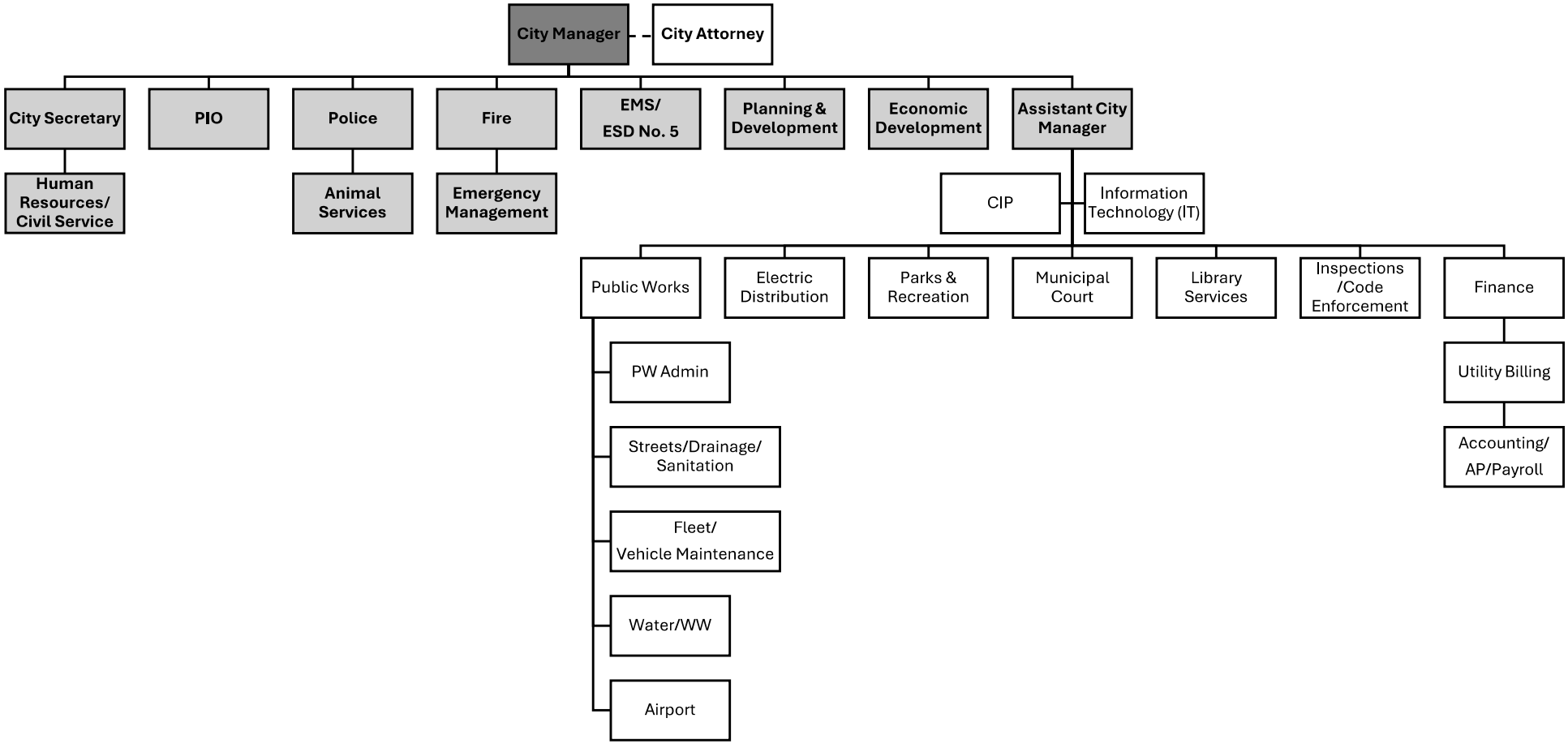
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024



Executive Director/CEO

City of Lockhart
Organizational Chart



City of Lockhart, Texas

ELECTED AND PRINCIPAL OFFICIALS

September 30, 2025

City Council

Lew White	Mayor
Angie Gonzales-Sanchez	At-Large
Brad Westmoreland	At-Large
Juan Mendoza	District 1
John Castillo	District 2
John Lairsen	District 3
Jeffry Michelson	District 4

Principal Officials

Steve Lewis	City Manager
Joseph Resendez	Assistant City Manager
Keeli Michna	Finance Director
Julie Bowermon	City Secretary/Human Resources Director
Gary Williamson	Police Chief
Randy Jenkins	Fire Chief
Sean Kelley	Director of Public Works


Lockhart
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FINANCIAL SECTION


Lockhart
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BROOKSWATSON & CO.
CERTIFIED PUBLIC ACCOUNTANTS

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, 2025, 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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, the City restated beginning net position for the business-type activities and EMS fund to correct prior year accounting errors. In addition, the City restated beginning net position for governmental activities due to the implementation of GASB 101-Compensated Absences. Our opinion was not modified with respect to these matters.

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.

BrooksWatson & Co.
Certified Public Accountants
Houston, Texas
March 17, 2026


Lockhart
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City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2025

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, 2025. 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, 2025 by $71,828,755. Of this amount, $9,458,366 (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 $2,231,199. Approximately 61% 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 $37,128,521 at September 30, 2025, an increase of $14,882,821 from the prior fiscal year; this includes a decrease of $5,497,038 in the general fund, an increase of $20,002,853 in the 2025 CO fund, and an increase of $377,006 in the nonmajor governmental funds.

- At the end of the fiscal year, unassigned fund balance for the general fund was $6,843,781 or 30% 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 details 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.

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, of 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 30-35 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.*

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 and 2025 CO fund which are considered to be major funds. 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 and debt service 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 36-39 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 electric, water and wastewater utilities, sanitation, EMS, and airport 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 40-49 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 53-103 of this report.

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 $71,828,755 as of September 30, 2025, in the primary government.

A portion of the City's net position, $43,972,261 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 $18,398,128 represents resources that are subject to external restrictions on how they may be used. The remaining balance of $9,458,366 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.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2025			2024		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	$ 40,334,455	$ 22,001,344	$ 62,335,799	$ 24,274,785	$ 24,844,338	$ 49,119,123
Capital assets, net	33,616,666	67,247,447	100,864,113	27,585,771	65,094,607	92,680,378
Total Assets	73,951,121	89,248,791	163,199,912	51,860,556	89,938,945	141,799,501
Deferred Outflows of	1,057,019	321,187	1,378,206	1,381,277	641,125	2,022,402
Other liabilities	3,321,743	4,970,268	8,292,011	1,778,647	3,759,228	5,537,875
Long-term liabilities	33,464,554	50,317,728	83,782,282	14,731,018	53,257,447	67,988,465
Total Liabilities	36,786,297	55,287,996	92,074,293	16,509,665	57,016,675	73,526,340
Deferred Inflows of Resources	484,363	190,707	675,070	313,732	216,818	530,550
Net Position:						
Net investment in capital assets	24,274,707	19,697,554	43,972,261	18,662,311	18,379,583	37,041,894
Restricted	8,857,884	9,540,244	18,398,128	7,465,102	8,202,139	15,667,241
Unrestricted	4,604,889	4,853,477	9,458,366	10,291,023	6,764,855	17,055,878
Total Net Position	$ 37,737,480	$ 34,091,275	$ 71,828,755	$ 36,418,436	$ 33,346,577	$ 69,765,013

Current and other assets of the governmental activities increased by $16,059,670, or 66%, primarily due to greater cash on hand resulting proceeds received from new debt issuance in the current year. Current and other assets of the business-type activities decreased by $2,842,994, or 11%, primarily due to less cash on hand resulting from capital improvement expenditures exceeding revenues during the year. Capital assets for the primary government increased $8,183,735, or 9%, due to capital improvements during the year. Other liabilities for the primary government increased $2,754,136, or 50%, primarily attributable to greater payables due at the end of the current year and timing of payments. Long-term liabilities for governmental activities increased by $18,733,536, or over 100%, which is primarily related to debt issuances in the current year. Long-term liabilities for business-type activities decreased by $2,939,719, or 6%, primarily due to principal payments made towards debt in the current year. Total deferred outflows of the primary government decreased and total deferred inflows of the primary government increased by $644,196 and $144,520, respectively. These changes are strictly due to actuarial changes in the City's pension inputs over the course of the year.

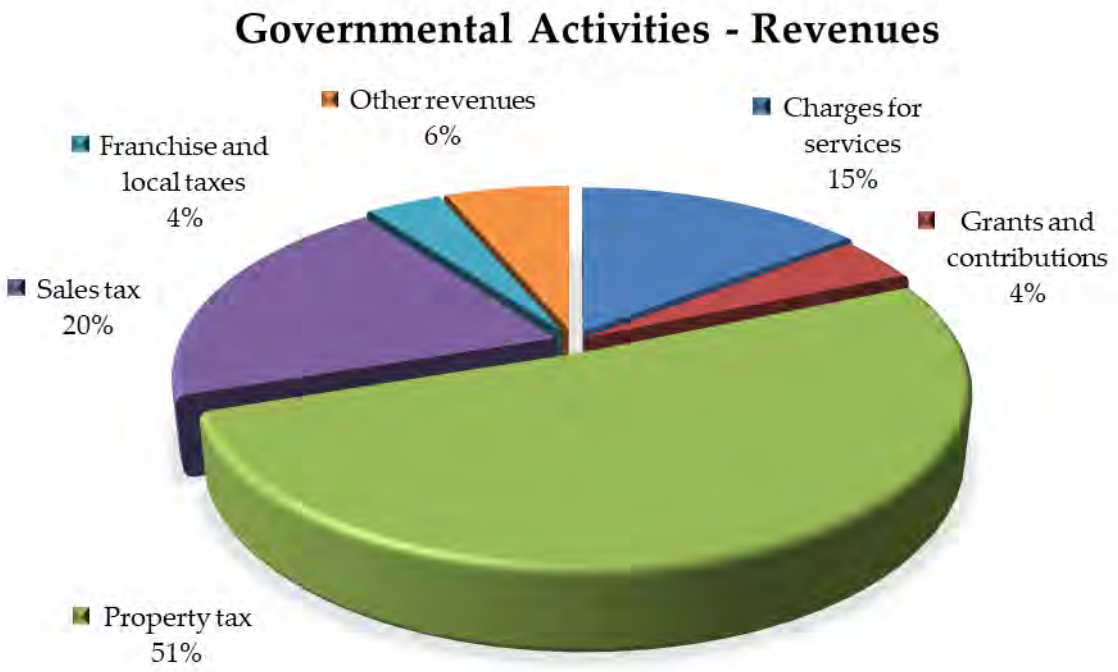
Statement of Activities:

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

	For the Year Ended September 30, 2025			For the Year Ended September 30, 2024		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	$ 2,381,935	$ 29,148,395	$ 31,530,330	$ 3,749,190	$ 27,803,120	$ 31,552,310
Operating grants	532,505	-	532,505	475,639	-	475,639
Capital contributions	128,235	462,408	590,643	171,997	53,111	225,108
General revenues:						
Property tax	8,390,241	-	8,390,241	7,610,224	-	7,610,224
Sales tax	3,284,944	-	3,284,944	3,009,942	-	3,009,942
Franchise & local taxes	616,953	-	616,953	625,958	-	625,958
Investment income	937,800	1,000,060	1,937,860	1,083,776	1,131,268	2,215,044
Other revenues	93,911	112,688	206,599	86,124	106,454	192,578
Total Revenues	16,366,524	30,723,551	47,090,075	16,812,850	29,093,953	45,906,803
Expenses						
General government	2,945,892	-	2,945,892	2,383,519	-	2,383,519
Public safety	8,309,527	-	8,309,527	6,628,423	-	6,628,423
Public works	4,018,383	-	4,018,383	2,826,765	-	2,826,765
Health and welfare	38,098	-	38,098	42,956	-	42,956
Culture and recreation	1,727,577	-	1,727,577	1,632,347	-	1,632,347
Comm. development	1,257,404	-	1,257,404	1,963,799	-	1,963,799
Interest on long-term debt	745,842	1,429,409	2,175,251	348,098	1,442,071	1,790,169
Electric	-	12,559,940	12,559,940	-	11,150,785	11,150,785
Water	-	6,904,661	6,904,661	-	5,626,174	5,626,174
Wastewater	-	2,075,377	2,075,377	-	1,667,732	1,667,732
Nonmajor enterprise	-	2,846,766	2,846,766	-	4,433,842	4,433,842
Total Expenses	19,042,723	25,816,153	44,858,876	15,825,907	24,320,604	40,146,511
Change in Net Position Before Transfers	(2,676,199)	4,907,398	2,231,199	986,943	4,773,349	5,760,292
Transfers	4,162,700	(4,162,700)	-	4,044,759	(4,044,759)	-
Total	4,162,700	(4,162,700)	-	4,044,759	(4,044,759)	-
Change in Net Position	1,486,501	744,698	2,231,199	5,031,702	728,590	5,760,292
Beginning Net Position (restated)	* 36,250,979	33,346,577	* 69,597,556	31,386,734	32,617,987	64,004,721
Ending Net Position	$ 37,737,480	$ 34,091,275	$ 71,828,755	$ 36,418,436	$ 33,346,577	$ 69,765,013

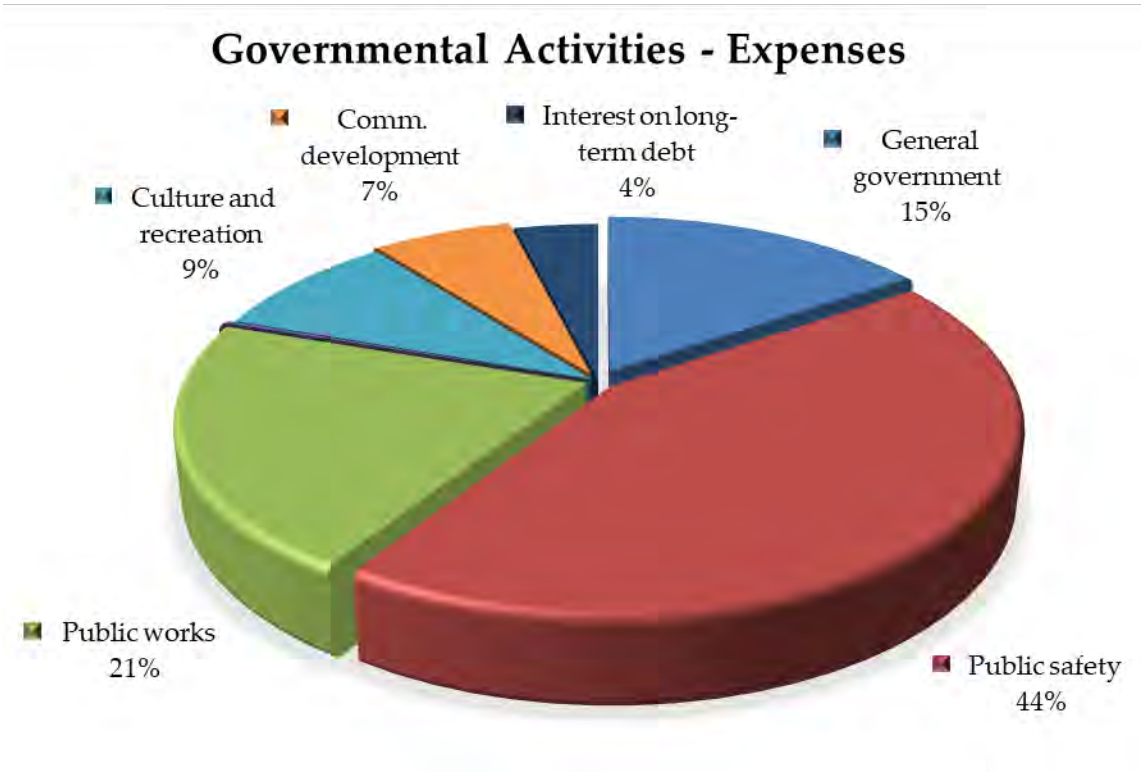
* Includes restatement for New Acct. Standard GASB 101

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



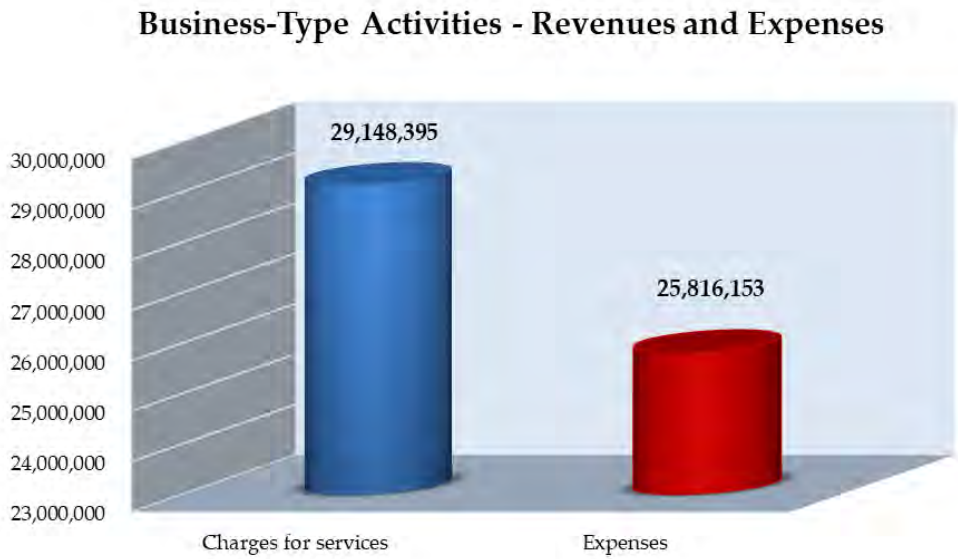
For the year ended September 30, 2025, revenues from governmental activities totaled $16,366,524. Property tax, charges for services, and sales tax are the City's largest general revenue sources. Overall revenue decreased $446,326, or 3%, from the prior year. Charges for services decreased by $1,367,255, or 36%, due to a decline in building and zoning permit revenue, resulting from the completion of two subdivisions in the prior year. Property taxes increased by $780,017, or 10%, primarily due to greater appraised values and an increase in property tax rates. Sales taxes increased by $275,002, or 9%, due to economic growth fueled by local purchases. Investment income decreased by $145,976, or 13%, primarily due to the realization of lower interest rates during the year. All other revenues remained relatively stable when compared to the previous year.

This graph shows the governmental function expenses of the City:



For the year ended September 30, 2025, expenses for governmental activities totaled $19,042,723. This represents an increase of $3,216,816, or 20%, from the prior year. The City's largest functional expense is public safety totaling $8,309,527. Public safety increased $1,681,104, or 25%, due to greater personnel costs resulting from vacancies being filled in the current year, greater architectural/engineering expense, and nonrecurring changes in the City's pension valuation inputs in the current year. General government expenses increased by $562,373, or 24%, primarily due to greater personnel costs related to a full year's salary and benefits being paid in the current year to the Public Information Officer and Finance Director that was hired late in the prior year. In addition, there were greater downtown promotion expenses and architectural/engineering costs in the current year. Public works expenses increased $1,191,618, or 42%, primarily due to nonrecurring TXDOT grant related expenses. Culture and recreation expenses increased by $95,230, or 6%, primarily due to greater personnel costs due to new hires and market retention adjustments and nonrecurring employee benefit costs resulting from changes in the City's pension valuation inputs in the current year. Community development expenses decreased by $706,395, or 36%, due primarily to outsourcing building and health inspection services in the current year. Interest and fiscal charges increased by $397,744, or over 100%, primarily due to nonrecurring bond issuance costs in the current year. All other governmental activities expenses remained relatively consistent with the prior year.

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



For the year ended September 30, 2025, charges for services by business-type activities totaled $29,148,395. This represents an increase of $1,345,275, or 5%, from the previous year, which is a direct result of greater water service rates and increased utility service consumption in the current year. Capital contributions increased by $409,297, or over 100%, as a result of nonrecurring capital grant contributions received in the current year. Investment income decreased $131,208, or 12%, due to the realization of lower interest rates during the year. All other revenues remained relatively consistent with the prior year.

Total business-type activity expenses increased by $1,495,549, or 6%, to a total of $25,816,153. Electric expenses totaled $12,559,940, while water and wastewater operations totaled $6,904,661 and $2,075,377, respectively. Electric expenses increased $1,409,155, or 13%, due to greater personnel costs, resulting from filling prior year vacancies in the current year. In addition, greater demand consumption resulted in higher wholesale power costs and credit card usage fees. Water expenses increased by $1,278,487, or 23%, due to higher consumption and related treatment plant and GBRA costs. Wastewater expenses increased by $407,645, or 24%, due to greater personnel costs, resulting from filling prior year vacancies in the current year. In addition, higher consumption resulted in greater treatment plant costs. Nonmajor enterprise expenses decreased by $1,587,076, or 36%, primarily due to the sale of EMS services to Caldwell County at the end of January 2025.

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.

At September 30, 2025, the City's governmental funds reported combined fund balances of $37,128,521, an increase of $14,882,821 in comparison with the prior year. Approximately 18% of this amount, $6,653,293, 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 $95,894 2) committed for particular purposes $366,675 or 3) restricted for particular purposes $30,012,659.

As of the end of the year the general fund reflected a total fund balance of $8,929,057. Of this, $438,280 is considered not in spendable form and committed. Restricted fund balance totaled $1,646,996 and $6,843,781 is unassigned. General fund balance decreased by $5,497,038 during the current year as compared to a final budgeted increase of $69,794. The decrease in fund balance was primarily a result of higher than expected capital expenditures and public works expenses.

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 $6,843,781 is 30% of total general fund expenditures. Overall revenue in the general fund decreased by $190,847 when compared to the prior year. Property tax, sales tax, and charges for services showed the largest increase due to a growing local economy, greater appraisal values, and an increase in the property tax rates. General fund expenditures increased by $7,448,148 when compared to the prior year. The largest increases were in public works and capital outlay of $3,236,066, and $2,979,583, respectively.

As of the end of the year the 2025 CO fund reflected a total fund balance of $20,002,853. This fund was added in fiscal year 2025. The increase is a direct result of bond issuance proceeds recognized in the current year. There have been no expenditures recorded 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 $4,853,477, a decrease of $1,911,378 from the previous year. Total investment in capital assets, net of related debt was $19,697,554, and capital assets, net of depreciation totaled $67,206,994.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted revenues of $11,551,015 were less than actual revenues of $12,278,437, resulting in a total positive revenue variance of $727,422. All actual revenues were greater than the budgeted amounts, with the exception of franchise and local taxes, intergovernmental and license and permits.

Total budgeted expenditures of $15,901,212, were less than actual expenditures of $22,503,763, resulting in a total negative expenditure variance of $6,602,551. Actual expenditures for the current year

exceeded appropriations at the legal level of control by $6,595,998, including transfers out. No budget amendments were made during the year.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested $33,616,666 in a variety of capital assets and infrastructure, net of accumulated depreciation. The City's business-type activities funds had invested $67,206,994 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.

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

- Purchased land at 120 W MLK Jr Industrial Blvd for $236,483
- Purchased building at 120 W MLK Jr Industrial Blvd for $1,503,430.
- Purchased Dell Powerstore 500T with touchscreen for city wide IT storage totaling $92,850.
- Concrete slab at fire station for $29,400.
- Purchased two 2024 Ford F150 police vehicles totaling $108,562.
- Purchased two 2025 Ford Explorer police vehicles totaling $110,180.
- Purchased laptops and mobile radio units for police totaling $188,963.
- Purchased Fire Apparatus Spartan Truck for $1,229,670.
- Purchased a 2025 Ford F-550 Super Cab 4x4 police vehicle for $59,840.
- Purchased SCBA fill station with SCBA cylinders for $23,125.
- Purchased two 2025 Ford F-250 for parks totaling $100,905.
- Purchased four police vehicles totaling $289,771 through lease financing.
- Continued Lockhart Downtown revitalization for $3,900,737.
- Continued Fire Station 1 project for $129,308.
- Continued animal shelter upgrade project for $96,207.
- Began Aquatics Center project for $143,999.
- Purchased five electrical easements totaling $159,516.
- Continued LK 30 Ash St. copper replacement for $324,001.
- Began Project 7 – electric system improvements totaling $67,500.
- Continued CF 100 Clear Fork copper replacement for $83,705.
- County Wide Alley project electric utility for $150,000.
- Terex Hi-Ranger bucket truck for electric utility for $271,154.
- DTK 300 (ES-12) with Kubota D1105 engine for electric utility for $49,000.
- Purchased four water easements totaling $113,371.
- Continued water meter replacement project for $224,240.
- Continued Lockhart Downtown revitalization utility project for $3,740,328.
- Began Lockhart COG-MOD waterline engineering for $68,480.
- Purchased six wastewater easements totaling $151,928.

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 $16,711,129 from the prior year. The total bonds, leases and certificates of obligation payable at the close of the fiscal year was $79,110,680, net of all premiums.

There is no direct limit on debt in the City Charter. Statutes of the State of Texas do not provide any limitations on the dollar amount of debt cities issue, however, Article XI, Section 5 of the Texas Constitution, applicable to cities with a population of more than 5,000, limits the ad valorem tax rate to $2.50 per $100 assessed valuation. The City's current tax rate is well below the maximum allowable tax rate and poses no impact on financing of planned facilities or services.

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 57% since 2021 and property tax revenue has increased by 45%. Even with the 57% increase, the City continues to forecast sales tax in a conservative position. The total sales tax payments received in 2025 fiscal year equaled $4,927,415. The City anticipates a continued increase for 2026.

Property valuations have increased due to new additions and property on the tax roll, along with the appraisal district reassessing valuations. The certified assessed taxable property valuations for the 2026 fiscal year (2025 tax roll) total $1,659,352,251 with a tax rate of $0.4113 per $100 valuation for maintenance and operations and $0.1428 per $100 valuation for the interest and sinking fund. The total tax rate of $0.5541.

The City's capital plan for 2025-2026 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, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 34,554,898	$ 19,909,714	$ 54,464,612
Receivables, net	1,625,698	5,336,629	6,962,327
Lease receivable, current	-	21,830	21,830
Internal balances	3,978,745	(3,978,745)	-
Due from component unit	79,220	-	79,220
Inventories	13,998	711,916	725,914
Prepaid and other assets	81,896	-	81,896
Total Current Assets	40,334,455	22,001,344	62,335,799
Noncurrent assets:			
Lease receivable, noncurrent	-	40,453	40,453
Capital assets:			
Non-depreciable	7,415,559	5,881,504	13,297,063
Net depreciable capital assets	26,201,107	61,325,490	87,526,597
Total Noncurrent Assets	33,616,666	67,247,447	100,864,113
Total Assets	73,951,121	89,248,791	163,199,912
Deferred Outflows of Resources			
Pension outflows-TMRS	948,796	251,562	1,200,358
OPEB outflows-TMRS	14,454	3,833	18,287
Deferred charge on refunding	93,769	65,792	159,561
Total Deferred Outflows of Resources	1,057,019	321,187	1,378,206

Component Unit
Lockhart EDC
$ 8,496,020
263,968
-
-
-
-
10,364
8,770,352
-
1,049,431
4,212,886
5,262,317
14,032,669
19,643
299
-
19,942

City of Lockhart, Texas

STATEMENT OF NET POSITION (Page 2 of 2)

September 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities			
Accounts payable	$ 1,568,432	$ 3,190,552	$ 4,758,984
Accrued liabilities	732,724	206,688	939,412
Due to primary government	-	-	-
Due to other governments	41,037	-	41,037
Customer deposits	-	766,176	766,176
Compensated absences, current	783,340	143,249	926,589
Accrued interest payable	196,210	663,603	859,813
Long-term debt due in one year	1,649,355	2,303,426	3,952,781
Total Current Liabilities	4,971,098	7,273,694	12,244,792
Noncurrent liabilities:			
Net pension liability	2,980,090	790,134	3,770,224
OPEB liability-TMRS	356,269	94,464	450,733
OPEB liability-Retiree healthcare	274,824	72,866	347,690
Compensated absences	87,038	15,917	102,955
Long-term debt due in more than one year	28,116,978	47,040,921	75,157,899
Total Noncurrent Liabilities	31,815,199	48,014,302	79,829,501
Total Liabilities	36,786,297	55,287,996	92,074,293
Deferred Inflows of Resources			
Pension inflows	395,710	104,917	500,627
OPEB inflows-TMRS	65,063	17,252	82,315
OPEB inflows-Retiree Healthcare	23,590	6,255	29,845
Deferred inflows -lease related	-	62,283	62,283
Total Deferred Inflows of Resources	484,363	190,707	675,070
Net Position			
Net investment in capital assets	24,274,707	19,697,554	43,972,261
Restricted for:			
General government	679,019	-	679,019
Public safety	25,392	-	25,392
Municipal court	181,650	-	181,650
Tourism	87,496	-	87,496
Capital projects	6,119,415	9,540,244	15,659,659
Debt service	1,764,912	-	1,764,912
Economic development	-	-	-
Unrestricted	4,604,889	4,853,477	9,458,366
Total Net Position	$ 37,737,480	$ 34,091,275	$ 71,828,755

See Notes to Financial Statements.

Component Unit
Lockhart EDC
$ 1,275,111
-
79,220
-
-
3,021
8,708
117,172
1,483,232
61,697
7,376
-
336
1,123,943
1,193,352
2,676,584
8,193
1,347
-
-
9,540
4,021,202
-
-
-
-
-
-
7,345,285
-
$ 11,366,487

City of Lockhart, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	$ 2,945,892	$ -	$ 138,662	$ -
Public safety	8,309,527	428,207	393,843	128,235
Public works	4,018,383	758,836	-	-
Health and welfare	38,098	-	-	-
Culture and recreation	1,727,577	130,306	-	-
Community development	1,257,404	1,064,586	-	-
Interest on long-term debt	745,842	-	-	-
Total Governmental Activities	19,042,723	2,381,935	532,505	128,235
Business-Type Activities				
Electric	12,559,940	14,062,850	-	-
Water	6,904,661	8,146,651	-	438,511
Wastewater	2,075,377	4,191,724	-	-
* Nonmajor enterprise	2,846,766	2,747,170	-	23,897
Interest on long-term debt	1,429,409	-	-	-
Total Business-Type Activities	25,816,153	29,148,395	-	462,408
Total Primary Government	$ 44,858,876	$ 31,530,330	$ 532,505	$ 590,643
Component Units				
Lockhart EDC	1,891,621	-	-	-
Total Component Units	$ 1,891,621	$ -	$ -	$ -

General Revenues:	
Taxes	
Property taxes	
Sales taxes	
Franchise and local taxes	
Investment income	
Gain on sale of capital assets	
Other revenues	
Transfers	
Total General Revenues and Transfers	
Change in Net Position	
Beginning Net Position, as previously reported	
New Acct. Standard - GASB 101	
Error correction	
Beginning Net Position, as adjusted	
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
$ (2,807,230)	$ -	$ (2,807,230)	$ -
(7,359,242)	-	(7,359,242)	-
(3,259,547)	-	(3,259,547)	-
(38,098)	-	(38,098)	-
(1,597,271)	-	(1,597,271)	-
(192,818)	-	(192,818)	-
(745,842)	-	(745,842)	-
(16,000,048)	-	(16,000,048)	-
-	1,502,910	1,502,910	-
-	1,680,501	1,680,501	-
-	2,116,347	2,116,347	-
-	(75,699)	(75,699)	-
-	(1,429,409)	(1,429,409)	-
-	3,794,650	3,794,650	-
(16,000,048)	3,794,650	(12,205,398)	-
			(1,891,621)
			(1,891,621)
8,390,241	-	8,390,241	-
3,284,944	-	3,284,944	1,642,472
616,953	-	616,953	-
937,800	1,000,060	1,937,860	314,177
201	-	201	-
93,710	112,688	206,398	10,100
4,162,700	(4,162,700)	-	-
17,486,549	(3,049,952)	14,436,597	1,966,749
1,486,501	744,698	2,231,199	75,128
36,418,436	33,404,189	69,822,625	11,291,359
(167,457)		(167,457)	-
-	(57,612)	(57,612)	-
36,250,979	33,346,577	69,597,556	11,291,359
$ 37,737,480	$ 34,091,275	$ 71,828,755	$ 11,366,487

City of Lockhart, Texas

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2025

	General	2025 CO's	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 5,991,250	$ 20,002,853	$ 8,560,795	$ 34,554,898
Accounts receivable, net	1,282,642	-	343,056	1,625,698
Due from other funds	4,216,873	-	-	4,216,873
Due fom component unit	79,220	-	-	79,220
Inventories	13,998	-	-	13,998
Prepaids	57,607	-	24,289	81,896
Total Assets	$ 11,641,590	$ 20,002,853	$ 8,928,140	$ 40,572,583
Liabilities				
Accounts payable	$ 1,266,042	$ -	$ 302,390	$ 1,568,432
Accrued liabilities	692,171	-	40,553	732,724
Due to other governments	41,037	-	-	41,037
Due to other funds	-	-	238,128	238,128
Total Liabilities	1,999,250	-	581,071	2,580,321
Deferred Inflows of Resources				
Unavailable revenue - property taxes	500,852	-	141,979	642,831
Unavailable revenue-fines	186,039	-	8,479	194,518
Unavailable revenue - notes receivable	26,392	-	-	26,392
Total Deferred Inflows of Resources	713,283	-	150,458	863,741
Fund Balances				
Nonspendable:				
Inventories	13,998	-	-	13,998
Prepaid items	57,607	-	24,289	81,896
Committed for:				
Sidewalks	62,266	-	-	62,266
Industrial park	304,409	-	-	304,409
Restricted for:				
Debt service	-		1,764,912	1,764,912
General government	583,330	-	95,689	679,019
Public safety	-	-	25,392	25,392
Municipal court	-	-	181,650	181,650
Tourism	-	-	87,496	87,496
Capital projects	1,063,666	20,002,853	6,207,671	27,274,190
Unassigned	6,843,781	-	(190,488)	6,653,293
Total Fund Balances	8,929,057	20,002,853	8,196,611	37,128,521
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,641,590	$ 20,002,853	$ 8,928,140	$ 40,572,583

See Notes to Financial Statements.

City of Lockhart, Texas

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
September 30, 2025

Fund Balances - Total Governmental Funds	$	37,128,521
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		7,415,559
Capital assets - net depreciable		26,201,107
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Property tax		642,831
Fines and fees		194,518
Other receivables		26,392
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 (revenues) until that time		
Pension inflows		(395,710)
OPEB inflows-TMRS		(65,063)
OPEB inflows-Retiree Healthcare		(23,590)
Deferred outflows of resources, represent a consumption of net assets that applies to a future period(s) and is not recognized as an outflow of resources (expense/ expenditures) until then		
Pension outflows		948,796
OPEB outflows-TMRS		14,454
Deferred charge on refunding		93,769
Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.		
Accrued interest		(196,210)
Deferred charges:		
Bond premium		(1,602,589)
Net pension liability		(2,980,090)
OPEB liability-TMRS		(356,269)
OPEB liability-Retiree healthcare		(274,824)
Compensated absences		(870,378)
Non-current liabilities due in one year		(1,649,355)
Non-current liabilities due in more than one year		(26,514,389)
Net Position of Governmental Activities	$	37,737,480

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, 2025

	General	2025 CO's	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property tax	$ 6,279,835	$ -	$ 2,160,480	$ 8,440,315
Sales tax	3,284,944	-	-	3,284,944
Franchise and local taxes	396,051	-	220,902	616,953
Fines and forfeitures	308,495	-	32,718	341,213
License and permits	695,752	-	368,834	1,064,586
Charges for services	130,306	-	758,836	889,142
Intergovernmental	503,642	-	157,098	660,740
Investment income	585,702	-	352,098	937,800
Other revenue	93,710	-	-	93,710
Total Revenues	12,278,437	-	4,050,966	16,329,403
Expenditures				
Current:				
General government	2,511,288	-	303,532	2,814,820
Public safety	8,229,238	-	246,188	8,475,426
Public works	5,552,959	-	2,687	5,555,646
Health and welfare	28,920	-	-	28,920
Culture and recreation	1,678,071	-	1,262	1,679,333
Community development	1,238,878	-	-	1,238,878
Debt Service:				
Principal	245,900	-	1,332,622	1,578,522
Interest and fiscal charges	38,926	-	332,560	371,486
Bond issuance costs	-	278,056	-	278,056
Capital outlay	2,979,583	-	1,210,076	4,189,659
Total Expenditures	22,503,763	278,056	3,428,927	26,210,746
Revenues Over (Under) Expenditures	(10,225,326)	(278,056)	622,039	(9,881,343)
Other Financing Sources (Uses)				
Bond issuance	-	18,955,000	-	18,955,000
Bond premium	-	1,325,909	-	1,325,909
Lease issuance	320,354	-	-	320,354
Sale of capital assets	201	-	-	201
Transfers in	4,466,180	-	437,110	4,903,290
Transfers (out)	(58,447)	-	(682,143)	(740,590)
Total Other Financing Sources	4,728,288	20,280,909	(245,033)	24,764,164
Net Change in Fund Balances	(5,497,038)	20,002,853	377,006	14,882,821
Beg. fund balances	14,426,095	-	7,819,605	22,245,700
Ending Fund Balances	$ 8,929,057	$ 20,002,853	$ 8,196,611	$ 37,128,521

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, 2025

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

Net changes in fund balances - total governmental funds	$	14,882,821
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		8,362,466
Depreciation expense		(2,331,571)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property tax		(50,074)
Fines and fees		86,994
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		(125,069)
Accrued interest		(139,894)
Pension expense		(191,000)
OPEB expense-TMRS		(39,584)
OPEB expense-retiree healthcare		10,559
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		(18,955,000)
Debt premium		(1,325,909)
Lease issuance		(320,354)
Amortization of deferred charge on refunding		(23,442)
Amortization of premium		67,036
Principal payments		1,578,522
Change in Net Position of Governmental Activities	$	1,486,501

See Notes to Financial Statements.

City of Lockhart, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUNDS (Page 1 of 2)

September 30, 2025

	Business-Type Activities		
	Electric	**Water**	**Wastewater**
Assets			
Current Assets			
Cash and cash equivalents	$ 3,480,320	$ 6,850,583	$ 8,280,474
Accounts receivable, net	2,835,794	1,437,336	651,538
Lease recivable	-	21,830	-
Due from other funds	-	-	400,251
Inventories	711,916	-	-
Total Current Assets	7,028,030	8,309,749	9,332,263
Noncurrent Assets			
Lease receivable	-	40,453	-
Capital assets:			
Non-depreciable	696,449	4,498,573	493,912
Net depreciable capital assets	5,913,963	47,460,210	6,848,881
Total Noncurrent Assets	6,610,412	51,999,236	7,342,793
Total Assets	13,638,442	60,308,985	16,675,056
Deferred Outflows of Resources			
Pension outflows-TMRS	154,257	38,861	34,395
OPEB outflows-TMRS	2,350	592	524
Deferred loss on refunding	-	57,035	8,757
Total Deferred Outflows of Resources	156,607	96,488	43,676

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ 1,298,337	$ 19,909,714
411,961	5,336,629
-	21,830
-	400,251
-	711,916
1,710,298	26,380,340
-	40,453
192,570	5,881,504
1,102,436	61,325,490
1,295,006	67,247,447
3,005,304	93,627,787
24,049	251,562
367	3,833
-	65,792
24,416	321,187

City of Lockhart, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUNDS (Page 2 of 2)

September 30, 2025

	Business-Type Activities		
	Electric	**Water**	**Wastewater**
Liabilities			
Current Liabilities			
Accounts payable	$ 1,262,753	$ 1,571,871	$ 190,988
Accrued liabilities	177,043	-	18,668
Customer deposits	526,540	234,536	-
Compensated absences, current	61,554	44,041	17,610
Lease liabilities, current	9,125	6,642	6,651
Long-term debt, current	117,874	1,842,134	317,594
Due to other funds	2,754,165	1,609,537	15,294
Accrued interest	5,504	650,746	7,353
Total Current Liabilities	4,914,558	5,959,507	574,158
Noncurrent Liabilities			
Compensated absences, noncurrent	6,839	4,893	1,957
Long-term debt, noncurrent	632,556	44,809,807	1,598,558
Net pension liability	484,511	122,057	108,030
OPEB liability-TMRS	57,923	14,592	12,915
OPEB liability-retiree healthcare	44,681	11,256	9,963
Total Noncurrent Liabilities	1,226,510	44,962,605	1,731,423
Total Liabilities	6,141,068	50,922,112	2,305,581
Deferred Inflows of Resources			
Pension inflows-TMRS	64,335	16,208	14,345
OPEB inflows-TMRS	10,578	2,665	2,359
OPEB inflows-retiree healthcare	3,836	966	855
Deferred inflows -lease related	-	62,283	-
Total Deferred Inflows of Resources	78,749	82,122	17,559
Net Position			
Net investment in capital assets	5,850,862	7,244,430	5,310,662
Restricted for:			
Capital projects	167,997	4,690,826	4,681,421
Unrestricted	1,556,373	(2,534,017)	4,403,509
Total Net Position	$ 7,575,232	$ 9,401,239	$ 14,395,592

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ 164,940	$ 3,190,552
10,977	206,688
5,100	766,176
20,045	143,249
3,406	25,824
-	2,277,602
-	4,378,996
-	663,603
204,468	11,652,690
2,227	15,917
-	47,040,921
75,536	790,134
9,034	94,464
6,966	72,866
93,763	48,014,302
298,231	59,666,992
10,029	104,917
1,650	17,252
598	6,255
-	62,283
12,277	190,707
1,291,600	19,697,554
-	9,540,244
1,427,612	4,853,477
$ 2,719,212	$ 34,091,275

City of Lockhart, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2025

	Business-Type Activities		
	Electric	Water	Wastewater
Operating Revenues			
Charges for services	$ 14,062,850	$ 8,146,651	$ 4,191,724
Other revenue	8,019	-	15
Total Operating Revenues	14,070,869	8,146,651	4,191,739
Operating Expenses			
Personnel services	1,639,271	487,555	414,514
Supplies	102,095	48,329	108,198
Maintenance and repairs	168,640	641,822	60,968
Contractual services	461,042	2,610,659	69,537
Power, water, and water treatment	8,620,092	1,094,347	1,096,587
Non-departmental	-	-	61,660
Miscellaneous	1,025,654	5,408	-
Depreciation and amortization	543,146	2,016,541	263,913
Total Operating Expenses	12,559,940	6,904,661	2,075,377
Operating Income (Loss)	1,510,929	1,241,990	2,116,362
Nonoperating Revenues (Expenses)			
Gain(loss) on sale of assets	-	-	-
Investment earnings	147,777	396,822	400,221
Interest expense	(16,691)	(1,350,667)	(61,603)
Total Nonoperating Revenues (Expenses)	131,086	(953,845)	338,618
Income (Loss) Before Capital Contributions and Transfers	1,642,015	288,145	2,454,980
Capital Contributions and Transfers			
Capital grants	-	438,511	-
Transfers in	-	532,787	-
Transfers (out)	(2,390,930)	(298,136)	(1,534,912)
Total Capital Contributions and Transfers	(2,390,930)	673,162	(1,534,912)
Change in Net Position	(748,915)	961,307	920,068
Beg. net position, as previously presented	8,324,147	8,439,932	13,475,524
Error correction	-	-	-
Beg. net position, as adjusted	8,324,147	8,439,932	13,475,524
Ending Net Position	$ 7,575,232	$ 9,401,239	$ 14,395,592

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ 2,747,170	$ 29,148,395
104,654	112,688
2,851,824	29,261,083
436,729	2,978,069
10,057	268,679
2,008,139	2,879,569
106,251	3,247,489
-	10,811,026
-	61,660
10,117	1,041,179
105,732	2,929,332
2,677,025	24,217,003
174,799	5,044,080
(169,741)	(169,741)
55,240	1,000,060
(448)	(1,429,409)
(114,949)	(599,090)
59,850	4,444,990
23,897	462,408
-	532,787
(471,509)	(4,695,487)
(447,612)	(3,700,292)
(387,762)	744,698
3,164,586	33,404,189
(57,612)	(57,612)
3,106,974	33,346,577
$ 2,719,212	$ 34,091,275

City of Lockhart, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 1 of 2)

For the Year Ended September 30, 2025

	Business-Type Activities		
	Electric	**Water**	**Wastewater**
Cash Flows from Operating Activities			
Payments to employees	$ (1,605,206)	$ (454,015)	$ (373,083)
Payments to suppliers	(8,016,875)	(3,571,935)	(1,891,788)
Receipts from customers	13,592,575	7,634,493	4,035,773
Net Cash Provided (Used) by Operating Activities	3,970,494	3,608,543	1,770,902
Cash Flows from Noncapital Financing Activities			
Transfers in	-	532,787	-
Transfers (out)	(2,390,930)	(298,136)	(1,534,912)
Net Cash Provided (Used) by Noncapital Financing	(2,390,930)	234,651	(1,534,912)
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	(1,172,016)	(3,692,874)	(165,243)
Sale of capital assets	-	-	-
Capital grants	-	438,511	-
Principal paid on capital debt	(135,822)	(1,803,601)	(321,286)
Interest paid on capital debt	(16,928)	(1,384,781)	(65,335)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,324,766)	(6,442,745)	(551,864)
Cash Flows from Investing Activities			
Interest on investments	147,777	396,822	400,221
Net Cash Provided by Investing Activities	147,777	396,822	400,221
Net Increase (Decrease) in Cash and Cash Equivalents	402,575	(2,202,729)	84,347
Beginning cash and cash equivalents	3,077,745	9,053,312	8,196,127
Ending Cash and Cash Equivalents	$ 3,480,320	$ 6,850,583	$ 8,280,474

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ (909,162)	$ (3,341,466)
(2,316,186)	(15,796,784)
3,618,619	28,881,460
393,271	9,743,210
-	532,787
(471,509)	(4,695,487)
(471,509)	(4,162,700)
-	(5,030,133)
341,018	341,018
23,897	462,408
(5,733)	(2,266,442)
(448)	(1,467,492)
358,734	(7,960,641)
55,240	1,000,060
55,240	1,000,060
335,736	(1,380,071)
962,601	21,289,785
$ 1,298,337	$ 19,909,714

City of Lockhart, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 2 of 2)

For the Year Ended September 30, 2025

	Business-Type Activities		
	Electric	**Water**	**Wastewater**
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	$ 1,510,929	$ 1,241,990	$ 2,116,362
Adjustments to reconcile operating income (loss) to net cash provided (used):			
Depreciation	543,146	2,016,541	263,913
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	(412,794)	(569,021)	(155,966)
Inventory	(24,692)	-	-
Deferred outflows:			
Pension	53,071	16,787	759
OPEB	(1,002)	(230)	(295)
Increase (Decrease) in:			
Accounts payable and accrued liabilities	290,258	706,934	(144,838)
Accrued interest	-	-	-
Customer deposits	(65,500)	56,863	-
Compensated absences	5,575	34,290	9,400
Due to other funds	2,095,082	121,696	(350,000)
Deferred inflows:			
Pension	27,885	6,425	8,165
OPEB	(929)	(487)	613
Net pension liability	(55,492)	(22,884)	16,468
OPEB Liability	4,957	(361)	6,321
Net Cash Provided (Used) by Operating Activities	$ 3,970,494	$ 3,608,543	$ 1,770,902
Schedule of Non-Cash Capital and Related Financing Activities			
Lease issuance	$ 19,275	$ 14,485	$ 14,503
Capital related accounts payable	$ -	$ (266,048)	$ (223,146)

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ 174,799	$ 5,044,080
105,732	2,929,332
766,695	(371,086)
-	(24,692)
233,095	303,712
1,306	(221)
(123,078)	729,276
(10,013)	(10,013)
100	(8,537)
(12,164)	37,101
(48,531)	1,818,247
(35,179)	7,296
(11,628)	(12,431)
(594,218)	(656,126)
(53,645)	(42,728)
$ 393,271	$ 9,743,210
$ 5,863	$ 54,126
$ -	$ (489,194)

City of Lockhart, Texas

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

September 30, 2025

	Private Purpose Trusts	Custodial Funds
Assets		
Cash and cash equivalents	$ 653	$ 63,413
Prepaids	-	1,211
Total Assets	$ 653	$ 64,624
Liabilities		
Due to others	-	30,535
Total Liabilities	-	30,535
Net Position		
Restricted for various purposes:	$ 653	$ 34,089
Total Net Position	$ 653	$ 34,089

See Notes to Financial Statements.

City of Lockhart, Texas

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

For the Year Ended September 30, 2025

	Private Purpose Trusts	Custodial Funds
Additions		
Investment income	$ 30	$ 2,940
Other revenue	-	741
Total Additions	30	3,681
Net Change in Net Position	30	3,681
Beginning Net Position	623	30,408
Ending Net Position	$ 653	$ 34,089

See Notes to Financial Statements.

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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.

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, 2025.

This component unit is discretely presented in the financial statements. Complete financial statements of the individual component unit can be obtained from Keelie Michna, 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;

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.

2025 CO Fund

The 2025 CO fund is used to account for paying contractual obligations incurred in connection with improving, constructing, equipping, acquiring, or designing the City's: (1) parks and recreation facilities, to include an aquatics center, recreation center and improving Lions Park; (2) public safety facilities, including the acquisition of land for police and fire facilities; (3) existing administration building; and (4) the payment of professional services and bond issuances costs.

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, 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, 2025, 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. Custodial funds use the economic

resources 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 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 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, custodial and other postemployment benefit trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

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

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 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	5 to 40 years
Right-to-use lease assets	3 to 7 years
Right-to-use SBITA assets	10 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 form 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 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.

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.

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.

Lessor: The City is a lessor for a noncancellable lease of a cell tower. The City recognizes a lease receivable and a deferred inflow of resources in the governmentwide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease

receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.
Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

12. Subscription Based Information Technology Arrangements ("SBITA")

The City has adopted the provision of Governmental Accounting Standard Board (GASB) Statement No. 96, entitled Subscription-Based Information Technology Arrangements ("SBITA"). The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of $5,000 or more.

At the commencement of an SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

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

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.

- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

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

13. 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.

14. 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.

15. 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 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.

16. 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

The City accounts for vacation and sick leave in accordance with the provisions of GASB Statement No. 101, Compensated Absences. Under GASB Statement No. 101, the City recognizes a liability for compensated absences for vacation leave that is attributable to services already rendered and for which the City has a present obligation to provide compensation through paid time off or cash settlement. Vacation leave is reported as a liability regardless of whether it is expected to be paid within one year. The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Vested or accumulated vacation leave and compensated leave of government-wide and proprietary funds are recognized as an expense and liability of those funds as the benefits accrue to employees.

Sick leave is considered a non-separation benefit and is recognized as a liability only to the extent it is probable that the leave will be used for qualifying absences and the amount can be reasonably estimated. Because unused sick leave is not paid upon separation from employment, the City does not record a liability for sick leave beyond amounts expected to be taken as paid absences in the future.

It is the City's policy to liquidate compensated absences with future revenues rather than with currently available expendable resources. Accordingly, the City's governmental funds recognize accrued compensated absences when it is paid.

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."

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, debt service, hotel/motel tax, and the enterprise funds. 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. The following funds exceeded appropriations at the level of control:

General Fund	$6,595,998
Debt Service Fund	$5,245

No other funds 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 $30,379,334, of which, $207,042 is restricted by enabling legislation.

B. Deficit Fund Equity

As of September 30, 2025, three nonmajor governmental funds, court technology, radio system maintenance, and drainage, reported deficit fund balances of $16,179, 74,105, and $75,915, respectively. The deficits will be replenished through interfund transfers and future operating surpluses.

C. Public Funds Investment & Collateral Acts

State statues 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, 2025, 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.

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, 2025.

As of September 30, 2025, the primary government had the following investments:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	$ 53,806,973	0.12
Total value	$ 53,806,973	
Portfolio weighted average maturity		0.12

As of September 30, 2025, the component unit had the following investments:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	$ 8,098,957	0.12
Total value	$ 8,098,957	
Portfolio weighted average maturity		0.12

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 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, 2025, 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, 2025.

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, 2025, 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-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.

B. Receivables

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

	Governmental Activities		
	General	Nonmajor Governmental	Total
Property taxes	$ 563,956	$ 141,978	$ 705,934
Sales tax	527,937	-	527,937
Other taxes	29,564	25,613	55,177
Fines & fees	602,486	131,815	734,301
Accounts	-	43,650	43,650
GBRA funds	302,455		302,455
Property liens	180,138		180,138
Other	(262,587)	-	(262,587)
Allowance	(661,307)	-	(661,307)
	$ 1,282,642	$ 343,056	$ 1,625,698

	Business-Type Activities				
	Electric	Water	Wastewater	Nonmajor	Total
Accounts	$ 3,063,733	$ 1,520,382	$ 704,803	$ 431,744	$ 5,720,662
Lease	-	62,283	-	-	62,283
EMS	-	-	-	192,008	192,008
Allowance	(227,939)	(83,046)	(53,265)	(211,791)	(576,041)
	$ 2,835,794	$ 1,499,619	$ 651,538	$ 411,961	$ 5,398,912

The component unit receivables balance consisted entirely of sales tax.

Lease Receivable

The City is a lessor of a contract in which the City receive lease payments from AT&T for the use of an existing cell tower. The lease commenced on August 1, 2023, with a term of months. Monthly lease payments of $2,000 will be paid through July 31, 2028. As of September 30, 2025, the lease receivable and offsetting deferred inflows amounted to $62,283 and $62,283, respectively. The below is the future amortization schedule for the receivable:

Year ending	Lease Receivable	
September 30,	Principal	Interest
2026	$ 21,830	$ 2,170
2027	22,719	1,281
2028	17,734	362
	$ 62,283	$ 3,813

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	$ 246,483	$ -	$ 1,833,877
Construction in progress	1,311,430	4,270,252	-	5,581,682
Total capital assets not being depreciated	2,898,824	4,516,735	-	7,415,559
Capital assets, being depreciated:				
Machinery and equipment	8,550,578	1,992,547	(6,824)	10,536,301
Buildings and improvements	14,464,576	1,532,830	-	15,997,406
Infrastructure	87,111,679	-	-	87,111,679
Right to use assets-leases	1,074,899	320,354	-	1,395,253
Right to use assets-SBITA	151,988	-	-	151,988
Total capital assets being depreciated	111,353,720	3,845,731	(6,824)	115,192,627
Less accumulated depreciation				
Machinery and equipment	7,046,152	493,023	(6,824)	7,532,351
Buildings and improvements	6,242,285	412,084	-	6,654,369
Infrastructure	72,801,316	1,141,933	-	73,943,249
Right to use assets-leases	546,622	269,332	-	815,954
Right to use assets-SBITA	30,398	15,199	-	45,597
Total accumulated depreciation	86,666,773	2,331,571	(6,824)	88,991,520
Net capital assets being depreciated	24,686,947	1,514,160	-	26,201,107
Total Capital Assets	$ 27,585,771	$ 6,030,895	$ -	$ 33,616,666

Depreciation was charged to governmental functions as follows:

General government	$ 252,595
Public safety	664,207
Public works	1,153,459
Health and welfare	9,178
Culture and recreation	252,132
Total Governmental Activities Depreciation Expense	$ 2,331,571

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	$ 424,815	$ -	$ 999,525
Construction in progress	1,378,115	4,518,394	(1,014,530)	4,881,979
Total capital assets not being depreciated	1,952,825	4,943,209	(1,014,530)	5,881,504
Capital assets, being depreciated:				
Machinery and equipment	8,314,651	327,349	(1,391,886)	7,250,114
Buildings and improvements	4,151,722	-	-	4,151,722
Infrastructure	50,736,165	248,769	1,014,530	51,999,464
Right to use assets-leases	348,816	54,126	-	402,942
Intangibles	44,455,000	-	-	44,455,000
Total capital assets being depreciated	108,006,354	630,244	(377,356)	108,259,242
Less accumulated depreciation				
Machinery and equipment	6,821,203	216,021	(881,127)	6,156,097
Buildings and improvements	3,329,399	14,223	-	3,343,622
Infrastructure	25,771,045	1,142,630	-	26,913,675
Right to use assets-leases	282,332	56,240	-	338,572
Intangibles	8,681,568	1,500,218	-	10,181,786
Total accumulated depreciation	44,885,547	2,929,332	(881,127)	46,933,752
Net capital assets being depreciated	63,120,807	(2,299,088)	503,771	61,325,490
Total Capital Assets	$ 65,073,632	$ 2,644,121	$ (510,759)	$ 67,206,994

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

Electric	$ 543,146
Water	2,016,541
Wastewater	263,913
EMS	31,512
Sanitation	18,371
Airport	55,849
Total Business-type Activities Depreciation Expense	$ 2,929,332

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	$ 821,888	$ -	$ -	$ 821,888
Construction in progress	186,194	41,349	-	227,543
Total capital assets not being depreciated	1,008,082	41,349	-	1,049,431
Capital assets, being depreciated:				
Buildings	4,477,872	27,250	-	4,505,122
Right to use assets	56,020	96,656	(56,020)	96,656
Total capital assets being depreciated	4,533,892	123,906	(56,020)	4,601,778
Less accumulated depreciation				
Buildings	292,345	90,102	-	382,447
Right to use assets	48,018	14,447	(56,020)	6,445
Total accumulated depreciation	340,363	104,549	(56,020)	388,892
Net capital assets being depreciated	4,193,529	19,357	-	4,212,886
Total Capital Assets	$ 5,201,611	$ 60,706	$ -	$ 5,262,317

Depreciation was charged to the following activities as follows:

Lockhart EDC	$ 104,549
Total Depreciation Expense	$ 104,549

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, 2025. 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	$ 2,548,302	$ -	$ (594,978)	$ 1,953,324	$ 624,914
Certificates of Obligation	5,548,135	18,955,000	(412,595)	24,090,540	433,340
Tax notes	1,708,666	-	(325,049)	1,383,617	333,679
Less deferred amounts:					
For premiums	343,716	1,325,909	(67,036)	1,602,589	-
Total Bonds Payable	10,148,819	20,280,909	(1,399,658)	29,030,070	1,391,933
SBITA liabilities	127,202	-	(14,099)	113,103	15,328
Lease liabilities	534,607	320,354	(231,801)	623,160	242,094
Total Governmental Activities	$ 10,810,628	$ 20,601,263	$ (1,645,558)	$ 29,766,333	$ 1,649,355
		Long-term liabilities due in more than one year		$ 28,116,978	
Business-Type Activities:					
General Obligation Bonds	$ 856,696	$ -	$ (200,022)	$ 656,674	$ 210,086
Certificates of Obligation	6,486,867	-	(482,405)	6,004,462	506,660
Tax Notes	1,261,334	-	(239,950)	1,021,384	246,321
Less deferred amounts:					
For premiums	242,466	-	(32,260)	210,206	-
Total Bonds Payable	8,847,363	-	(954,637)	7,892,726	963,067
Lease liabilities	25,850	54,126	(54,152)	25,824	25,824
Notes payable	1,840,710	-	(184,913)	1,655,797	189,535
GBRA Obligations	40,875,000	-	(1,105,000)	39,770,000	1,125,000
Total Business-Type Activities	$ 51,588,923	$ 54,126	$ (2,298,702)	$ 49,344,347	$ 2,303,426
		Long-term liabilities due in more than one year		$ 47,040,921	
Component Unit Activities (LEDC):					
Lease liabilities	$ 8,754	$ 96,656	$ (14,295)	$ 91,115	$ 17,172
Revenue bonds	1,250,000	-	(100,000)	1,150,000	100,000
Total Component Unit Activities	$ 1,258,754	$ 96,656	$ (114,295)	$ 1,241,115	$ 117,172
		Long-term liabilities due in more than one year		$ 1,123,943	

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, 2025, there was $1,845,000 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, 2025, there was $37,925,000 of obligations outstanding.

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%	$ 1,953,324	$ 656,674	$ 2,609,998
Total General Obligation Bonds	$ 1,953,324	$ 656,674	$ 2,609,998
Certificates of Obligation:			
$16,685,000 Certificates of Obligation, Series 2015, due in annual installments through August 2035 interest at 3.39%	$ 5,135,540	$ 6,004,462	$ 11,140,002
$18,955,000 Certificates of Obligation, Series 2025, due in annual installments through 2045, interest at 5%	18,955,000	-	18,955,000
Total Certificates of Obligation	$ 24,090,540	$ 6,004,462	$ 30,095,002
Notes Payable:			
$3,600,000 2013 State Infrastructure Bank Loan due in annual installments through June 2033, interest at 2.50%	$ -	$ 1,655,797	$ 1,655,797
Total Notes Payable	$ -	$ 1,655,797	$ 1,655,797
Tax Notes:			
$4,050,000 Limited Tax Note, Series 2022, due in annual installments through 2029, interest at 2.61%	$ 1,383,617	$ 1,021,384	$ 2,405,001
Total Tax Notes	$ 1,383,617	$ 1,021,384	$ 2,405,001
GBRA Obligations:			
$4,950,000 GBRA Revenue Bond, Series 2014, due in installments through 2030, interest at 3.45%	$ -	$ 1,845,000	$ 1,845,000
$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%	-	2,285,000	2,285,000
$2,095,000 Contract Revenue Bond, Series 2018B, due in installments through 2048, interest at 3.23%	-	1,730,000	1,730,000
$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%	-	1,470,000	1,470,000
$8,250,000 Contract Revenue Bond, Series 2020, due in installments through 2050, interest at 2.08%	-	6,920,000	6,920,000
$14,485,000 Contract Revenue Bond, Series 2021, due in installments through 2050, interest at 2.75%	-	12,165,000	12,165,000
Total GBRA Obligations	$ -	$ 39,770,000	$ 39,770,000

	Governmental Activities	Business - Type Activities	Total
Lease Liabilities:			
$322,861 lease payable for building, due in monthly installments of $5,315 to $6,218 through 2027, interest at 2.61%	$ 131,781	$ -	$ 131,781
$610,998 lease payable to Enterprise Fleet, due in monthly installments of $13,106 through 2025, interest at 1.5%	491,379	25,824	517,203
Total Lease Liabilities	$ 623,160	$ 25,824	$ 648,984
SBITA Liabilities:			
$64,352 SBITA payable to Eforce Records Management, due in annual installments of $6,862 through 2031, interest at 4.5%	$ 42,781	$ -	$ 42,781
$105,777 SBITA payable to Eforce Records License, due in annual installments of $11,966-$14,717 through 2031, interest at 4.5%	70,322	-	70,322
Total SBITA Liabilities	$ 113,103	$ -	$ 113,103
Premiums	1,602,589	210,206	1,812,795
Total Debt	$ 29,766,333	$ 49,344,347	$ 79,110,680

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%	$ 1,150,000
Total Sales Tax Reveue Bonds	$ 1,150,000
Lease liabilities:	
$96,656 lease payable for building, due in monthly installments of $5,978-$6,218 through March 2027, interest at 2.61%	$ 91,115
Total Lease Liabilities	$ 91,115
Total Debt	$ 1,241,115

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

Year ending	2015 Tax & Rev CO		2025 Tax & Rev CO		2016 GO Refunding	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 433,340	$ 164,594	$ -	$ 913,526	$ 624,914	$ 78,133
2027	447,170	151,594	95,000	947,750	647,366	53,136
2028	461,000	138,179	225,000	943,000	681,044	27,242
2029	493,270	124,349	720,000	931,750	-	-
2030	507,100	109,551	755,000	895,750	-	-
2031-2035	2,793,660	290,810	4,390,000	3,872,250	-	-
2036-2040	-	-	5,610,000	2,659,000	-	-
2041-2045	-	-	7,160,000	1,109,000	-	-
	$ 5,135,540	$ 979,077	$ 18,955,000	$ 12,272,026	$ 1,953,324	$ 158,511

Year ending	2022 Tax Note		Leases	
September 30,	Principal	Interest	Principal	Interest
2026	$ 333,679	$ 31,758	$ 242,094	$ 42,655
2027	339,432	22,974	198,861	25,340
2028	350,938	13,964	53,251	15,813
2029	359,568	4,692	58,920	9,602
2030	-	-	70,034	2,782
	$ 1,383,617	$ 73,389	$ 623,160	$ 96,192

Year ending	SBITA		
September 30,	Principal	Interest	Total
2026	$ 15,328	$ 5,090	$ 20,418
2027	16,630	4,400	21,030
2028	18,010	3,652	21,662
2029	19,470	2,841	22,311
2030	21,015	1,965	22,980
2031	22,650	1,019	23,669
Total	$ 113,103	$ 18,967	$ 132,070

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 $106,391.

The City entered into IT based subscription agreements for records management. The present value of the subscription payments is classified as right to use asset with a total carrying value as of yearend for governmental activities of $106,391.

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

Year ending	2015 Tax & Rev CO		2016 GO Refunding		2022 Tax Note	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest
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	539,000	161,559	228,954	9,158	259,062	10,309
2029	576,730	145,389	-	-	265,433	3,464
2030	592,900	128,087	-	-	-	-
2031	611,765	109,558	-	-	-	-
2032	630,630	89,676	-	-	-	-
2033	652,190	69,181	-	-	-	-
2034	673,750	47,169	-	-	-	-
2035	698,007	24,430	-	-	-	-
	$ 6,004,462	$ 1,144,735	$ 656,674	$ 53,289	$ 1,021,384	$ 54,176

Year ending	State Infrastructure Loan		Leases	
September 30,	Principal	Interest	Principal	Interest
2026	$ 189,535	$ 41,395	$ 25,824	$ 365
2027	194,273	36,657	-	-
2028	199,130	31,800	-	-
2029	204,108	26,821	-	-
2030	209,211	21,719	-	-
2031	214,441	16,489	-	-
2032	219,802	11,127	-	-
2033	225,297	5,632	-	-
	$ 1,655,797	$ 191,640	$ 25,824	$ 365

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 $64,370.

Year ending September 30,	Guadelupa-Blanco River Authority		
	Principal	Interest	Total
2026	$ 1,125,000	$ 1,121,587	$ 1,676,666
2027	1,140,000	1,102,995	1,680,790
2028	1,165,000	1,082,839	1,678,995
2029	1,185,000	1,061,242	1,681,122
2030	1,205,000	1,038,043	1,682,354
2031-2035	4,280,000	4,958,459	1,677,396
2036-2040	5,825,000	4,473,644	1,273,454
2041-2045	9,245,000	3,401,223	1,280,093
2046-2050	10,200,000	1,823,633	1,275,529
2051-2054	4,400,000	351,721	1,280,100
	$ 39,770,000	$ 20,415,385	$ 15,186,498

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

Year ending September 30,	Leases	
	Principal	Interest
2026	$ 17,172	$ 2,176
2027	18,411	1,713
2028	19,711	1,217
2029	21,078	686
2030	14,743	145
	$ 91,115	$ 5,937

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 $90,211.

Year ending September 30,	2020 Sales Tax and Revenue Bonds	
	Principal	Interest
2026	$ 100,000	$ 28,405
2027	105,000	25,935
2028	110,000	23,342
2029	110,000	20,625
2030	115,000	17,908
2031-2035	610,000	46,067
	$ 1,150,000	$ 162,282

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	$ 745,309	$ 795,847	$ (670,778)	$ 870,378	$ 783,340
Total Governmental Activities	$ 745,309	$ 795,847	$ (670,778)	$ 870,378	$ 783,340
Other long-term liabilities due in more than one year				$ 87,038	
Business-Type Activities:					
Compensated absences	$ 122,065	$ 146,959	$ (109,859)	$ 159,166	$ 143,249
Total Business-Type Activities	$ 122,065	$ 146,959	$ (109,859)	$ 159,166	$ 143,249
Other long-term liabilities due in more than one year				$ 15,917	
EDC Activities:					
Compensated absences	$ 1,587	$ 3,198	$ (1,428)	$ 3,357	$ 3,021
Total Business-Type Activities	$ 1,587	$ 3,198	$ (1,428)	$ 3,357	$ 3,021
Other long-term liabilities due in more than one year				$ 336	

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 $93,769 and $65,792, respectively. Current year amortization expense for governmental and business-type activities totaled $23,442 and $16,448, respectively.

I. Interfund Transactions

The compositions of interfund advances to/from balances as of the year ended September 30, 2025 were as follows:

	Due from:		
Due to:	**General Fund**	**Wastewater Fund**	**Total**
Electric	$ 2,727,972	$ 26,193	$ 2,754,165
Water	1,235,479	374,058	1,609,537
Wastewater	15,294	-	15,294
Nonmajor govt.	238,128	-	238,128
Total	$ 4,216,873	$ 400,251	$ 4,617,124

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.

The LEDC recorded a total payable of $79,220 to the general fund during the year.

Transfers between the primary government during the 2025 year were as follows:

	Transfers Out:						
Transfers In:	**General**	**Electric**	**Water**	**Wastewater**	**Nonmajor governmental**	**Nonmajor bus.-type**	**Total**
General	$ -	$ 2,390,930	$ 298,136	$ 755,605	$ 550,000	$ 471,509	$ 4,466,180
Nonmajor govt	58,447	-	-	246,520	132,143	-	437,110
Water	-	-	-	532,787	-	-	532,787
Total	$ 58,447	$ 2,390,930	$ 298,136	$ 1,534,912	$ 682,143	$ 471,509	$ 5,436,077

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.

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 938 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.

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 three payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

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:

	Plan Year 2024	Plan Year 2023
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 Retroactive Repeating	70% of CPI Repeating

Employees covered by benefit terms

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	114
Inactive employees entitled to but not yet receiving benefits	160
Active employees	151
Total	425

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 13.06% and 14.17% in calendar years 2024 and 2025, respectively. The City's contributions to TMRS for the year ended September 30, 2025, were $1,337,697, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2024, 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, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.60% to 11.85% 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 110% of the Public Safety table used for males and 100% of 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 the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the 3.5% and 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS as of December 31, 2022. They were adopted in 2023 and first used in the December 31, 2023 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, Gabriel, Roeder, Smith & Company (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 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35.0%	6.7%
Core Fixed Income	6.0%	4.7%
Non-Core Fixed Income	20.0%	8.0%
Other Public/Private Markets	12.0%	8.0%
Real Estate	12.0%	7.6%
Hedge Funds	5.0%	6.4%
Private Equity	10.0%	11.6%
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 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, $3,770,224 is related to the primary government, and $61,697 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 12/31/23	$ 43,107,349	$ 38,291,146	$ 4,816,203	$ 4,738,659	$ 77,544
Changes for the year:					
Service cost	1,370,951	-	1,370,951	1,348,877	22,074
Interest	2,881,842	-	2,881,842	2,835,442	46,400
Change in benefit terms	-	-	-	-	-
Difference between expected and actual experience	500,647	-	500,647	492,586	8,061
Changes of assumptions	-	-	-	-	-
Contributions – employer	-	1,228,027	(1,228,027)	(1,208,255)	(19,772)
Contributions – employee	-	564,178	(564,178)	(555,094)	(9,084)
Net investment income(loss)	-	3,971,631	(3,971,631)	(3,907,684)	(63,947)
Benefit payments, including refunds of emp. contributions	(2,197,725)	(2,197,725)	-	-	-
Administrative expense	-	(25,516)	25,516	25,105	411
Other changes	-	(598)	598	587	11
Net changes	2,555,715	3,539,997	(984,282)	(968,435)	(15,847)
Balance at 12/31/24	$ 45,663,064	$ 41,831,143	$ 3,831,921	$ 3,770,224	$ 61,697

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

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

1% Decrease 5.75%	Current Single Rate 6.75%	1% Increase 7.75%
$ 9,902,176	$ 3,770,224	$ (1,237,174)

Component Unit

1% Decrease 5.75%	Current Single Rate 6.75%	1% Increase 7.75%
$ 162,043	$ 61,697	$ (20,246)

Total

1% Decrease 5.75%	Current Single Rate 6.75%	1% Increase 7.75%
$ 10,064,219	$ 3,831,921	$ (1,257,420)

Pension Plan Fiduciary Net Position:

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

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

For the year ended September 30, 2025, the City recognized pension expense of $1,166,262. Of this amount, $1,147,484 is related to the primary government and $18,778 is attributable to the discretely presented component unit.

At September 30, 2025, 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	$ -	$ (372,985)
Change in assumptions	-	(127,642)
Differences between expected and actual economic experience	251,681	-
Contributions subsequent to the measurement date	948,677	-
Component Units:		
Difference between projected and actual investment earnings	-	(6,104)
Change in assumptions	-	(2,089)
Differences between expected and actual economic experience	4,119	-
Contributions subsequent to the measurement date	15,524	-
Total	$ 1,220,001	$ (508,820)

The primary government and component units reported $948,677 and $15,524, 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, 2026.

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

Year ended December 31:	Primary Government	Discretely Presented Component Units	Total
2025	$ 40,377	$ 661	$ 41,038
2026	588,060	9,623	597,683
2027	(604,451)	(9,891)	(614,342)
2028	(272,933)	(4,466)	(277,399)
2029	-	-	-
Thereafter	-	-	-
	$ (248,946)	$ (4,074)	$ (253,020)

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, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	**78**
Inactive employees entitled to but not yet receiving benefits	27
Active employees	151
Total	256

The City's contributions to the TMRS SDBF for the years ended 2025, 2024, and 2023 were $16,715, $15,319, and $10,839, respectively, which equaled the required contributions each year.

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
2023	0.15%	0.15%	100.0%
2024	0.18%	0.18%	100.0%
2025	0.17%	0.17%	100.0%

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2024, 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, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.60% to 11.85%, including inflation per year
Discount rate	4.08%
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 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements. For disabled annuitants, the mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females. The rates are projected on a fully generational basis by the most recent Scale MP=2021 (with immediate convergence) to account for future mortality improvements subject to the 3.5% and 3% floor.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 4.08%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2024.

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 4.08%, 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 (3.08%) or 1-percentage-point higher (5.08%) than the current rate:

1% Decrease	Current Single Rate	1% Increase
3.08%	4.08%	5.08%
$ 538,906	$ 458,109	$ 394,210

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/23	$ 448,005
Changes for the year:	
Service Cost	18,809
Interest	16,925
Difference between expected and actual experience	14,161
Changes of assumptions	(22,866)
Benefit payments	(16,925)
Net changes	10,104
Balance at 12/31/24	$ 458,109

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

For the year ended September 30, 2025, the City recognized OPEB expense for the SDBF of $10,205. Total aggregate OPEB expense was $24,333 including the healthcare benefit OPEB discussed in the subsequent section.

At September 30, 2025, the City reported deferred outflows and 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	$ 7,017	$ -
Changes in assumptions and other inputs	-	(83,662)
Contributions subsequent to measurement date	11,569	-
Total	$ 18,586	$ (83,662)

The City reported $11,569 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, 2026.

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

Year ended December 31:	
2026	$ (34,567)
2027	(35,186)
2028	(5,807)
2029	(1,085)
2030	-
Thereafter	-
	$ (76,645)

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.

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.

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, 2024 and measured as of September 30, 2025 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 2024 actuarial valuation for the development of the GASB 75 disclosures related to OPEB benefits for the year ended September 30, 2025.

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.

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	4.06%
Inflation Rate	2.50%
Salary Growth	3.50%
Healthcare Cost Trend Rate (Initial/Ultimate)	4.50% for medical

At the September 30, 2024 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, 2024 valuation date, the following employees were covered by the benefit terms:

Status	**Employee**	**Employee & Spouse**
Inactive employees or beneficiaries currently receiving benefits	4	0
Active employees	30	6
Total	**34**	**6**

Discount Rate

The discount rate used to measure the Total OPEB Liability was 4.06%. The discount rate was based on the Bond Buyer GO Bond 20 Year Index rate as of September 30, 2024, 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 4.06%, 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 (3.06%) or 1-percentage-point higher (5.06%) than the current rate:

1% Decrease 3.06%	Current Single Rate 4.06%	1% Increase 5.06%
$ 325,545	$ 347,690	$ 371,682

Healthcare Cost Trend

1% Decrease 3.50%	Current Healthcare Cost Trend 4.50%	1% Increase 5.50%
$ 322,091	$ 347,690	$ 376,659

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2023	$ 353,551
Changes for the year:	
Service Cost	5,631
Interest	14,064
Benefit payments	(25,557)
Net changes	(5,861)
Balance at 9/30/2024	$ 347,690

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

For the year ended September 30, 2025, the City recognized OPEB expense for the health benefit plan of $14,128.

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Inflows of Resources
Difference between expected and actual experience	$ (14,723)
Change in assumptions	(15,122)
Total	$ (29,845)

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

Year ended September 30:	
2026	$ (8,156)
2027	(12,208)
2028	(7,759)
2029	(1,722)
2030	-
Thereafter	-
	$ (29,845)

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, 2025:

$13,885 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.

G. Restatement

The City restated beginning net position for the EMS fund and business-type activities to adjust prior year accrued payables. In addition, the City restated beginning net position for the governmental activities to account for the new acct. standard – GASB 101, *Compensated Absences*. The restatements are as follows:

	Governmental Activities	Buisness-Type Activities	Business-Type Nonmajor
Prior year ending net position, as reported	$ 36,418,436	$ 33,404,189	3,164,586
Restatements for accrued payables	-	(57,612)	(57,612)
Restatements for new acct. standard-GASB 101, *Compensated Absences*	(167,457)	-	-
Restated beginning net position	$ 36,250,979	$ 33,346,577	$ 3,106,974

H. New Accounting Pronouncements

The City adopted GASB 101, *Compensated Absences* during the year. The goal of the standard is to create a more consistent model for accounting for compensated absences that can be applied to all types of compensated absence arrangements.

The new guidance introduces three criteria for recording a liability in financial statements prepared using the economic resources measurement focus (often referred to as a "full accrual" basis). A liability should be recognized for leave that has not been used if all of the following are true:

- The leave is attributable to services already rendered.
- The leave accumulates.
- The leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means (likelihood of more than 50 percent).

This standard was applied retroactively and resulted in a sick leave liability of $129,883 as of September 30, 2025.

I. Related Party Transactions

During the year ended September 30, 2025, the City had the following transactions with related parties of the City:

- Council member Jeffery Michelson is a member of the Board of Directors of First Lockhart National Bank, depository for the City. Mr. Michelson abstains from voting on all matters involving the banking institution.

J. Sale of EMS Assets

In January 2025, the City entered into an Asset Purchase and Sale Agreement with Caldwell County Emergency Services District No. 5 to transfer ownership of Emergency Medical Services (EMS) operational assets.

Under the agreement, the City agreed to sell specified EMS-related personal property, including ambulances, vehicles, and medical equipment, for a total purchase price of $381,018, payable at closing on January 31, 2025.

In addition to the purchase price, the buyer will assume and pay directly to the vendor the remaining balance of $217,975 related to one ambulance (Medic 6). Medicine and consumable supplies on hand as of February 1, 2025 will be purchased separately at a price to be determined at that time.

The transaction represents a sale of assets only. The ESD did not assume any other liabilities of the City related to EMS operations. Both parties provided customary representations and warranties, and indemnification provisions are included in the agreement.

K. Subsequent Events

There were no subsequent events through March 17, 2026, the date the financial statements were issued.

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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, 2025

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	
Revenues				
Property tax	$ 5,885,600	$ 6,279,835	$ 394,235	
Sales tax	3,006,935	3,284,944	278,009	
Franchise and local taxes	401,631	396,051	(5,580)	
License and permits	891,630	308,495	(583,135)	
Charges for services	91,800	695,752	603,952	
Intergovernmental	617,969	130,306	(487,663)	
Fines and forfeitures	251,500	503,642	252,142	
Investment income	350,000	585,702	235,702	
Other revenue	53,950	93,710	39,760	
Total Revenues	11,551,015	12,278,437	727,422	
Expenditures				
Current:				
General government	2,057,344	2,511,288	(453,944)	
Public safety	8,201,757	8,229,238	(27,481)	
Public works	2,211,318	5,552,959	(3,341,641)	
Health and welfare	15,894	28,920	(13,026)	
Culture and recreation	1,518,803	1,678,071	(159,268)	
Community development	1,896,096	1,238,878	657,218	
Debt Service:				
Principal	-	245,900	(245,900)	
Interest and fiscal charges	-	38,926	(38,926)	
Capital outlay	-	2,979,583	(2,979,583)	
Total Expenditures	15,901,212	22,503,763	(6,602,551)	*
Revenues Over (Under) Expenditures	(4,350,197)	(10,225,326)	(5,875,129)	

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, 2025

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	
Other Financing Sources (Uses)				
Lease issuance	$ -	$ 320,354	$ 320,354	
Sale of assets	25,000	201	(24,799)	
Transfers in	4,459,991	4,466,180	6,189	
Transfers (out)	(65,000)	(58,447)	6,553	
Total Other Financing Sources (Uses)	4,419,991	4,728,288	308,297	*
Net Change in Fund Balance	$ 69,794	(5,497,038)	$ (5,566,832)	
Beginning fund balance		14,426,095		
Ending Fund Balance		$ 8,929,057		

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.
2. Total expenditures (including transfers out) exceeded appropriations at the legal level of control

City of Lockhart, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Years Ended:

	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Total pension liability				
Service cost	$ 1,370,951	$ 1,003,200	$ 1,019,640	$ 1,005,010
Interest	2,881,842	2,800,841	2,695,766	2,527,075
Differences between expected and actual experience	500,647	(193,699)	57,152	850,154
Changes of assumptions	-	(414,853)	-	-
Benefit payments, including refunds of participant contributions	(2,197,725)	(2,160,970)	(2,254,366)	(1,526,480)
Net change in total pension liability	2,555,715	1,034,519	1,518,192	2,855,759
Total pension liability - beginning	43,107,349	42,072,830	40,554,638	37,698,879
Total pension liability - ending (a)	$ 45,663,064	$ 43,107,349	$ 42,072,830	$ 40,554,638
Plan fiduciary net position				
Contributions - employer	$ 1,228,027	$ 958,429	$ 953,882	$ 950,147
Contributions - members	564,178	455,310	464,176	457,169
Net investment income	3,971,631	4,048,327	(2,821,822)	4,474,872
Benefit payments, including refunds of participant contributions	(2,197,725)	(2,160,970)	(2,254,366)	(1,526,480)
Administrative expenses	(25,516)	(25,782)	(24,426)	(20,710)
Other	(598)	(180)	29,148	142
Net change in plan fiduciary net position	3,539,997	3,275,134	(3,653,408)	4,335,140
Plan fiduciary net position - beginning	38,291,146	35,016,012	38,669,420	34,334,280
Plan fiduciary net position - ending (b)	$ 41,831,143	$ 38,291,146	$ 35,016,012	$ 38,669,420
Fund's net pension liability - ending (a) - (b)	$ 3,831,921	$ 4,816,203	$ 7,056,818	$ 1,885,218
Plan fiduciary net position as a percentage of the total pension liability	91.61%	88.83%	83.23%	95.35%
Covered payroll	$ 9,402,959	$ 7,588,505	$ 7,736,270	$ 7,619,481
Fund's pension liability as a percentage of covered payroll	40.75%	63.47%	91.22%	24.74%

12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
$ 961,008	$ 908,475	$ 861,176	$ 803,650	$ 809,909	$ 755,292
2,392,058	2,267,377	2,158,275	2,050,665	1,924,544	1,840,606
193,047	(28,525)	(144,312)	(95,374)	213,804	541,546
-	94,975	-	-	-	143,888
(1,609,242)	(1,233,643)	(1,331,302)	(1,055,658)	(1,097,681)	(1,084,811)
1,936,871	2,008,659	1,543,837	1,703,283	1,850,576	2,196,521
35,762,008	33,753,349	32,209,512	30,506,229	28,655,653	26,459,132
$ 37,698,879	$ 35,762,008	$ 33,753,349	$ 32,209,512	$ 30,506,229	$ 28,655,653
$ 933,321	$ 884,655	$ 848,460	$ 779,767	$ 708,591	$ 721,903
437,153	408,304	385,314	358,239	358,731	352,824
2,439,599	4,299,655	(862,453)	3,497,425	1,599,743	34,935
(1,609,242)	(1,233,643)	(1,331,302)	(1,055,658)	(1,097,681)	(1,084,811)
(15,791)	(24,299)	(16,669)	(18,124)	(18,076)	(21,283)
(616)	(730)	(872)	(918)	(974)	(1,051)
2,184,424	4,333,942	(977,522)	3,560,731	1,550,334	2,517
32,149,856	27,815,914	28,793,436	25,232,705	23,682,371	23,679,854
$ 34,334,280	$ 32,149,856	$ 27,815,914	$ 28,793,436	$ 25,232,705	$ 23,682,371
$ 3,364,599	$ 3,612,152	$ 5,937,435	$ 3,416,076	$ 5,273,524	$ 4,973,282
91.08%	89.90%	82.41%	89.39%	82.71%	82.64%
$ 7,285,883	$ 6,805,058	$ 6,421,896	$ 5,970,653	$ 5,937,749	$ 5,730,595
46.18%	53.08%	92.46%	57.21%	88.81%	86.78%

City of Lockhart, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended:

	9/30/2025	9/30/2024	9/30/2023	9/30/2022
Actuarially determined employer contributions	$ 1,337,697	$ 1,152,717	$ 944,606	$ 946,174
Contributions in relation to the actuarially determined contribution	$ 1,337,697	$ 1,152,717	$ 944,606	$ 946,174
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Annual covered payroll	$ 9,664,369	$ 8,904,053	$ 7,533,848	$ 7,648,561
Employer contributions as a percentage of covered payroll	13.84%	12.95%	12.54%	12.37%

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	21 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed fair value; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% 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 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are bultiplied by 103% and femaile rates are multiplied by 105%. The rates are projected on a fully generational basis with the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence)

Other Information:

Notes	There were no benefit changes during the year.

9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
$ 941,155	$ 896,545	$ 872,807	$ 829,948	$ 754,327	$ 734,637
$ 941,155	$ 896,545	$ 872,807	$ 829,948	$ 754,327	$ 734,637
$ -	$ -	$ -	$ -	$ -	$ -
$ 7,490,384	$ 6,972,445	$ 6,687,118	$ 6,300,160	$ 5,911,532	$ 6,129,529
12.56%	12.86%	13.05%	13.17%	12.76%	11.99%

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] 12/31/2024	12/31/2023	12/31/2022	12/31/2021
Total OPEB liability				
Service cost	$ 18,809	$ 13,659	$ 29,398	$ 28,954
Interest	16,925	16,846	10,714	10,983
Differences between expected and actual experience	14,161	(7,404)	7,532	(13,022)
Changes of assumptions	(22,866)	21,476	(195,401)	16,765
Benefit payments	(16,925)	(11,382)	(10,057)	(11,429)
Net changes	10,104	33,195	(157,814)	32,251
Total OPEB liability - beginning	448,005	414,810	572,624	540,373
Total OPEB liability - ending	[2] $ 458,109	$ 448,005	$ 414,810	$ 572,624
Covered employee payroll	$ 9,402,959	$ 7,588,505	$ 7,736,270	$ 7,619,481
Fund's net position as a percentage of covered employee payroll	4.87%	5.90%	5.36%	7.52%

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.

12/31/2020	12/31/2019	12/31/2018	12/31/2017
$ 23,315	$ 17,693	$ 19,266	$ 15,524
13,308	14,621	13,571	13,276
(36,363)	(18,892)	(17,158)	-
70,035	77,468	(27,464)	31,482
(4,372)	(3,403)	(3,211)	(3,582)
65,923	87,487	(14,996)	56,700
474,450	386,963	401,959	345,259
$ 540,373	$ 474,450	$ 386,963	$ 401,959
$ 7,285,883	$ 6,805,058	$ 6,421,896	$ 5,970,653
7.42%	6.97%	6.03%	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] 9/30/2025	9/30/2024	9/30/2023	9/30/2022
Total OPEB liability				
Service cost	$ 5,632	$ 6,779	$ 6,779	$ 13,045
Interest	14,064	17,980	17,980	9,628
Differences between expected and actual experience	-	(44,768)	-	38,165
Changes of assumptions	-	16,180	-	(81,547)
Benefit payments	(25,557)	(25,558)	(23,980)	(23,980)
Net changes	(5,861)	(29,387)	779	(44,689)
Total OPEB liability - beginning	353,551	382,938	382,159	426,848
Total OPEB liability - ending	[2] $ 347,690	$ 353,551	$ 382,938	$ 382,159
Covered employee payroll	$ 2,067,177	$ 2,067,177	$ 2,950,019	$ 2,950,019
Fund's net position as a percentage of covered employee payroll	16.82%	17.10%	12.98%	12.95%

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.

9/30/2021	9/30/2020	9/30/2019	9/30/2018
$ 13,045	$ 11,786	$ 11,786	$ 11,326
9,754	15,971	15,460	15,641
-	(9,846)	-	-
-	53,744	-	-
(32,804)	(32,804)	(20,086)	(20,086)
(10,005)	38,851	7,160	6,881
436,853	398,002	390,842	383,961
$ 426,848	$ 436,853 [2]	$ 398,002 [2]	$ 390,842
$ 3,307,156	$ 3,307,156	$ 3,778,438	$ 3,778,438
12.91%	13.21%	10.53%	10.34%

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUND

This fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds.

RADIO TOWER EQUIPMENT REPLACEMENT

This fund is used to account for funding received and expenditures used for the replacement of radio tower equipment.

FORFIETED PROPERTY

This fund is used to account for forfeitures for use in the Police Department.

HOTEL/MOTEL TAX

This fund is used to account for revenues and expenditures of the hotel/motel tax receipts as specified by state statute.

LEOSE FUND

This fund is used to account for LEOSE grants received for use in the Police Department.

ROAD IMPACT FEES #1

This fund is used to account for road impact fees collected and expenditures used on roadway construction impacted by development.

ROAD IMPACT FEES #2

This fund is used to account for road impact fees collected and expenditures used on roadway construction impacted by development.

COURT TECHNOLOGY

This fund is used to account for funds collected in association with the portion of the court fees which are restricted for use on court technology.

RADIO SYSTEM MAINTENANCE

This fund is used to account for funding received and expenditures used for the radio system maintenance.

COURT SECURITY

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on court security.

CHILD SAFETY

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use in child safety.

COURT EFFICIENCY

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on court efficiency.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

JUVENILE CASE MANAGER

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on costs associated with juvenile case manager.

TRUANCY COURT

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on truancy court.

LOCAL MUNICIPAL JURY

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on local municipal jury.

CABLE EDUCATION

This fund is used to account for funds collected Public, Educational, and Governmental (PEG) fees for use for capital expenditures related to the operation of public, educational, and governmental television channels.

TRANSPORTATION

This fund is used to account for transportation fees collected and expenditures used on roads impacted by commercial activities.

CARES RELIEF ACT

This fund is used to account for funds received from U.S. Department of Treasury for various qualified expenditures associated with the American Relief and Recovery Act Grant.

CLEARFORK SECTION 1 SIDEWALK

This fund is used to track funds related to the Clearfork Section 1 Sidewalk project.

MAPLE 2201 TRAIL PROJECT

This fund is used to track funds related to the Maple 2201 Trail Project.

2015 CERTIFICATES OF OBLIGATION

This fund is used to track funds related to the series 2015 Certificates of Obligation.

MAPLE STREET PARK IMPROVEMENTS

This fund is used to track funds related to the Maple Street Park Improvements.

City of Lockhart, Texas

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

September 30, 2025

	Debt Service Fund	Special Revenue Funds	Capital Project Funds	Total
Assets				
Cash and cash equivalents	$ 1,764,913	$ 6,367,761	$ 428,121	$ 8,560,795
Accounts receivable	141,978	201,078	-	343,056
Prepaid	-	24,289	-	24,289
Total Assets	$ 1,906,891	$ 6,593,128	$ 428,121	$ 8,928,140
Liabilities				
Accounts payable	$ -	$ 72,569	$ 229,821	$ 302,390
Accrued liabilities	-	-	40,553	40,553
Due to other funds	-	238,128	-	238,128
Total Liabilities	-	310,697	270,374	581,071
Deferred Inflows/Outflows				
Unavailable revenue-tax	141,979	-	-	141,979
Unavailable revenue-fines	-	8,479	-	8,479
Total Deferred Inflows	141,979	8,479	-	150,458
Fund Balances				
Nonspendable:				
Prepaids	-	24,289	-	24,289
Restricted for:				
Debt service	1,764,912	-	-	1,764,912
General government	-	95,689	-	95,689
Public safety	-	25,392	-	25,392
Municipal court	-	181,650	-	181,650
Tourism	-	87,496	-	87,496
Capital projects	-	6,049,924	157,747	6,207,671
Unassigned	-	(190,488)	-	(190,488)
Total Fund Balances	1,764,912	6,273,952	157,747	8,196,611
Total Liabilities, Deferred Inflows and Fund Balances	$ 1,906,891	$ 6,593,128	$ 428,121	$ 8,928,140

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, 2025

	Debt Service Fund	Special Revenue Funds	Capital Project Funds	Total
Revenues				
Property tax	$ 2,160,480	$ -	$ -	$ 2,160,480
Hotel occupancy tax	-	220,902	-	220,902
Fines and forfeitures	-	32,718	-	32,718
License and permits	-	368,834	-	368,834
Charges for services	-	758,836	-	758,836
Intergovernmental	24,255	132,843	-	157,098
Investment income	78,815	238,999	34,284	352,098
Total Revenues	2,263,550	1,753,132	34,284	4,050,966
Expenditures				
General government	-	303,532	-	303,532
Public safety	-	246,188	-	246,188
Public works	-	2,687	-	2,687
Culture and recreation	-	1,262	-	1,262
Debt service:				
Principal	1,332,622	-	-	1,332,622
Interest	332,560	-	-	332,560
Capital outlay	-	283,093	926,983	1,210,076
Total Expenditures	1,665,182	836,762	926,983	3,428,927
Revenues Over (Under) Expenditures	598,368	916,370	(892,699)	622,039
Other Financing Sources (Uses)				
Transfers in	378,663	58,447	-	437,110
Transfers (out)	-	(682,143)	-	(682,143)
Total Other Financing Sources (Uses)	378,663	(623,696)	-	(245,033)
Net Change in Fund Balances	977,031	292,674	(892,699)	377,006
Beginning fund balances	787,881	5,981,278	1,050,446	7,819,605
Ending Fund Balances	$ 1,764,912	$ 6,273,952	$ 157,747	$ 8,196,611

See Notes to Financial Statements.

City of Lockhart, Texas

COMBINING BALANCE SHEET (Page 1 of 2)

NONMAJOR SPECIAL REVENUE FUNDS

September 30, 2025

	Radio Tower Equipment Replacement	Forfeited Property	Hotel/ Motel Tax	LEOSE Fund
Assets				
Cash and cash equivalents	$ 3,287	$ 12,273	$ 69,462	$ 13,119
Accounts receivable	-	-	25,613	-
Prepaid	-	-	-	-
Total Assets	$ 3,287	$ 12,273	$ 95,075	$ 13,119
Liabilities				
Accounts payable and accrued liab.	$ -	$ -	$ -	$ -
Due to other funds	-	-	7,579	-
Total Liabilities	-	-	7,579	-
Deferred Inflows				
Unavailable revenue-fines and fees	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balances				
Nonspendable:				
Prepaids	-	-	-	-
Restricted for:				
General government	-	-	-	-
Public safety	-	12,273	-	13,119
Municipal court	-	-	-	-
Tourism	-	-	87,496	-
Capital projects	3,287	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3,287	12,273	87,496	13,119
Total Liabilities, Deferred Inflows, and Fund Balances	$ 3,287	$ 12,273	$ 95,075	$ 13,119

See Notes to Financial Statements.

Road Impact Fees #1	Road Impact Fees #2	Court Technology	Radio System Maintenance	Court Security
$ 2,635,027	$ 1,882,703	$ -	$ -	$ 7,081
-	-	1,708	-	1,947
-	-	13,116	11,173	-
$ 2,635,027	$ 1,882,703	$ 14,824	$ 11,173	$ 9,028
$ -	$ -	$ 2,775	$ 814	$ -
-	-	26,520	84,464	-
-	-	29,295	85,278	-
-	-	1,708	-	1,947
-	-	1,708	-	1,947
-	-	13,116	11,173	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	7,081
-	-	-	-	-
2,635,027	1,882,703	-	-	-
-	-	(29,295)	(85,278)	-
2,635,027	1,882,703	(16,179)	(74,105)	7,081
$ 2,635,027	$ 1,882,703	$ 14,824	$ 11,173	$ 9,028

City of Lockhart, Texas

COMBINING BALANCE SHEET (Page 2 of 2)

NONMAJOR SPECIAL REVENUE FUNDS

September 30, 2025

	Child Safety	Court Efficiency	Juvenile Case Manager	Truancy Court
Assets				
Cash and cash equivalents	$ 55,754	$ 23,520	$ 81,435	$ 13,214
Accounts receivable	810	1,726	2,132	121
Prepaid	-	-	-	-
Total Assets	$ 56,564	$ 25,246	$ 83,567	$ 13,335
Liabilities				
Accounts payable and accrued liab.	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows				
Unavailable revenue-fines and fees	810	1,726	2,132	121
Total Deferred Inflows	810	1,726	2,132	121
Fund Balances				
Nonspendable:				
Prepaids	-	-	-	-
Restricted for:				
General government	-	-	-	-
Public safety	-	-	-	-
Municipal court	55,754	23,520	81,435	13,214
Tourism	-	-	-	-
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	55,754	23,520	81,435	13,214
Total Liabilities, Deferred Inflows, and Fund Balances	$ 56,564	$ 25,246	$ 83,567	$ 13,335

See Notes to Financial Statements.

Local Municipal Jury	Cable Education	Transportation	Drainage	CARES Relief Act	Total Special Revenue Funds
$ 646	$ 88,030	$ 539,496	$ -	$ 942,714	$ 6,367,761
35	25,314	98,022	43,650	-	201,078
-	-	-	-	-	24,289
$ 681	$ 113,344	$ 637,518	$ 43,650	$ 942,714	$ 6,593,128
$ -	$ 17,655	$ -	$ -	$ 51,325	$ 72,569
-	-	-	119,565	-	238,128
-	17,655	-	119,565	51,325	310,697
35	-	-	-	-	8,479
35	-	-	-	-	8,479
-	-	-	-	-	24,289
-	95,689	-	-	-	95,689
-	-	-	-	-	25,392
646	-	-	-	-	181,650
-	-	-	-	-	87,496
-	-	637,518	-	891,389	6,049,924
-	-	-	(75,915)	-	(190,488)
646	95,689	637,518	(75,915)	891,389	6,273,952
$ 681	$ 113,344	$ 637,518	$ 43,650	$ 942,714	$ 6,593,128

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, 2025

	Radio Tower Equipment Replacement	Forfeited Property	Hotel/ Motel Tax	LEOSE Fund
Revenues				
Hotel occupancy tax	$ -	$ -	$ 178,817	$ -
Fines and forfeitures	-	-	-	-
License and permits	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	4,608
Investment income	155	566	6,618	796
Total Revenues	155	566	185,435	5,404
Expenditures				
General government	-	-	248,750	-
Public safety	117	-	-	11,247
Public works	-	-	-	-
Culture and recreation	-	-	1,262	-
Capital outlay	-	-	-	-
Total Expenditures	117	-	250,012	11,247
Revenues Over (Under) Expenditures	38	566	(64,577)	(5,843)
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	38	566	(64,577)	(5,843)
Beginning fund balances	3,249	11,707	152,073	18,962
Ending Fund Balances	$ 3,287	$ 12,273	$ 87,496	$ 13,119

See Notes to Financial Statements.

Road Impact Fees #1	Road Impact Fees #2	Court Technology	Radio System Maintenance	Court Security
$ -	$ -	$ -	$ -	$ -
-	-	4,872	-	10,726
154,814	214,020	-	-	-
-	-	-	-	-
-	-	-	128,235	-
118,012	79,882	-	-	2
272,826	293,902	4,872	128,235	10,728
-	-	12,180	-	-
-	-	-	234,212	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	12,180	234,212	-
272,826	293,902	(7,308)	(105,977)	10,728
-	-		58,447	-
-	-	-	-	-
-	-	-	58,447	-
272,826	293,902	(7,308)	(47,530)	10,728
2,362,201	1,588,801	(8,871)	(26,575)	(3,647)
$ 2,635,027	$ 1,882,703	$ (16,179)	$ (74,105)	$ 7,081

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, 2025

	Child Safety	Court Efficiency	Juvenile Case Manager	Truancy Court
Revenues				
Franchise and local taxes	$ -	$ -	$ -	$ -
Fines and forfeitures	1,530	4,478	9,513	1,421
License and permits	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	2,528	979	3,546	577
Total Revenues	4,058	5,457	13,059	1,998
Expenditures				
General government	-	-	-	-
Public safety	-	-	612	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	612	-
Revenues Over (Under) Expenditures	4,058	5,457	12,447	1,998
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	4,058	5,457	12,447	1,998
Beginning fund balances	51,696	18,063	68,988	11,216
Ending Fund Balances	$ 55,754	$ 23,520	$ 81,435	$ 13,214

See Notes to Financial Statements.

Local Municipal Jury	Cable Education	Transportation	Drainage	CARES Relief Act	Total Special Revenue Funds
$ -	$ 42,085	$ -	$ -	$ -	$ 220,902
178	-	-	-	-	32,718
-	-	-	-	-	368,834
-	-	525,273	233,563	-	758,836
-	-	-	-	-	132,843
-	3,674	21,664	-	-	238,999
178	45,759	546,937	233,563	-	1,753,132
-	42,602	-	-	-	303,532
-	-	-	-	-	246,188
-	-	-	2,687	-	2,687
-	-	-	-	-	1,262
-	-	-	-	283,093	283,093
-	42,602	-	2,687	283,093	836,762
178	3,157	546,937	230,876	(283,093)	916,370
-	-	-	-	-	58,447
-	-	(400,000)	(282,143)	-	(682,143)
-	-	(400,000)	(282,143)	-	(623,696)
178	3,157	146,937	(51,267)	(283,093)	292,674
468	92,532	490,581	(24,648)	1,174,482	5,981,278
$ 646	$ 95,689	$ 637,518	$ (75,915)	$ 891,389	$ 6,273,952

City of Lockhart, Texas

COMBINING BALANCE SHEET

NONMAJOR CAPITAL PROJECT FUNDS

September 30, 2025

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2015 Certificates of Obligation
Assets			
Cash and cash equivalents	$ 34,491	$ 15,000	$ 358,630
Total Assets	$ 34,491	$ 15,000	$ 358,630
Liabilities			
Accounts payable	$ -	$ -	$ 229,821
Accrued liabilities	-	-	40,553
Total Liabilities	-	-	270,374
Fund Balances			
Restricted for:			
Capital projects	34,491	15,000	88,256
Total Fund Balances	34,491	15,000	88,256
Total Liabilities and Fund Balances	$ 34,491	$ 15,000	$ 358,630

See Notes to Financial Statements.

Maple Street Park Improvements	Total
$ 20,000	$ 428,121
$ 20,000	$ 428,121
$ -	$ 229,821
-	40,553
-	270,374
20,000	157,747
20,000	157,747
$ 20,000	$ 428,121

City of Lockhart, Texas

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

For the Year Ended September 30, 2025

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2015 Certificates of Obligation
Revenues			
Investment income	$ -	$ -	$ 34,284
Total Revenues	-	-	34,284
Expenditures			
Capital outlay	-	-	926,983
Total Expenditures	-	-	926,983
Net Change in Fund Balances	-	-	(892,699)
Beginning fund balances	34,491	15,000	980,955
Ending Fund Balances	$ 34,491	$ 15,000	$ 88,256

See Notes to Financial Statements.

Maple Street Park Improvements	Total
$ -	$ 34,284
-	34,284
-	926,983
-	926,983
-	(892,699)
20,000	1,050,446
$ 20,000	$ 157,747

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City of Lockhart, Texas

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

DEBT SERVICE FUND

For the Year Ended September 30, 2025

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property tax	$ 1,488,709	$ 2,160,480	$ 671,771
Intergovernmental revenue	24,300	24,255	(45)
Investment income	7,500	78,815	71,315
Total Revenues	1,520,509	2,263,550	743,041
Expenditures			
Debt service:			
Principal	1,062,118	1,332,622	(270,504)
Interest	597,819	332,560	265,259
Total Expenditures	1,659,937	1,665,182	(5,245) *
Revenues Over (Under) Expenditures	(139,428)	598,368	737,796
Other Financing Sources (Uses)			
Transfers in	378,663	378,663	-
Total Other Financing Sources (Uses)	378,663	378,663	-
Net Change in Fund Balances	$ 239,235	977,031	$ 737,796
Beginning fund balances		787,881	
Ending Fund Balances		$ 1,764,912	

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.

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COMBINING NONMAJOR ENTERPRISE FUNDS

City of Lockhart, Texas

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (Page 1 of 2)
September 30, 2025

	Business-Type Activities		
	Sanitation	**Airport**	**EMS**
Assets			
Current Assets			
Cash and cash equivalents	$ 285,581	$ 412,743	$ 600,013
Accounts receivable, net	395,540	500	15,921
Total Current Assets	681,121	413,243	615,934
Noncurrent Assets			
Capital assets:			
Non-depreciable	120,409	72,161	-
Net depreciable capital assets	49,475	1,052,961	-
Total Noncurrent Assets	169,884	1,125,122	-
Total Assets	851,005	1,538,365	615,934
Deferred Outflows of Resources			
Pension outflows-TMRS	24,049	-	-
OPEB outflows-TMRS	367	-	-
Total Deferred Outflows of Resources	24,416	-	-

See Notes to Financial Statements.

Business-Type Activities	
Total	
$	1,298,337
	411,961
	1,710,298
	192,570
	1,102,436
	1,295,006
	3,005,304
	24,049
	367
	24,416

City of Lockhart, Texas

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (Page 2 of 2)
September 30, 2025

	Business-Type Activities		
	Sanitation	Airport	EMS
Liabilities			
Current Liabilities			
Accounts payable	$ 162,431	$ 1,007	$ 1,502
Accrued liabilities	10,511	466	-
Customer deposits	150	4,950	-
Compensated absences, current	9,326	1,004	9,716
Lease payable, current	3,406	-	-
Total Current Liabilities	185,824	7,427	11,218
Noncurrent Liabilities			
Compensated absences, noncurrent	1,036	112	1,080
Net pension liability	75,536	-	-
OPEB liability-TMRS	9,034	-	-
OPEB liability-Retiree healthcare	6,966	-	-
Total Noncurrent Liabilities	92,572	112	1,080
Total Liabilities	278,396	7,538	12,297
Deferred Inflows of Resources			
Pension inflows-TMRS	10,029	-	-
OPEB inflows-TMRS	1,650	-	-
OPEB inflows-retiree healthcare	598	-	-
Total Deferred Inflows of Resources	12,277	-	-
Net Position			
Net investment in capital assets	166,478	1,125,122	-
Unrestricted	418,270	405,705	603,637
Total Net Position	$ 584,748	$ 1,530,827	$ 603,637

See Notes to Financial Statements.

Business-Type Activities Total
$ 164,940
10,977
5,100
20,045
3,406
204,468
2,227
75,536
9,034
6,966
93,763
298,231
10,029
1,650
598
12,277
1,291,600
1,427,612
$ 2,719,212

City of Lockhart, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the Year Ended September 30, 2025

	Business-Type Activities		
	Sanitation	**Airport**	**EMS**
Operating Revenues			
Charges for services	$ 2,161,692	$ 140,645	$ 444,833
Other revenue	28,290	-	76,364
Total Operating Revenues	2,189,982	140,645	521,197
Operating Expenses			
Personnel services	288,110	13,641	134,978
Supplies	10,057	-	-
Maintenance and repairs	1,923,257	66,688	18,194
Contractual services	10,512	20,112	75,627
Depreciation	18,371	55,849	31,512
Total Operating Expenses	2,260,424	156,290	260,311
Operating Income (Loss)	(70,442)	(15,645)	260,886
Nonoperating Revenues (Expenses)			
Gain(loss) on sale of assets	-	-	(169,741)
Investment earnings	24,245	17,730	13,265
Interest expense	(448)	-	-
Total Nonoperating Revenues (Expenses)	23,797	17,730	(156,476)
Income (Loss) Before Capital Contributions and Transfers	(46,645)	2,085	104,410
Capital Contributions and Transfers			
Capital grants	23,897	-	-
Transfers (out)	(321,509)	-	(150,000)
Total Capital Contributions and Transfers	(297,612)	-	(150,000)
Change in Net Position	(344,257)	2,085	(45,590)
Beg. net position, as previously reported	929,005	1,528,742	706,839
Error correction	-	-	(57,612)
Beginning net position, as adjusted	929,005	1,528,742	649,227
Ending Net Position	$ 584,748	$ 1,530,827	$ 603,637

See Notes to Financial Statements.

Business-Type Activities	
Total	
$	2,747,170
	104,654
	2,851,824
	436,729
	10,057
	2,008,139
	106,251
	105,732
	2,677,025
	174,799
	(169,741)
	55,240
	(448)
	(114,949)
	59,850
	23,897
	(471,509)
	(447,612)
	(387,762)
	3,164,586
	(57,612)
	3,106,974
$	2,719,212

City of Lockhart, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 1 of 2)

For the Year Ended September 30, 2025

	Business-Type Activities		
	Sanitation	**Airport**	**EMS**
Cash Flows from Operating Activities			
Payments to employees	$ (267,392)	$ (13,317)	$ (628,453)
Payments to suppliers	(1,933,685)	(86,558)	(295,943)
Receipts from customers	2,157,848	140,645	1,320,126
Net Cash Provided (Used) by Operating Activities	(43,229)	40,770	395,730
Cash Flows from Noncapital Financing Activities			
Transfers (out)	(321,509)	-	(150,000)
Net Cash Provided (Used) by Noncapital Financing	(321,509)	-	(150,000)
Cash Flows from Capital and Related Financing Activities			
Capital contributions	23,897	-	-
Principal paid on capital debt	(5,733)	-	-
Interest paid on capital debt	(448)	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	17,716	-	341,018
Cash Flows from Investing Activities			
Interest on investments	24,245	17,730	13,265
Net Cash Provided by Investing Activities	24,245	17,730	13,265
Net Increase (Decrease) in Cash and Cash	(322,777)	58,500	600,013
Beginning cash and cash equivalents	608,358	354,243	-
Ending Cash and Cash Equivalents	$ 285,581	$ 412,743	$ 600,013

See Notes to Financial Statements.

Business-Type Activities Total
$ (909,162)
(2,316,186)
3,618,619
393,271
(471,509)
(471,509)
23,897
(5,733)
(448)
358,734
55,240
55,240
335,736
962,601
$ 1,298,337

City of Lockhart, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 2 of 2)

For the Year Ended September 30, 2025

	Business-Type Activities		
	Sanitation	Airport	EMS
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	$ (70,442)	$ (15,645)	$ 260,886
Adjustments to reconcile operating income (loss) to net cash provided (used):			
Depreciation	18,371	55,849	31,512
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	(32,234)	-	798,929
Deferred outflows:			
Pension	2,949	-	230,146
OPEB	(191)	-	1,497
Increase (Decrease) in:			
Accounts payable and accrued liabilities	30,271	242	(153,591)
Accrued interest	(10,013)	-	-
Due to other funds	-	-	(48,531)
Compensated absences	3,929	324	(16,417)
Deferred inflows:			
Pension	5,282	-	(40,461)
OPEB	249	-	(11,877)
Net pension liability	5,217	-	(599,435)
OPEB liability	3,283	-	(56,928)
Net Cash Provided (Used) by Operating Activities	$ (43,229)	$ 40,770	$ 395,730
Schedule of Non-Cash Capital and Related Financing Activities			
Lease issuance	$ 5,863	$ -	$ -

See Notes to Financial Statements.

Business-Type Activities
Total
$ 174,799
105,732
766,695
233,095
1,306
(123,078)
(10,013)
(48,531)
(12,164)
(35,179)
(11,628)
(594,218)
(53,645)
$ 393,271

$ 5,863

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COMBINING STATEMENTS
FIDUCIARY FUNDS

City of Lockhart, Texas

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUSTS
September 30, 2025

	Glosserman Trust	Brock Cabin Trust	Total
Assets			
Cash and cash equivalents	$ 641	$ 12	$ 653
Total Assets	$ 641	$ 12	$ 653
Net Position			
Restricted for:			
Various purposes	641	12	653
Total Net Position	$ 641	$ 12	$ 653

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, 2025

	Glosserman Trust	Brock Cabin Trust	Total
Additions			
Investment income	$ 30	$ -	$ 30
Total Additions	30	-	30
Net Change in Net Position	30	-	30
Beginning Net Position	611	12	623
Ending Net Position	$ 641	$ 12	$ 653

See Notes to Financial Statements.

City of Lockhart, Texas

COMBINING STATEMENT OF FIDUCIARY NET POSITION

CUSTODIAL FUNDS

September 30, 2025

	Confiscated Property	Unclaimed Property	Bicycle Helmet	Total
Assets				
Cash and cash equivalents	$ 49,183	$ 11,920	$ 2,310	$ 63,413
Prepaids	-	1,211	-	1,211
Total Assets	$ 49,183	$ 13,131	$ 2,310	$ 64,624
Liabilities				
Due to other funds	17,447	11,971	1,117	30,535
Total Liabilities	17,447	11,971	1,117	30,535
Net Position				
Restricted for:				
Various purposes	31,736	1,160	1,193	34,089
Total Net Position	$ 31,736	$ 1,160	$ 1,193	$ 34,089

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, 2025

	Confiscated Property	Unclaimed Property	Bicycle Helmet	Total
Additions				
Investment income	$ 2,243	$ -	$ 697	$ 2,940
Other revenue	720	21	-	741
Total Additions	2,963	21	697	3,681
Net Change in Net Position	2,963	21	697	3,681
Beginning Net Position	28,773	1,139	496	30,408
Ending Net Position	$ 31,736	$ 1,160	$ 1,193	$ 34,089

See Notes to Financial Statements.

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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 156

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 167

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity 186

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.

Demographic and Economic Information 191

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information 194

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.

City of Lockhart, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2016	2017	2018	2019
Governmental activities				
Net investment in capital assets	$ 15,001,030	$ 14,162,688	$ 13,774,228	$ 12,648,711
Restricted	1,093,907	1,141,195	1,396,101	1,571,133
Unrestricted	2,137,425	1,886,148	1,823,314	1,972,882
Total governmental activities net position	$ 18,232,362	$ 17,190,031	$ 16,993,643	$ 16,192,726
Business-type activities				
Net investment in capital assets	$ 15,074,665	$ 16,507,663	$ 16,961,238	$ 17,492,757
Restricted	1,071,089	1,163,687	1,421,535	1,661,480
Unrestricted	7,979,875	7,489,601	8,791,362	9,434,557
Total business-type activities net position	$ 24,125,629	$ 25,160,951	$ 27,174,135	$ 28,588,794
Primary government				
Net investment in capital assets	$ 30,075,695	$ 30,670,351	$ 30,735,466	$ 30,141,468
Restricted	2,164,996	2,304,882	2,817,636	3,232,613
Unrestricted	10,117,300	9,375,749	10,614,676	11,407,439
	$ 42,357,991	$ 42,350,982	$ 44,167,778	$ 44,781,520

(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.

2020	2021	2022	2023	2024	2025
$ 12,104,249	$ 11,816,033	$ 11,546,567	$ 17,776,524	$ 18,662,311	$ 24,274,707
1,603,237	3,598,451	3,362,595	6,072,719	7,465,102	8,857,884
3,557,222	3,915,790	7,463,394	7,537,491	10,291,023	4,604,889
$ 17,264,708	$ 19,330,274	$ 22,372,556	$ 31,386,734	$ 36,418,436	$ 37,737,480
$ 16,579,735	$ 15,721,677	$ 15,404,957	$ 19,452,608	$ 18,379,583	$ 19,697,554
2,034,582	2,008,737	2,626,781	5,182,714	8,202,139	9,540,244
8,506,993	6,885,849	6,709,920	7,675,992	6,822,467	4,853,477
$ 27,121,310	$ 24,616,263	$ 24,741,658	$ 32,311,314	$ 33,404,189	$ 34,091,275
$ 28,683,984	$ 27,537,710	$ 26,951,524	$ 37,229,132	$ 37,041,894	$ 43,972,261
3,637,819	5,607,188	5,989,376	11,255,433	15,667,241	18,398,128
12,064,215	10,801,639	14,173,314	15,213,483	17,113,490	9,458,366
$ 44,386,018	$ 43,946,537	$ 47,114,214	$ 63,698,048	$ 69,822,625	$ 71,828,755

City of Lockhart, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2016	2017	2018	2019
Governmental activities				
Expenses				
General government	$ 1,879,383	$ 2,083,166	$ 2,045,364	$ 2,232,343
Public safety	5,230,470	5,086,371	5,401,024	5,799,256
Public works	2,586,206	2,644,292	3,084,192	3,552,691
Health and welfare	17,068	22,137	16,326	18,250
Culture and recreation	933,135	1,006,038	1,077,697	1,041,842
Community development	-	-	-	-
Interest on long-term debt	621,121	459,629	441,769	415,242
Total governmental activities expenses	11,267,383	11,301,633	12,066,372	13,059,624
Program revenues				
Charges for services				
General government	191,100	181,313	223,254	601,870
Public safety	330,826	334,769	1,005,749	295,192
Public works	723,832	549,097	423,575	291,604
Health and welfare	-	-	-	-
Culture and recreation	33,926	32,699	37,991	29,589
Community development	-	-	-	-
Operating grants and contributions	615,542	202,393	566,039	579,539
Capital grants and contributions	-	-	278,000	96,263
Total program revenues	1,895,226	1,300,271	2,534,608	1,894,057
Total governmental activities net program expense	$ (9,372,157)	$ (10,001,362)	$ (9,531,764)	$ (11,165,567)
General Revenues and Other Changes in Net Position				
Taxes				
Property taxes, general	3,016,649	3,217,538	3,620,758	3,914,885
Property taxes, debt service	687,845	692,161	704,442	697,336
Sales taxes	1,478,065	1,549,695	1,650,931	1,767,048
Franchise taxes	316,353	312,433	357,278	360,589
Other taxes	132,234	96,529	106,756	111,841
Unrestricted investment earnings	59,851	99,353	190,320	283,700
Gain on sale of capital assets	-	-	-	-
Other revenue	239,590	289,291	192,281	184,509
Transfers	2,448,575	2,896,410	3,094,654	3,044,742
Total general revenues and other changes net position	8,379,162	9,153,410	9,917,420	10,364,650
Total governmental activities change in net position	$ (992,995)	$ (847,952)	$ 385,656	$ (800,917)

2020	2021	2022	2023	2024	2025
$ 2,455,580	$ 1,931,497	$ 1,967,143	$ 2,165,947	$ 2,383,519	$ 2,945,892
5,703,143	6,202,140	6,168,414	6,937,475	6,628,423	8,309,527
3,153,763	2,970,230	2,684,964	2,930,612	2,826,765	4,018,383
144,615	26,352	23,439	18,264	42,956	38,098
1,052,444	683,483	1,215,110	1,481,117	1,632,347	1,727,577
-	1,189,072	905,103	2,003,675	1,963,799	1,257,404
391,300	371,174	390,198	396,858	348,098	745,842
12,900,845	13,373,948	13,354,371	15,933,948	15,825,907	19,042,723
730,384	-	-	-	-	-
355,773	366,887	208,287	248,067	263,661	428,207
358,837	649,986	664,402	688,987	732,320	758,836
-	-	-	-	-	-
8,943	88,883	251,869	163,321	207,149	130,306
-	650,521	852,003	2,298,116	2,546,060	1,064,586
1,037,366	2,485,671	2,205,060	472,563	475,639	532,505
257,055	177,865	211,854	6,386,889	171,997	128,235
2,748,358	4,419,813	4,393,475	10,257,943	4,396,826	3,042,675
$ (10,152,487)	$ (8,954,135)	$ (8,960,896)	$ (5,676,005)	$ (11,429,081)	$ (16,000,048)
4,276,918	4,555,926	4,848,005	5,373,699	5,932,445	6,229,761
714,253	694,121	953,087	1,740,778	1,677,779	2,160,480
1,992,939	2,143,239	2,392,769	2,712,526	3,009,942	3,284,944
349,849	398,205	395,527	352,616	456,696	438,136
102,063	113,504	189,491	230,233	169,262	178,817
119,746	20,739	125,718	893,878	1,083,776	937,800
-	2,110	-	34,000	7,300	201
233,319	100,720	213,151	249,470	78,824	93,710
3,145,528	2,991,137	2,885,430	3,102,983	4,044,759	4,162,700
10,934,615	11,019,701	12,003,178	14,690,183	16,460,783	17,486,549
$ 782,128	$ 2,065,566	$ 3,042,282	$ 9,014,178	$ 5,031,702	$ 1,486,501

City of Lockhart, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2016	2017	2018	2019
Business-type activities				
Expenses				
Electric	$ 8,664,234	$ 8,722,211	$ 9,132,038	$ 9,242,068
Water	3,257,979	3,545,084	3,428,101	3,224,639
Wastewater	2,089,407	1,824,111	1,281,066	1,370,942
Sanitation	1,215,636	1,345,466	1,461,111	1,553,603
Airport	69,911	76,438	100,130	78,258
EMS	1,230,254	1,289,014	1,334,506	1,383,128
Total business-type expenses	16,527,421	16,802,324	16,736,952	16,852,638
Program revenues				
Charges for services				
Electric	10,974,720	11,444,388	12,238,369	12,193,929
Water	3,100,239	3,287,603	3,336,689	3,267,558
Wastewater	2,265,298	2,578,386	2,339,875	2,278,003
Sanitation	1,464,121	1,593,359	1,708,812	1,872,719
Airport	68,927	71,489	71,433	89,059
EMS	2,007,847	1,354,810	1,438,174	978,097
Operating grants and contributions	-	7,016	24,925	68,272
Capital grants and contributions	1,042,796	195,261	-	-
Total business-type program revenues	20,923,948	20,532,312	21,158,277	20,747,637
Total business-type activities net program expense	$ 4,396,527	$ 3,729,988	$ 4,421,325	$ 3,894,999
General revenues and other changes in net position				
Impact fees	263,817	83,585	244,561	195,808
Unrestricted investment earnings	61,357	118,159	236,101	368,594
Other revenue	-	-	23,598	-
Transfers	(2,448,575)	(2,896,410)	(3,094,654)	(3,044,742)
Total general revenues and other changes in net position	(2,123,401)	(2,694,666)	(2,590,394)	(2,480,340)
Total business-type activities change in net position	$ 2,273,126	$ 1,035,322	$ 1,830,931	$ 1,414,659
Total primary government change in net position	$ 1,280,131	$ 187,370	$ 2,216,587	$ 613,742

2020	2021	2022	2023	2024	2025
$ 8,564,816	$ 11,350,044	$ 9,978,485	$ 10,884,211	$ 11,167,367	$ 12,576,631
3,908,621	5,066,674	5,565,359	6,401,698	7,021,330	8,255,328
1,444,482	1,635,537	1,805,990	1,589,668	1,697,831	2,136,980
1,592,412	1,690,298	1,615,564	1,797,864	1,900,196	2,260,872
80,607	76,546	93,143	283,503	86,381	156,290
1,407,549	1,408,385	1,425,088	1,507,988	2,389,887	430,052
16,998,487	21,227,484	20,483,629	22,464,932	24,262,992	25,816,153
11,039,153	11,560,085	12,608,272	13,153,265	13,007,971	14,062,850
3,555,391	3,758,322	4,132,398	5,672,000	6,413,438	8,146,651
2,277,346	2,478,077	2,880,275	3,951,370	4,623,307	4,191,724
1,981,863	2,040,494	1,906,522	1,944,417	2,083,734	2,161,692
82,809	85,953	92,532	102,387	132,073	140,645
1,071,931	1,136,903	1,414,727	1,780,405	1,542,597	444,833
44,680	-	-	1,133,983	6,111	-
23,750	432,657	196,038	4,519,241	47,000	462,408
20,076,923	21,492,491	23,230,764	32,257,068	27,856,231	29,610,803
$ 3,078,436	$ 265,007	$ 2,747,135	$ 9,792,136	$ 3,593,239	$ 3,794,650
296,093	-	-	-	-	-
164,183	21,947	114,001	841,201	1,131,268	1,000,060
8,552	199,136	149,689	39,302	106,454	112,688
(3,145,528)	(2,991,137)	(2,885,430)	(3,102,983)	(4,044,759)	(4,162,700)
(2,676,700)	(2,770,054)	(2,621,740)	(2,222,480)	(2,807,037)	(3,049,952)
$ 401,736	$ (2,505,047)	$ 125,395	$ 7,569,656	$ 786,202	$ 744,698
$ 1,183,864	$ (439,481)	$ 3,167,677	$ 16,583,834	$ 5,817,904	$ 2,231,199

City of Lockhart, Texas

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting)

	2016	2017	2018	2019
General Fund				
Nonspendable				
Prepaid items	$ 15,728	$ 23,642	$ 37,870	$ 30,627
Inventory	13,699	11,272	11,563	13,572
Restricted	-	-	-	-
Committed	604,252	609,054	553,877	574,446
Unassigned	3,423,228	3,897,547	4,451,131	5,103,853
Total general fund	$ 4,056,907	$ 4,541,515	$ 5,054,441	$ 5,722,498
All Other Governmental Funds				
Nonspendable				
Prepaid items	$ 4,512	$ 680	$ 2,765	$ -
Restricted				
Debt service	278,089	285,621	240,674	203,016
Special revenue funds	-	-	-	-
General government	627,417	664,319	35,067	46,502
Public safety	180,153	206,068	227,044	206,600
Municipal court	-	-	-	-
Tourism	8,248	8,485	2,721	6,637
Public works	-	-	903,976	1,073,692
Various capital projects	6,792,536	5,160,201	4,531,457	3,437,195
Unassigned	-	-	-	(3,523)
Total all other governmental funds	$ 7,890,955	$ 6,325,374	$ 5,943,704	$ 4,970,119

2020	2021	2022	2023	2024	2025
$ 27,327	$ 610,955	$ 31,193	$ 24,887	$ 1,269,025	$ 13,998
9,350	17,718	26,240	1,285,605	16,319	57,607
-	234,613	2,671,686	1,628,105	1,725,044	1,646,996
308,539	309,050	311,949	330,202	349,932	366,675
6,673,086	6,506,302	7,838,447	9,138,171	11,065,775	6,843,781
$ 7,018,302	$ 7,678,638	$ 10,879,515	$ 12,406,970	$ 14,426,095	$ 8,929,057
$ -	$ -	$ -	$ 10,227	$ 16,050	$ 24,289
115,835	-	-	298,475	787,881	1,764,912
-	-	-	-	-	-
59,773	63,160	69,453	84,552	76,482	95,689
179,496	18,994	20,649	23,351	30,669	25,392
-	118,506	126,794	135,713	150,431	181,650
64,016	98,198	130,191	172,985	152,073	87,496
1,063,841	-	-	-	-	-
2,914,631	5,857,283	6,962,353	5,866,568	6,669,760	26,210,524
(323,955)	(87,431)	(138,743)	(26,966)	(63,741)	(190,488)
$ 4,073,637	$ 6,068,710	$ 7,170,697	$ 6,564,905	$ 7,819,605	$ 28,199,464

City of Lockhart, Texas

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting)

	2016	2017	2018	2019
Revenues				
Property taxes	$ 3,757,254	$ 3,971,301	$ 4,352,825	$ 4,676,453
Sales and other taxes	1,921,425	1,990,221	2,114,965	2,239,478
Franchise and local taxes				
Fines, fees and forfeitures	1,115,233	927,273	1,227,557	1,127,998
Licenses and permits	173,641	125,761	192,622	142,721
Charges for services	-	-	-	2,200
Intergovernmental and grants	184,438	202,393	458,624	554,354
Investment	59,851	99,353	190,320	283,700
Other revenue	550,390	288,003	323,296	275,443
Total revenues	7,762,232	7,604,305	8,860,209	9,302,347
Expenditures				
Current				
General government	1,853,485	1,847,858	1,933,687	2,107,937
Public safety	4,680,022	4,751,069	5,212,519	5,631,506
Public works	1,069,441	1,168,180	1,727,405	1,601,001
Health and welfare	12,138	17,207	11,396	13,320
Culture and recreation	834,815	890,047	949,731	912,739
Community development	-	-	-	-
Debt service				
Principal retirement	855,322	587,160	601,470	690,799
Interest and fiscal charges	566,342	500,948	483,207	456,409
Paying agent and issue costs	151,889	1,200	1,000	800
Capital outlay	1,589,287	1,818,019	828,872	1,238,106
Total expenditures	11,612,741	11,581,688	11,749,287	12,652,617
Excess (deficiency) of revenues over expenditures	(3,850,509)	(3,977,383)	(2,889,078)	(3,350,270)
Other financing sources (uses)				
Debt issued	4,887,402	-	-	-
Premium on issuance of bonds	593,157	-	-	-
Payment to escrow	(5,455,484)	-	-	-
Gain on sale of capital assets	-	-	-	-
Transfers in	3,451,810	3,440,098	3,688,600	3,796,267
Transfers out	(1,003,235)	(543,688)	(593,946)	(751,525)
Total other financing sources (uses)	2,473,650	2,896,410	3,094,654	3,044,742
Change in fund balances	$ (1,376,859)	$ (1,080,973)	$ 205,576	$ (305,528)
Debt service as a percentage of noncapital expenditures	14.68%	11.64%	10.42%	10.23%

2020	2021	2022	2023	2024	2025
$ 5,028,375	$ 5,274,506	$ 5,748,229	$ 7,010,249	$ 7,423,752	$ 8,440,315
2,444,852	2,143,239	2,392,769	2,712,526	3,009,942	3,284,944
	511,709	585,018	582,849	625,958	616,953
1,190,406	414,578	275,647	236,897	219,056	341,213
243,196	650,521	852,003	2,298,116	2,546,060	1,064,586
2,200	738,869	916,271	852,308	939,469	889,142
866,355	3,061,756	2,379,234	647,533	647,636	660,740
119,746	20,739	125,718	893,878	1,083,776	937,800
223,199	186,781	235,092	249,470	76,197	93,710
10,118,329	13,002,698	13,509,981	15,483,826	16,571,846	16,329,403
2,333,952	1,777,924	2,121,509	1,899,022	2,226,415	2,814,820
5,579,302	6,052,616	6,066,612	6,530,409	7,289,495	8,475,426
1,948,586	1,571,151	913,011	2,914,291	2,673,775	5,555,646
139,685	20,539	35,312	9,086	33,778	28,920
1,150,716	1,022,863	1,038,803	1,803,531	1,474,707	1,679,333
-	707,075	955,377	1,933,286	1,993,255	1,238,878
727,163	797,305	1,006,761	1,416,609	1,483,572	1,578,522
432,504	413,447	393,470	434,928	401,807	371,486
800	-	25,220	-	-	278,056
551,827	1,442,886	2,189,333	757,984	93,808	4,189,659
12,864,535	13,805,806	14,745,408	17,699,146	17,670,612	26,210,746
(2,746,206)	(803,108)	(1,235,427)	(2,215,320)	(1,098,766)	(9,881,343)
-	383,923	2,652,861	-	320,532	19,275,354
-	-	-	-	-	1,325,909
-	-	-	-	-	-
-	251,942	-	34,000	7,300	201
4,360,894	3,793,615	3,644,993	4,694,559	4,797,571	4,903,290
(1,215,366)	(802,478)	(759,563)	(1,591,576)	(752,812)	(740,590)
3,145,528	3,627,002	5,538,291	3,136,983	4,372,591	24,764,164
$ 399,322	$ 2,823,894	$ 4,302,864	$ 921,663	$ 3,273,825	$ 14,882,821
10.14%	9.79%	11.15%	12.48%	12.73%	10.93%

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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
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
2023	6,965,985	44,264	2,712,526	352,616	157,865	72,368	10,305,624
2024	7,349,874	73,878	3,009,942	376,431	169,262	80,265	11,059,652
2025	8,342,169	98,146	3,284,944	375,080	178,817	63,056	12,342,212

City of Lockhart, Texas

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE

Last Ten fiscal years

Fiscal Year	Tax Roll	Real Property: Residential Property	Real Property: Non-Residential Property	Personal Property	Minerals	Less: Tax Exempt Real Property	Total Taxable Assessed Value Before Freeze
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
2023	2022	561,413,032	801,995,634	70,548,270	40,048	208,291,212	1,225,705,772
2024	2023	875,957,477	1,077,096,310	82,319,610	54,258	587,380,672	1,448,046,983
2025	2024	945,689,893	1,215,196,144	87,623,500	37,473	558,287,270	1,690,259,740

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
(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	0.6354	4,484,372	700,459	5,184,831	100.00%
(160,899,077)	787,285,404	0.6354	5,002,411	763,355	5,765,766	100.00%
(183,911,400)	1,041,794,372	0.6006	6,257,017	813,637	7,070,654	100.00%
(220,920,340)	1,227,126,643	0.5348	6,562,673	921,166	7,483,840	100.00%
(254,383,243)	1,435,876,497	0.5093	7,312,919	997,288	8,310,207	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
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
2023	0.1212	0.4136	0.5348	0.9569	0.0149	0.0145	0.4691	0.0001	1.4555
2024	0.1026	0.4067	0.5093	0.9546	0.0158	0.0140	0.4390	0.0001	1.4235
2025	0.1428	0.4113	0.5541	0.9396	0.0170	0.0137	0.4390	0.0001	1.4094

SOURCE: Caldwell County Tax Office

City of Lockhart, Texas

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago (Unaudited)

2025			
Taxpayer		Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Exeter 130 Cahill LP	$	22,125,000	1.31%
Wal-Mart Stores Texas LP		17,779,830	1.05%
Pilot-Legacy Stanton LLC		14,985,000	0.89%
Economy Realty LTD		12,909,440	0.76%
Sunchase Square Apartments LLC		10,565,329	0.63%
H E Butt Grocery		8,507,616	0.50%
LCRA Transmission Srvcs Corp		7,737,840	0.46%
Evergen Equity 30 LP		7,700,000	0.46%
Lockhart Village Partners LP		7,759,796	0.46%
PHX15 LLC		7,723,835	0.46%
	$	**117,793,686**	**6.97%**

2016			
Taxpayer		Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Wal-Mart Stores Texas	$	7,198,110	1.39%
Economy Realty, LTD		6,987,720	1.35%
LCRA Transmission Svc. Corp		5,414,040	1.04%
H E Butt Grocery		4,886,480	0.94%
Dormae Products, Inc		4,419,890	0.85%
Lockhart DMA Housing LLC		4,258,000	0.82%
Lockhart Village Partners LP		3,122,191	0.60%
Tri-State Facilities Lockhart, LLC		2,521,220	0.49%
Green Acres Housing LLC		2,427,490	0.47%
Hirisers LLC		1,548,390	0.30%
	$	**42,783,531**	**8.25%**

SOURCE: Caldwell County Appraisal District

City of Lockhart, Texas

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten fiscal years

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collections within the Fiscal Year of the Levy	
				Amount	Percentage of Levy
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%
2023	7,059,211	(20,258)	7,038,953	6,850,466	97.32%
2024	7,497,410	(31,983)	7,465,427	7,179,863	96.17%
2025	8,304,453	(26,085)	8,278,368	8,047,397	97.21%

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 yer, 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	
$ 76,116	$ 3,696,484	99.68%	$ 11,842
67,133	3,865,846	99.67%	12,721
95,363	4,321,373	99.72%	12,341
73,239	4,588,953	99.75%	11,585
104,447	4,986,015	99.67%	16,515
89,777	5,184,261	99.61%	20,174
95,472	5,715,678	99.44%	32,110
121,676	6,972,142	99.05%	66,811
144,813	7,324,676	98.11%	140,751
-	8,047,397	97.21%	230,971

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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
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
2023	126,656,586	117,417,620	9,238,966	7%	23.10	0.0216
2024	126,260,306	119,492,886	6,767,420	5%	11.32	0.0190
2025	129,576,009	125,708,322	3,867,687	3%	11.32	0.0190

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

City of Lockhart, Texas

ELECTRIC RATES

Last Ten fiscal years

	2016	2017	2018	2019	2020
Electric Rates (per KWH)					
Base Rate	$ 11.32	$ 22.20	$ 22.60	$ 23.10	$ 23.10
Electric Usage Rate					
0 - 1,200 kwh	0.01896	0.01896	0.02156	0.02156	0.02156
1,201 +	0.03250	0.03250	0.03510	0.03510	0.03510
+ all kwh	0.00225	0.00225	0.00225	0.00225	0.00225

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

2021	2022	2023	2024	2025
$ 23.10	$ 23.10	$ 23.10	$ 11.32	$ 11.32
0.02156	0.02156	0.02156	0.01896	0.01896
0.03510	0.03510	0.03510	0.03250	0.03250
0.00225	0.00225	0.00225	0.00225	0.00225

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City of Lockhart, Texas

TEN LARGEST ELECTRIC CUSTOMERS

Current Year and Nine Years Ago

2025

Customer	Type of Business	12-Month Electric Consumption per kWh	Percent of Total Billed
MTC/LockhartCorrectional Facility	Service	3,650,640	2.85%
H.E.B. Stores	Retail	2,596,000	2.03%
Lockhart High School	Public School	2,538,850	1.98%
Pure Castings	Manufacturing	1,580,250	1.23%
Caldwell County	Government	1,116,535	0.87%
Bluebonnet Elementary	Public School	1,093,200	0.85%
G.B.R.A.	Service	1,212,330	0.95%
Poco Loco, LLC	Retail	1,042,400	0.81%
Arco Murray Construction	Construction	1,042,500	0.81%
Livingood Feeds	Retail	960,001	0.75%

2016

Customer	Type of Business	12-Month Electric Consumption per kWh	Percent of Total Billed
MTC/LockhartCorrectional Facility	Service	4,233,520	4.06%
H.E.B. Stores	Retail	2,518,000	2.42%
Livingood Feeds	Retail	1,283,700	1.23%
Caldwell County Annex	Government	1,157,400	1.11%
Dormae/Serta Products	Production	1,104,000	1.06%
G.B.R.A.	Service	1,055,760	1.01%
Pinnacle Health	Healthcare	900,960	0.86%
Lockhart High School	Public School	896,450	0.86%
Caldwell County	Government	847,800	0.81%
Bluebonnet Elementary	Public School	698,100	0.67%

Source: City records.

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
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
2023	585	550	35	6%	388
2024	651	582	69	11%	529
2025	683	611	179	26%	574

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
22.60	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
27.45	4.86	19.18	5.77
27.45	4.86	19.18	5.77
37.05	6.56	19.75	5.94

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City of Lockhart, Texas

TEN LARGEST WATER CUSTOMERS

Current Year and Nine Years Ago (Unaudited)

2025

Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
MTC/Lockhart Correctional Facility	Private Public Safety	46,724	8.06%
The Ziegenfelder Company Inc.	Manufacturing	13,649	2.36%
Southpark Village	Housing	12,523	2.16%
Lockhart Farms, Lp	Housing	10,189	1.76%
Lockhart Nursing & Rehab	Healthcare	5,954	1.03%
Pilot-Legacy Stanton, LLC	Housing	5,831	1.01%
Sunchase Square Apartments	Housing	5,196	0.90%
D.R. Horton Homes	Construction	4,916	0.85%
Federal Housing	Housing	4,733	0.82%
Lockhart Intermediate School	Public School	4,730	0.82%

2016

Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
MTC/Lockhart Correctional Facility	Private Public Safety	61,606	13.00%
Caldwell County	Government	9,067	1.91%
Wal-Mart Store	Retail	6,687	1.41%
Pinnacle Health Facility	Healthcare	4,213	0.89%
Federal Housing	Housing	4,154	0.88%
Lockhart High School Track	Public School	2,817	0.59%
Brite & Shiny Carwash	Service	2,573	0.54%
Meadow Park Village	Housing	2,475	0.52%
MLM Quilloy Properties, LLC	Construction	1,927	0.41%
Comfort Suites	Hotel	1,746	0.37%

City of Lockhart, Texas

WATER AND SEWER RATES

Last Ten Fiscal Years

	2016	2017	2018	2019
Water Rates (per 2,000 gallons)				
Base Rate	$ 22.10	$ 22.10	$ 22.60	$ 23.10
Water Usage Rate				
2,001-6,000	3.90	3.90	4.50	4.80
6,001-8,000	4.15	4.15	4.75	5.05
8,001-10,000	4.40	4.40	5.00	5.30
>10,001	5.15	5.15	5.75	6.05
Sewer Rates (per 2,000 gallons)				
Base Rate	15.51	15.51	15.51	15.51
Sewer Usage Rate				
>2,000	4.67	4.67	4.67	4.67

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

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

2020	2021	2022	2023	2024	2025
$ 23.60	23.60	23.60	25.89	27.45	37.05
4.80	4.80	4.80	4.58	4.86	6.56
5.05	5.05	5.05	5.73	6.07	8.19
5.30	5.30	5.30	6.64	7.04	12.29
6.05	6.05	6.05	7.33	7.77	18.43
15.51	15.51	15.51	17.92	19.18	19.75
4.67	4.67	4.67	5.40	5.77	5.94

City of Lockhart, Texas

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

	Governmental Activities						Business-type Activities	
Fiscal Year	Certificates of Obligation	General Obligation Bonds	Tax Notes	Lease Liabilities	SBITA Liabilities	Plus: Issuance Premiums	Certificates of Obligation	General Obligation Bonds
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	151,988	466,738	7,397,775	1,239,126
2023	5,944,595	3,120,828	2,025,086	399,301	140,142	405,227	6,950,407	1,049,168
2024	5,548,135	2,548,302	1,708,666	534,607	127,202	343,716	6,486,867	856,696
2025	24,090,540	1,953,324	1,383,617	623,160	113,103	1,602,589	6,004,462	656,674

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
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	71,669,266	18.3%	4,984
100,835	2,021,112	41,955,000	1,494,914	274,728	65,881,343	15.8%	4,396
25,850	1,840,710	40,875,000	1,261,334	242,466	62,399,551	14.1%	4,074
25,824	1,655,797	39,770,000	1,021,384	210,206	79,110,680	14.1%	4,255

City of Lockhart, Texas

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

	General Bonded Debt Outstanding						
Fiscal Year	Certificates of Obligation	General Obligation Bonds	Tax Notes	Plus: Issuance Premiums	Total	Debt Service Monies Available	Net Bonded Debt
2016	9,381,395	4,887,402	-	835,806	15,104,603	362,919	14,741,684
2017	8,794,235	4,887,052	-	774,293	14,455,580	278,089	14,177,491
2018	8,192,765	4,887,052	-	712,782	13,792,599	285,621	13,506,978
2019	7,707,775	4,681,243	-	651,271	13,040,289	240,674	12,799,615
2020	7,208,875	4,452,980	-	589,760	12,251,615	203,016	12,048,599
2021	6,691,415	4,224,718	-	528,249	11,444,382	115,835	11,328,547
2022	6,327,225	3,685,870	2,330,000	466,738	10,479,833	-	10,479,833
2023	5,944,595	3,120,828	2,025,086	405,227	9,470,650	298,476	9,172,174
2024	5,548,135	2,548,302	1,708,666	343,716	8,440,153	787,882	7,652,271
2025	24,090,540	1,953,324	1,383,617	1,602,589	27,646,453	1,764,913	25,881,540

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
2.84%	1,162
2.66%	1,117
2.21%	1,064
2.10%	919
1.80%	865
1.55%	814
1.24%	729
0.97%	638
0.53%	500
1.53%	1,392

City of Lockhart, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2025(Unaudited)

	Gross Debt Outstanding		Percentage Applicable	Amount Applicable
	Date	Amount	to City	to City
Direct Debt:				
City of Lockhart	9/30/2025	$ 29,766,333	100.00%	$ 29,766,333
Overlapping Debt:				
Austin CCD	9/30/2025	657,685,000	0.41%	2,696,509
Caldwell County	9/30/2025	66,190,000	28.76%	19,036,244
Lockhart Independent School District	9/30/2025	206,374,856	40.83%	84,262,854
Total Overlapping Debt		930,249,856		105,995,606
Total		$ 960,016,189		$ 135,761,939

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

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

SOURCE: Municipal Advisory Council of Texas

City of Lockhart, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years (Unaudited)

Fiscal Year	(1) Population	Personal Income	(2) Per Capita Personal Income	(3) School Enrollment	(4) Unemployment Rate
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%
2023	14,985	415,968,615	27,759	6,619	3.5%
2024	15,318	443,548,008	28,956	6,768	3.4%
2025	18,591	561,596,928	30,208	6,850	1.5%

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) Per Capita Personal Income based on U.S. Census Bureau

(3) Lockhart Independent School District

(4) Texas Workforce Commission. Labor Force Statistics for Texas Counties

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City of Lockhart, Texas

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2025

Employer	Employees	Percentage of Total City Employment
Lockhart ISD	790	7.73%
Walmart	225	2.20%
MTC (Lockhart Correctional)	175	1.71%
H.E.B Food Store	170	1.66%
Pegasus School, Inc	145	1.42%
City of Lockhart	140	1.37%
Fashion Glass & Mirror	102	1.00%
RealCold	100	0.98%
Ziegenfelder	75	0.73%
Pure Castings Company	75	0.73%
	1,997	19.55%

2016

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

* 2016 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

	2016	2017	2018	2019	2020
Function/Program					
General government					
City manager	4.0	4.0	5.0	5.0	5.0
City secretary	1.0	1.0	1.0	1.0	1.0
Finance	5.0	5.0	4.0	5.0	5.0
Municipal court	5.0	4.0	4.0	4.0	4.0
Library	10.0	9.0	9.0	9.0	9.0
Parks and recreation	7.0	7.0	7.0	8.0	8.0
Code enforcement	3.0	3.0	3.0	3.0	3.0
Planning and development	4.0	4.0	4.0	4.0	4.0
Public safety					
Police	25.0	28.0	30.0	29.0	27.0
Communications	9.0	9.0	10.0	9.0	9.0
Fire	18.0	15.0	14.0	14.0	13.0
Public works					
Public works	3.0	3.0	2.0	2.0	2.0
Animal control	8.0	8.0	8.0	7.0	6.0
Garage	3.0	3.0	3.0	3.0	3.0
Streets	13.0	12.0	12.0	12.0	12.0
Electric					
Utility billing	6.0	5.0	6.0	6.0	6.0
Utility distribution	9.0	9.0	8.0	9.0	9.0
Water/wastewater					
Water operations	5.0	5.0	5.0	6.0	6.0
Sewer operations	3.0	3.0	4.0	3.0	3.0
Sanitation					
Operations	2.0	2.0	2.0	2.0	2.0
Recycle					
Economic Development	1.0	2.0	2.0	2.0	2.0
EMS	-	-	-	-	-
Total	144	141	143	143	139

2021	2022	2023	2024	2025
4.0	4.0	4.0	4.0	3.0
1.0	1.0	1.0	1.0	1.0
5.0	5.0	5.0	4.0	5.0
4.0	3.0	3.0	2.0	2.0
6.0	6.0	6.0	6.0	6.0
8.0	9.0	5.0	9.0	9.0
3.0	3.0	3.0	5.0	5.0
4.0	4.0	4.0	3.0	3.0
29.0	31.0	22.0	27.0	26.0
10.0	10.0	7.0	6.0	9.0
13.0	15.0	14.0	17.0	15.0
2.0	2.0	2.0	2.0	2.0
6.0	7.0	6.0	8.0	8.0
4.0	4.0	4.0	4.0	3.0
12.0	12.0	10.0	10.0	10.0
6.0	6.0	6.0	5.0	8.0
9.0	10.0	8.0	9.0	9.0
6.0	5.0	5.0	5.0	5.0
4.0	4.0	2.0	3.0	4.0
2.0	2.0	1.0	2.0	2.0
1.0	1.0	1.0	1.0	1.0
2.0	2.0	0.0	1.0	2.0
-	-	-	15	13
141	146	119	149	151

City of Lockhart, Texas

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019
General government				
Building permits issued	647	495	444	542
Building inspections conducted	1,613	1,716	2,179	2,282
Public safety				
Police				
Physical arrests	628	596	934	862
Traffic violations	2,149	3,251	5,708	6,281
Fire				
Fire calls	1,386	1,501	1,356	1,406
Public works				
Streets (miles)	65	65	65	66
Culture and recreation				
Parks and recreation				
Park rental	91	107	73	85
Swimming pool				
Single admissions	8,554	8,289	6,883	6,596
Party rentals	50	34	32	33
Electric				
New connections	9	11	18	23
Average daily consumption (kwh)	279,093	287,659	313,552	312,646
Water and wastewater				
Water				
New connections/taps	139	56	78	61
Average daily consumption	1.26 mgd	1.18 mgd	1.32 mgd	1.26 mgd
Peak daily consumption	2.075 mgd	2.118 mgd	2.263 mgd	2.160 mgd
Wastewater				
Average daily sewage treatment	1.34 mgd	1.24 mgd	1.09 mgd	1.00 mgd
EMS				
Ambulance loads	2,989	3,106	3,207	3,199

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.

2020	2021	2022	2023	2024	2025
839	1,339	2,296	4,197	2,501	2,321
1,703	2,845	4,959	15,597	18,434	14,278
451	469	455	408	622	519
4,041	4,480	4,091	3,711	3,867	5,337
1,361	1,388	1,652	1,717	1,764	1,804
100	124.5	124.5	124.5	124.5	141.5
32	58	85	109	106	110
-	8,279	8,973	4,822	7,885	7,794
-	30	46	20	40	50
49	125	616	805	983	694
307,607	297,326	306,687	321,692	327,378	362,231
50	111	144	502	551	180
1.305 mgd	1.296 mgd	1.425 mgd	1.604 mgd	1.590 mgd	1.852 mgd
2.200 mgd	2.500 mgd	2.100 mgd	2.895 mgd	2.620 mgd	2.421 mgd
1.02 mgd	1.13 mgd	1.04 mgd	1.06 mgd	1.446 mgd	1.103 mgd
3,188	3,479	3,350	3,605	3,605	3,605

City of Lockhart, Texas

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	2016	2017	2018	2019
Function/Program				
Public safety				
Police				
Stations	1	1	1	1
Patrol units	22	26	28	29
Fire stations	1	1	1	2
Highways and streets				
Streets (miles)	64.7	65.2	65.2	65.9
Streetlights	1,838	1,838	1,844	1,856
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)	77	77	80	80
Number of distribution stations	2	2	2	2
Capacity sold (MwH)	101,869	104,995	114,447	114,116
Water and wastewater				
Water				
Water mains (miles)	87.4	92.1	92.1	93.7
Fire hydrants	675	685	700	729
Storage capacity	1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd
Wastewater				
Sanitary sewers (miles)	76	76	78	79
Storm sewers (miles)	0	0	0	0
Treatment capacity	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd

2020	2021	2022	2023	2024	2025
1	1	1	1	1	1
26	31	31	31	34	342
2	2	2	2	2	2
100.0	124.5	124.5	124.5	124.5	141.5
1,856	1,856	1,872	1,872	1,881	1,880
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
80	82	82	82	84	84
2	2	2	2	2	2
112,276	107,243	111,941	117,418	117,295	128,131
100.0	100.5	100.5	105.8	105.8	105.8
721	721	721	877	892	979
1.05 mgd	1.55 mgd	1.55 mgd	1.55 mgd	1.55 mgd	1.55 mgd
80.6	80.8	80.8	85.8	85.8	85.8
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: April 7, 2026

AGENDA ITEM CAPTION: Discussion regarding Resolution 2026-15 accepting the petition for annexation the annexation and setting the date of the public hearing for the annexation of 141.2 acres in the John A. Neill Survey, Abstract No. 20, located south of Seawillow Road and approximately 2,250 feet east of FM 1322, located in the Lockhart ETJ.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: Both Red Oak Development and The Lockhart ISD have submitted petitions to annex their properties in the subject area. Combined, the parcels cover 141.2 acres, collectively referred to as the "developer parcel" in the first amendment to the Seawillow Development Agreement. The resolution proposes a public hearing date of May 5, 2026, at which the property could be annexed. Prior to the annexation, both parties must approve the annexation service agreement for the properties. No zoning change requests have yet been submitted for the property, so it is expected the properties will be zoned AO Agricultural-Open Space upon annexation.

PROJECT SCHEDULE (if applicable): If the resolution is approved, the public hearing at which the property would be annexed will be scheduled for May 5, 2026. Mailed notifications must be sent, and notification annoucements must be placed on the City website and in the Lockhart Post-Record between 10-21 days in advance of the public hearing.

AMOUNT & SOURCE OF FUNDING:
Funds Required:
Account Number:
Funds Available:
Account Name:

FISCAL NOTE (if applicable): The potential annexation will bring future phases of the Seawillow/Moxie development into the city, potentially bringing a mix of residential and commercial uses, which would contribute future tax revenues to the City's general fund. Approximately 25 acres of the annexation area is the site of a future middle school, which will not generate tax revenues for the City.

PREVIOUS COUNCIL ACTION: The Lockhart City Council approved the first amendment to the Seawillow Development Agreement on January 6, 2026, which stated that a petition for the annexation of the subject property must be submitted no later than November 30, 2026.

COMMITTEE/BOARD/COMMISSION ACTION: None

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: Acceptance of the petition for annexation and setting the date for the annexation public hearing for May 5, 2026.

LIST OF SUPPORTING DOCUMENTS: Seawillow Annexation Resolution 2026-15, Ordinance 2026-15 Exhibit A, Ordinance 2026-15 Exhibit B, Power Point Presentation

RESOLUTION NO. 2026-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART ACCEPTING A VOLUNTARY PETITION FOR ANNEXATION, ATTACHED HERETO AS EXHIBIT "A"; DECLARING THE INTENT OF THE CITY TO ANNEX INTO THE CITY LIMITS THE PROPERTY DESCRIBED IN EXHIBIT "B", ATTACHED HERETO; PROVIDING WRITTEN NOTICE TO THE SERVICE PROVIDERS AND OWNERS OF RAILROAD RIGHT-OF-WAY, IF ANY, LOCATED IN SUCH TERRITORY, PROVIDING FOR A PUBLIC HEARING AND DIRECTING THE CITY MANAGER TO PREPARE AND NEGOTIATE A SERVICE PLAN AGREEMENT WITH THE LANDOWNERS PROVIDING FOR FULL MUNICIPAL SERVICES TO THE AREA TO BE ANNEXED; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the property to be annexed consists of 141.2 acres as described more fully in Exhibit "B", and as depicted in same exhibit, attached hereto, in Caldwell County, Texas; and

WHEREAS, the property to be annexed is adjacent to and contiguous to the boundaries of the City; and

WHEREAS, the property to be annexed is within the City's extraterritorial jurisdiction and the property is not within the extraterritorial jurisdiction of any other city; and

WHEREAS, the Property owners have requested annexation into the City of Lockhart in accordance with a Petition for Annexation which is attached hereto as Exhibit "A"; and

WHEREAS, the City is authorized by Chapter 43, Subchapter C-3, Annexation of Area on Request of Owners, Texas Local Government Code, to accept the petition for annexation and annex the property.

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

1. The City Council hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City hereby incorporates such recitals as a part of this Resolution.

2. Before the City institutes annexation proceedings, it shall provide written notice to each public entity or private entity that provides services in the area to be annexed and to each railroad company which owns right-of-way in the area to be annexed prior to the date of the

public hearing.

3. The City shall conduct a public hearing at which times persons interested in the annexation shall be given the opportunity to be heard. The public hearing shall be conducted in the Council Chamber of City Hall of the City of Lockhart, on the 5th of May, at 7:30 p.m.

4. Notice of the public hearing shall be published in the Lockhart Post-Register on or after April 8, 2026, and before April 21, 2026, and the notice will also be posted on the City's Internet website before April 21, 2026, and shall remain posted until the date of the public hearing.

5. The City Manager shall prepare and negotiate with the owners of the property requesting annexation a written Annexation Services Plan Agreement meeting the requirements of Section 43.0672 of the Texas Local Government Code. Such Agreement to be approved by the City and the Owners prior to the adoption of the Annexation Ordinance.

6. This Resolution shall become effective immediately upon passage.

Passed, read and approved the 7th day of April, 2026.

City of Lockhart, Texas

_____
Lew White, Mayor

ATTEST:

_____
Julie Bowermon, City Secretary

Docusign Envelope ID: 2752AB55-207C-4250-97E1-46C445778BEE

EXHIBIT "A"

ViewPoint Engineering

2121 E. 6th St.
Austin, TX 78702
Phone: 512-779-9464
Viewpointengineering.com

RE: Annexation Application Letter of Intent

To Whom it May Concern,

On behalf of RODG DT PROPCO LLC, it Is my sincere pleasure to present a voluntary annexation submittal for an approximately 116 acre tract currently located within the City of Lockhart ETJ.

The developer intends to request a planned development zoning on this project. The property owner's signature is also provided with this letter to demonstrate that they have endorsed the proposed annexation. Please feel free to contact me directly at 512-779-9464.

Warm Regards,

Luke Caraway, P.E.
President, Viewpoint Land Solutions

Tom Staub
CEO, RODG DT PROPCO LLC

DocuSigned by:
Tom Staub
CB95E324FC124D5...

2/9/2026

LOCKHART INDEPENDENT SCHOOL DISTRICT

P.O Box 120· Lockhart, Texas 78644· phone:512-398-0000· fax: 512-398-0031
www.lockhartisd.org

RE: Annexation Application Letter of Intent To

Whom it May Concern,

On behalf of Lockhart ISD, it is my sincere pleasure to present a voluntary annexation submittal for an approximately 25.824-acre tract currently located within the City of Lockhart ETJ.

Please feel free to contact me at 512-357-0000.

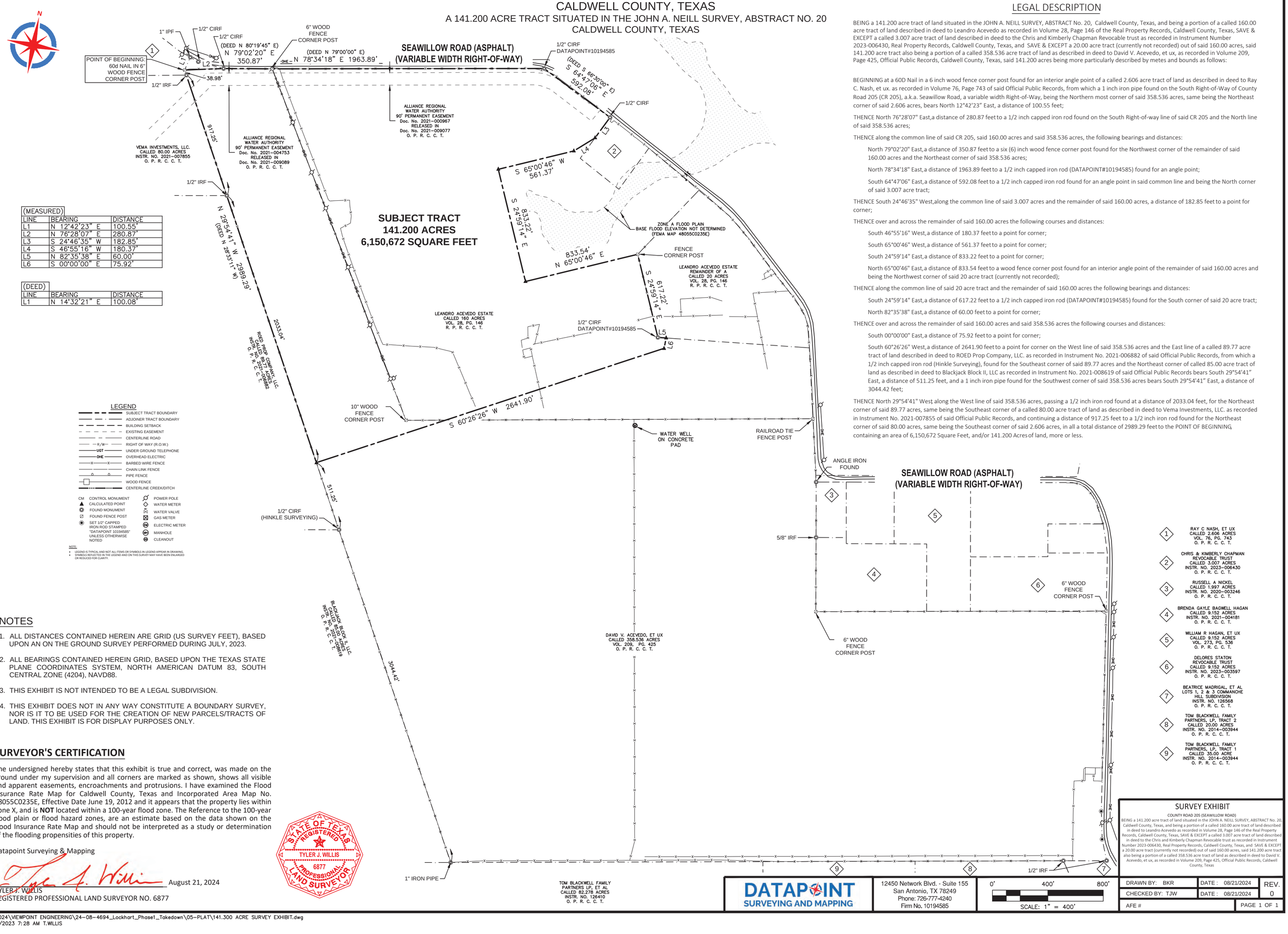
Warm Regards,

Mark Estrada
Superintendent of Schools LISD

2/27/2026

EXHIBIT B

CALDWELL COUNTY, TEXAS
A 141.200 ACRE TRACT SITUATED IN THE JOHN A. NEILL SURVEY, ABSTRACT NO. 20
CALDWELL COUNTY, TEXAS



(MEASURED)		
LINE	BEARING	DISTANCE
L1	N 12°42'23" E	100.55'
L2	N 76°28'07" E	280.87'
L3	S 24°46'35" W	182.85'
L4	S 46°55'16" W	180.37'
L5	N 82°35'38" E	60.00'
L6	S 00°00'00" E	75.92'

(DEED)		
LINE	BEARING	DISTANCE
L1	N 14°32'21" E	100.08'

LEGEND

- SUBJECT TRACT BOUNDARY
- ADJOINER TRACT BOUNDARY
- BUILDING SETBACK
- EXISTING EASEMENT
- CENTERLINE ROAD
- R/W — RIGHT OF WAY (R.O.W.)
- UGT — UNDER GROUND TELEPHONE
- OHE — OVERHEAD ELECTRIC
- BARBED WIRE FENCE
- CHAIN LINK FENCE
- PIPE FENCE
- WOOD FENCE
- CENTERLINE CREEK/DITCH

- CM CONTROL MONUMENT
- CALCULATED POINT
- FOUND MONUMENT
- FOUND FENCE POST
- SET 1/2" CAPPED IRON ROD STAMPED "DATAPOINT 10194585" UNLESS OTHERWISE NOTED
- POWER POLE
- WATER METER
- WATER VALVE
- GAS METER
- ELECTRIC METER
- MANHOLE
- CLEANOUT

NOTE:
- LEGEND IS TYPICAL AND NOT ALL ITEMS OR SYMBOLS IN LEGEND APPEAR IN DRAWING.
- SYMBOLS REFLECTED IN THE LEGEND AND ON THIS SURVEY MAY HAVE BEEN ENLARGED OR REDUCED FOR CLARITY.

NOTES

1. ALL DISTANCES CONTAINED HEREIN ARE GRID (US SURVEY FEET), BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING JULY, 2023.
2. ALL BEARINGS CONTAINED HEREIN GRID, BASED UPON THE TEXAS STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, SOUTH CENTRAL ZONE (4204), NAVD88.
3. THIS EXHIBIT IS NOT INTENDED TO BE A LEGAL SUBDIVISION.
4. THIS EXHIBIT DOES NOT IN ANY WAY CONSTITUTE A BOUNDARY SURVEY, NOR IS IT TO BE USED FOR THE CREATION OF NEW PARCELS/TRACTS OF LAND. THIS EXHIBIT IS FOR DISPLAY PURPOSES ONLY.

SURVEYOR'S CERTIFICATION

The undersigned hereby states that this exhibit is true and correct, was made on the ground under my supervision and all corners are marked as shown, shows all visible and apparent easements, encroachments and protrusions. I have examined the Flood Insurance Rate Map for Caldwell County, Texas and Incorporated Area Map No. 48055C0235E, Effective Date June 19, 2012 and it appears that the property lies within Zone X, and is **NOT** located within a 100-year flood zone. The Reference to the 100-year flood plain or flood hazard zones, are an estimate based on the data shown on the Flood Insurance Rate Map and should not be interpreted as a study or determination of the flooding propensities of this property.

Datapoint Surveying & Mapping

August 21, 2024

TYLER J. WILLIS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6877

STATE OF TEXAS · REGISTERED · TYLER J. WILLIS · 6877 · PROFESSIONAL LAND SURVEYOR

LEGAL DESCRIPTION

BEING a 141.200 acre tract of land situated in the JOHN A. NEILL SURVEY, ABSTRACT No. 20, Caldwell County, Texas, and being a portion of a called 160.00 acre tract of land described in deed to Leandro Acevedo as recorded in Volume 28, Page 146 of the Real Property Records, Caldwell County, Texas, SAVE & EXCEPT a called 3.007 acre tract of land described in deed to the Chris and Kimberly Chapman Revocable trust as recorded in Instrument Number 2023-006430, Real Property Records, Caldwell County, Texas, and SAVE & EXCEPT a 20.00 acre tract (currently not recorded) out of said 160.00 acres, said 141.200 acre tract also being a portion of a called 358.536 acre tract of land as described in deed to David V. Acevedo, et ux, as recorded in Volume 209, Page 425, Official Public Records, Caldwell County, Texas, said 141.200 acres being more particularly described by metes and bounds as follows:

BEGINNING at a 60D Nail in a 6 inch wood fence corner post found for an interior angle point of a called 2.606 acre tract of land as described in deed to Ray C. Nash, et ux. as recorded in Volume 76, Page 743 of said Official Public Records, from which a 1 inch iron pipe found on the South Right-of-Way of County Road 205 (CR 205), a.k.a. Seawillow Road, a variable width Right-of-Way, being the Northern most corner of said 358.536 acres, same being the Northeast corner of said 2.606 acres, bears North 12°42'23" East, a distance of 100.55 feet;

THENCE North 76°28'07" East,a distance of 280.87 feet to a 1/2 inch capped iron rod found on the South Right-of-way line of said CR 205 and the North line of said 358.536 acres;

THENCE along the common line of said CR 205, said 160.00 acres and said 358.536 acres, the following bearings and distances:

North 79°02'20" East,a distance of 350.87 feet to a six (6) inch wood fence corner post found for the Northwest corner of the remainder of said 160.00 acres and the Northeast corner of said 358.536 acres;

North 78°34'18" East,a distance of 1963.89 feet to a 1/2 inch capped iron rod (DATAPOINT#10194585) found for an angle point;

South 64°47'06" East,a distance of 592.08 feet to a 1/2 inch capped iron rod found for an angle point in said common line and being the North corner of said 3.007 acre tract;

THENCE South 24°46'35" West,along the common line of said 3.007 acres and the remainder of said 160.00 acres, a distance of 182.85 feet to a point for corner;

THENCE over and across the remainder of said 160.00 acres the following courses and distances:

South 46°55'16" West,a distance of 180.37 feet to a point for corner;

South 65°00'46" West,a distance of 561.37 feet to a point for corner;

South 24°59'14" East,a distance of 833.22 feet to a point for corner;

North 65°00'46" East,a distance of 833.54 feet to a wood fence corner post found for an interior angle point of the remainder of said 160.00 acres and being the Northwest corner of said 20 acre tract (currently not recorded);

THENCE along the common line of said 20 acre tract and the remainder of said 160.00 acres the following bearings and distances:

South 24°59'14" East,a distance of 617.22 feet to a 1/2 inch capped iron rod (DATAPOINT#10194585) found for the South corner of said 20 acre tract;

North 82°35'38" East,a distance of 60.00 feet to a point for corner;

THENCE over and across the remainder of said 160.00 acres and said 358.536 acres the following courses and distances:

South 00°00'00" East,a distance of 75.92 feet to a point for corner;

South 60°26'26" West,a distance of 2641.90 feet to a point for corner on the West line of said 358.536 acres and the East line of a called 89.77 acre tract of land described in deed to ROED Prop Company, LLC. as recorded in Instrument No. 2021-006882 of said Official Public Records, from which a 1/2 inch capped iron rod (Hinkle Surveying), found for the Southeast corner of said 89.77 acres and the Northeast corner of called 85.00 acre tract of land as described in deed to Blackjack Block II, LLC as recorded in Instrument No. 2021-008619 of said Official Public Records bears South 29°54'41" East, a distance of 511.25 feet, and a 1 inch iron pipe found for the Southwest corner of said 358.536 acres bears South 29°54'41" East, a distance of 3044.42 feet;

THENCE North 29°54'41" West along the West line of said 358.536 acres, passing a 1/2 inch iron rod found at a distance of 2033.04 feet, for the Northeast corner of said 89.77 acres, same being the Southeast corner of a called 80.00 acre tract of land as described in deed to Vema Investments, LLC. as recorded in Instrument No. 2021-007855 of said Official Public Records, and continuing a distance of 917.25 feet to a 1/2 inch iron rod found for the Northeast corner of said 80.00 acres, same being the Southeast corner of said 2.606 acres, in all a total distance of 2989.29 feet to the POINT OF BEGINNING, containing an area of 6,150,672 Square Feet, and/or 141.200 Acres of land, more or less.

1 RAY C NASH, ET UX
CALLED 2.606 ACRES
VOL. 76, PG. 743
O. P. R. C. C. T.

2 CHRIS & KIMBERLY CHAPMAN
REVOCABLE TRUST
CALLED 3.007 ACRES
INSTR. NO. 2023-006430
O. P. R. C. C. T.

3 RUSSELL A NICKEL
CALLED 1.997 ACRES
INSTR. NO. 2020-003246
O. P. R. C. C. T.

4 BRENDA GAYLE BAGWELL HAGAN
CALLED 9.152 ACRES
INSTR. NO. 2021-004181
O. P. R. C. C. T.

5 WILLIAM R HAGAN, ET UX
CALLED 9.152 ACRES
VOL. 273, PG. 536
O. P. R. C. C. T.

6 DELORES STATON
REVOCABLE TRUST
CALLED 9.152 ACRES
INSTR. NO. 2023-003597
O. P. R. C. C. T.

7 BEATRICE MADRIGAL, ET AL
LOTS 1, 2 & 3 COMMANCHE HILL SUBDIVISION
INSTR. NO. 126568
O. P. R. C. C. T.

8 TOM BLACKWELL FAMILY PARTNERS, LP, TRACT 2
CALLED 20.00 ACRES
INSTR. NO. 2014-003944
O. P. R. C. C. T.

9 TOM BLACKWELL FAMILY PARTNERS, LP, TRACT 1
CALLED 35.00 ACRE
INSTR. NO. 2014-003944
O. P. R. C. C. T.

SURVEY EXHIBIT

COUNTY ROAD 205 (SEAWILLOW ROAD)

BEING a 141.200 acre tract of land situated in the JOHN A. NEILL SURVEY, ABSTRACT No. 20, Caldwell County, Texas, and being a portion of a called 160.00 acre tract of land described in deed to Leandro Acevedo as recorded in Volume 28, Page 146 of the Real Property Records, Caldwell County, Texas, SAVE & EXCEPT a called 3.007 acre tract of land described in deed to the Chris and Kimberly Chapman Revocable trust as recorded in Instrument Number 2023-006430, Real Property Records, Caldwell County, Texas, and SAVE & EXCEPT a 20.00 acre tract (currently not recorded) out of said 160.00 acres, said 141.200 acre tract also being a portion of a called 358.536 acre tract of land as described in deed to David V. Acevedo, et ux, as recorded in Volume 209, Page 425, Official Public Records, Caldwell County, Texas

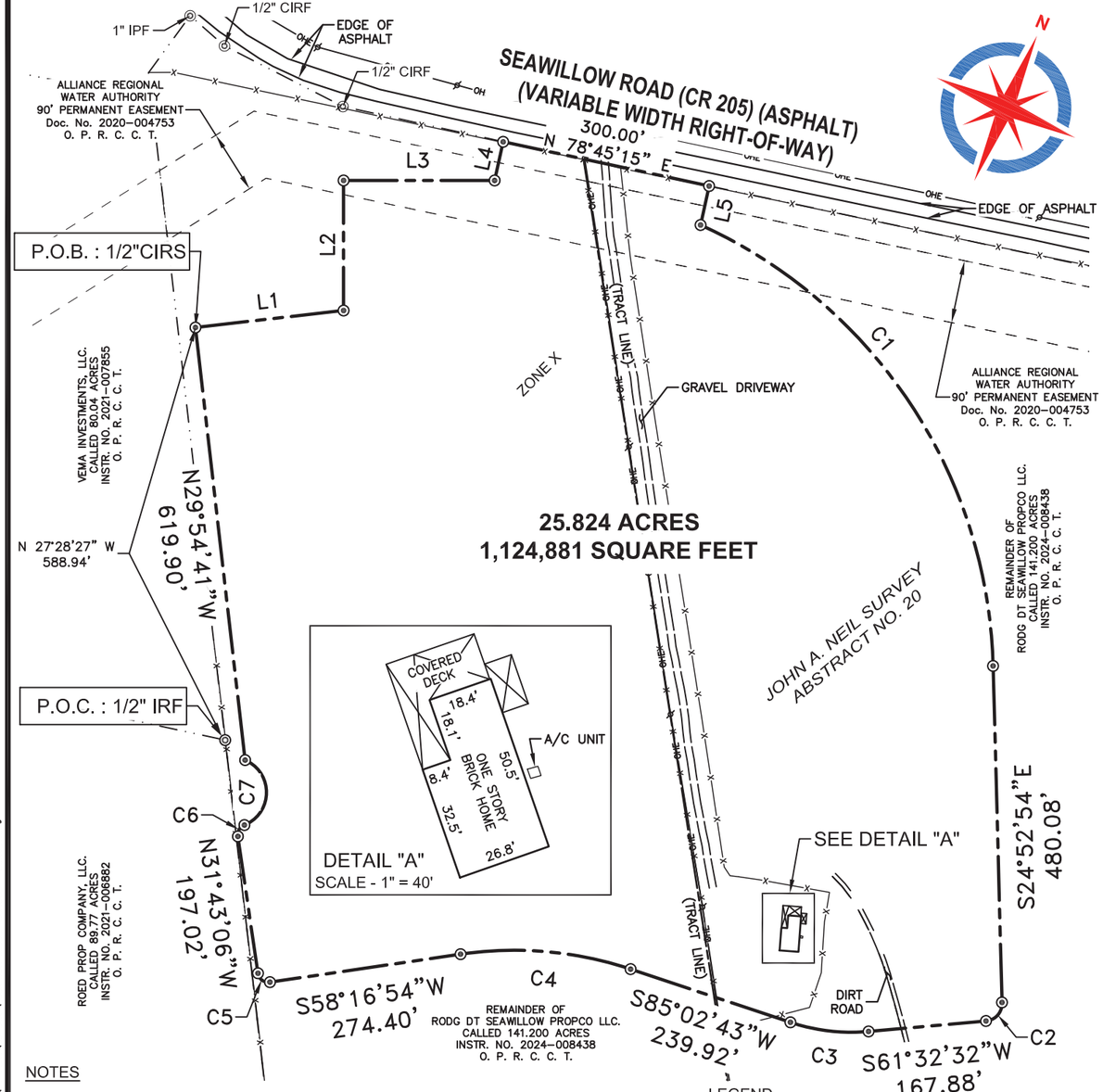
DATAPOINT SURVEYING AND MAPPING

12450 Network Blvd. - Suite 155
San Antonio, TX 78249
Phone: 726-777-4240
Firm No. 10194585

0' 400' 800'
SCALE: 1" = 400'

DRAWN BY: BKR	DATE : 08/21/2024	REV.
CHECKED BY: TJW	DATE : 08/21/2024	0
AFE #	PAGE 1 OF 1	

Z:\2024\VIEWPOINT ENGINEERING\24-08-4694_Lockhart_Phase1_Takedown\05-PLAT\141.300 ACRE SURVEY EXHIBIT.dwg
10/4/2023 7:28 AM T.WILLIS



LEGAL DESCRIPTION

BEING a 25.824 acre tract of land situated in the JOHN A NEIL SURVEY, ABSTRACT 20, Caldwell County, Texas, being a portion of the called 141.200 acre tract of land as described in a deed to RODG DT SEAWILLOW PROPCO LLC as recorded in Instrument No. 2024-008438 of the Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.); said 25.824 acres being more particularly described by metes and bounds as follows:

Commencing at a 1/2 inch iron rod found for the Northeast corner of a called 89.77 acre tract of land described in a deed to ROED PROP COMPANY, LLC., recorded as Instrument Number 2021-006882, O.P.R.C.C.T., and the southeast corner of a called 80.04 acre tract of land described in a deed to VEMA Investments, LLC., recorded as Instrument Number 2021-007855, O.P.R.C.C.T.;

THENCE N 27°28'27" W, over and across said 141.200 acre tract, a distance of 588.94 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the southwesterly northwest corner of the herein described tract and POINT OF BEGINNING;

THENCE over and across said 141.200 acre tract the following courses and distances:
N 60°05'19" E, a distance of 212.28 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585";
N 23°21'46" W, a distance of 185.14 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585"
N 66°38'14" E, a distance of 215.13 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585"
N 10°57'40" W, a distance of 56.39 feet to a 1/2 inch yellow capped iron rod set marked "DATAPOINT 10194585" on the South Right-of-Way line of Seawillow Road, also known as County Road 205 (CR205), a variable width right-of-way, same being a North line of said 141.200 acre remainder tract;

THENCE N 78°45'15" E, along said Right-of-way line a distance of 300.00 feet to a 1/2 inch capped iron rod set, marked "DATAPOINT 10194585";

THENCE S 10°57'40" E, crossing over said 141.200 acre remainder tract, a distance of 56.81 feet to a 1/2 yellow capped iron rod set marked "DATAPOINT 10194585" for the beginning of a non-tangent curve to the right having a radius of 710.00 feet;

THENCE along said curve to the right, through an arc length of 794.17 feet, with a chord bearing and distance of S 56°55'33" E, 753.41 feet, with a delta angle of 64°05'17" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE S 24°52'54" E, a distance of 480.08 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the right having a radius of 25.00 feet;

THENCE along said curve to the right, through an arc length of 37.74 feet, with a chord bearing and distance of S 18°18'03" W, 34.25 feet, with a delta angle of 86°28'58" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE S 61°32'32" W, a distance of 167.88 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the right, having a radius of 275.00 feet;

THENCE along said curve to the right, through an arc length of 112.81 feet, with a chord bearing and distance of S 73°17'38" W, 112.02 feet, with a delta angle of 23°30'11" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE S 85°02'43 " W, a distance of 239.92 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the left, having a radius of 525.00 feet;

THENCE along said curve to the left, through an arc length of 245.23 feet, with a chord bearing and distance of S 71°39'49" W, 243.01 feet, with a delta angle of 26°45'49" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE S 58°16'54" W, a distance of 274.40 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the right, having a radius of 15.00 feet;

THENCE along said curve to the right, through an arc length of 23.56 feet, with a chord bearing and distance of N 76°43'06" W, 21.21 feet, with a delta angle of 90°00'00" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE N 31°43'06" W, a distance of 197.02 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the right, having a radius of 15.00 feet;

THENCE along said curve to the right, through an arc length of 20.07 feet, with a chord bearing and distance of N 06°36'38" E, 18.61 feet, with a delta angle of 76°39'27" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a reverse curve to the left with a radius of 50.00 feet;

THENCE along said curve to the left, through an arc length of 118.12 feet, with a chord bearing and distance of N 22°44'25" W, 92.51 feet, with a delta angle of 135°21'33" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE N 29°54'41" W, a distance of 619.90 feet to the POINT OF BEGINNING, containing an area of 1,124,881 Square Feet, and/or 25.824 acres of land, more or less.

TITLE COMMITMENT GF. NO. 25-0895-L SCHEDULE B ITEMS:

10. THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS.

a. NON-SURVEY ITEM

b. NON-SURVEY ITEM

c. NON-SURVEY ITEM

d. NON-SURVEY ITEM

e. NON-SURVEY ITEM

f. Easement granted toTexas Power & Light Co., by A.L. Fowler and wife, Mabel Fowler, dated July 28,1936, recorded in Volume 171, Page 431, Deed Records of Caldwell County, Texas.
(May affect this tract, document description too vague to properly depict on survey)

g. Easement granted to Texas Power & Light Co., by A.L. Fowler and wife, Mabel Fowler, dated May 7,1936, recorded in Volume 172, Page 296, Deed Records of Caldwell County, Texas.
(May affect this tract, document description too vague to properly depict on survey)

h. Easement granted to Texas Power & Light Co., by Mrs. Jessie Burdett and husband, J.N., dated June 1, 1936, recorded in Volume 172, Page 459, Deed Records of Caldwell County, Texas.
(May affect this tract, document description too vague to properly depict on survey)

i. Easement granted to Palonia Water Supply Corp., by George Ann Little and Lewis N. Little, dated August 4, 1971, recorded in Volume 346, Page 106, corrected in Volume 352, Page 301, Deed Records of Caldwell County, Texas.
(May affect this tract, document description too vague to properly depict on survey)

j. Easement granted to Alliance Regional Water Authority, by David V. Acevedo, et al, dated June 25, 2021, recorded in Document No. 2021-004753, Official Public Records of Caldwell County, Texas. (AFFECTS, shown hereon)

k. NON-SURVEY ITEM

l. NON-SURVEY ITEM

SURVEYOR'S CERTIFICATION

The undersigned hereby states that this survey is true and correct, was made on the ground under my supervision and all corners are marked as shown, shows all visible and apparent easements, encroachments and protrusions. I have examined the Flood Insurance Rate Map for Caldwell County, Texas and Incorporated Area Map No. 48055C0235E, Effective Date June 19, 2012 and it appears that the property lies within Zone X, and is **NOT** located within a 100-year flood zone. The Reference to the 100-year flood plain or flood hazard zones, are an estimate based on the data shown on the Flood Insurance Rate Map and should not be interpreted as a study or determination of the flooding propensities of this property.

Datapoint Surveying & Mapping

June 25, 2025

TYLER J. WILLIS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6877

STATE OF TEXAS
REGISTERED
TYLER J. WILLIS
6877
PROFESSIONAL
LAND SURVEYOR

NOTES

1. ALL DISTANCES CONTAINED HEREIN ARE (GRID) U.S. SURVEY FEET AND BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING JULY 23, 2023.
2. ALL COORDINATES AND BEARINGS CONTAINED HEREIN ARE GRID (U.S. SURVEY FEET), BASED UPON THE TEXAS STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83 (NAD 83), TEXAS SOUTH CENTRAL ZONE (4204).
3. ALL MONUMENTS FOUND AND SHOWN HEREON WERE CONTROLLING MONUMENTS IN THE FINAL BOUNDARY DETERMINATION OF THIS SURVEY.

LEGEND

- SUBJECT TRACT BOUNDARY
- ADJOINER TRACT BOUNDARY
- APPROX. SURVEY ABSTRACT
- EXISTING EASEMENT
- OVERHEAD ELECTRIC
- BARBED WIRE FENCE
- CM CONTROL MONUMENT
- POWER POLE
- CALCULATED POINT
- FOUND MONUMENT
- FOUND FENCE POST
- SET 1/2" CAPPED IRON ROD STAMPED "DATAPOINT 10194585" UNLESS OTHERWISE NOTED

LINE TABLE

LINE	BEARING	DISTANCE
L1	N 60°05'19" E	212.28'
L2	N 23°21'46" W	185.14'
L3	N 66°38'14" E	215.13'
L4	N 10°57'40" W	56.39'
L5	S 10°57'40" E	56.81'

CURVE TABLE

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	710.00'	794.17'	753.41'	S 56°55'33" E	64°0517"
C2	25.00'	37.74'	34.25'	S 18°18'03" W	86°28'58"
C3	275.00'	112.81'	112.02'	S 73°17'38" W	23°30'11"
C4	525.00'	245.23'	243.01'	S 71°39'49" W	26°45'49"
C5	15.00'	23.56'	21.21'	N 76°43'06" W	90°00'00"
C6	15.00'	20.07'	18.61'	N 06°36'38" E	76°39'27"
C7	50.00'	118.12'	92.51'	N 22°44'25" W	135°21'33"

LAND TITLE SURVEY

LOCKHART MIDDLE SCHOOL

BEING a **25.824 acre** tract of land situated in the **JOHN A NEIL SURVEY**, **ABSTRACT 20**, Caldwell County, Texas, being a portion of the called 141.200 acre tract of land as described in a deed to RODG DT SEAWILLOW PROPCO LLC, as recorded in Instrument No. 2024-008438 of the Official Public Records of Caldwell County, Texas.

DATAPOINT
ENGINEERING • LAND SURVEYING • GIS • UAS

12400 Network Blvd. - Suite 130
San Antonio, TX 78249
Phone: 726-777-4240
Firm No. 10194585

DRAWN BY: BKR/JS	DATE : 06/25/2025	REV. 3
CHECKED BY: TJW	DATE : 06/25/2025	
PROJECT # 25-04-5491		SHEET 1 OF 1

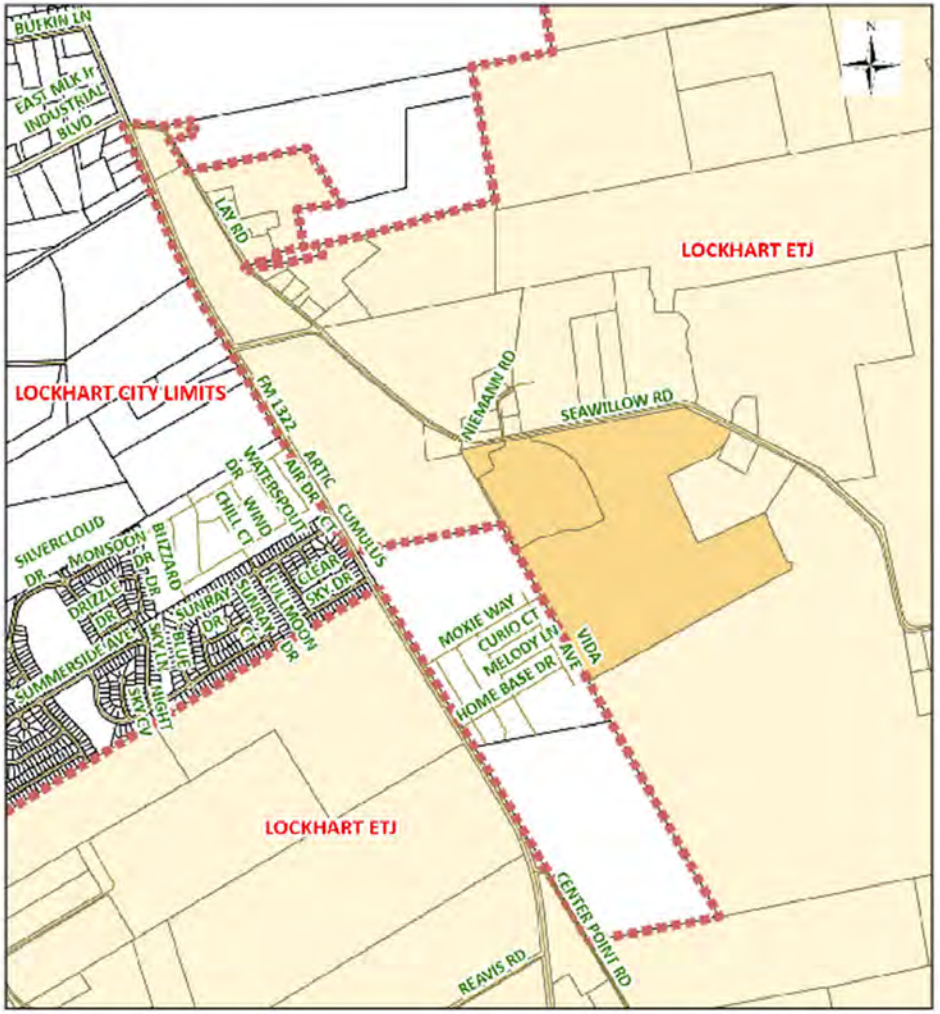
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City Council

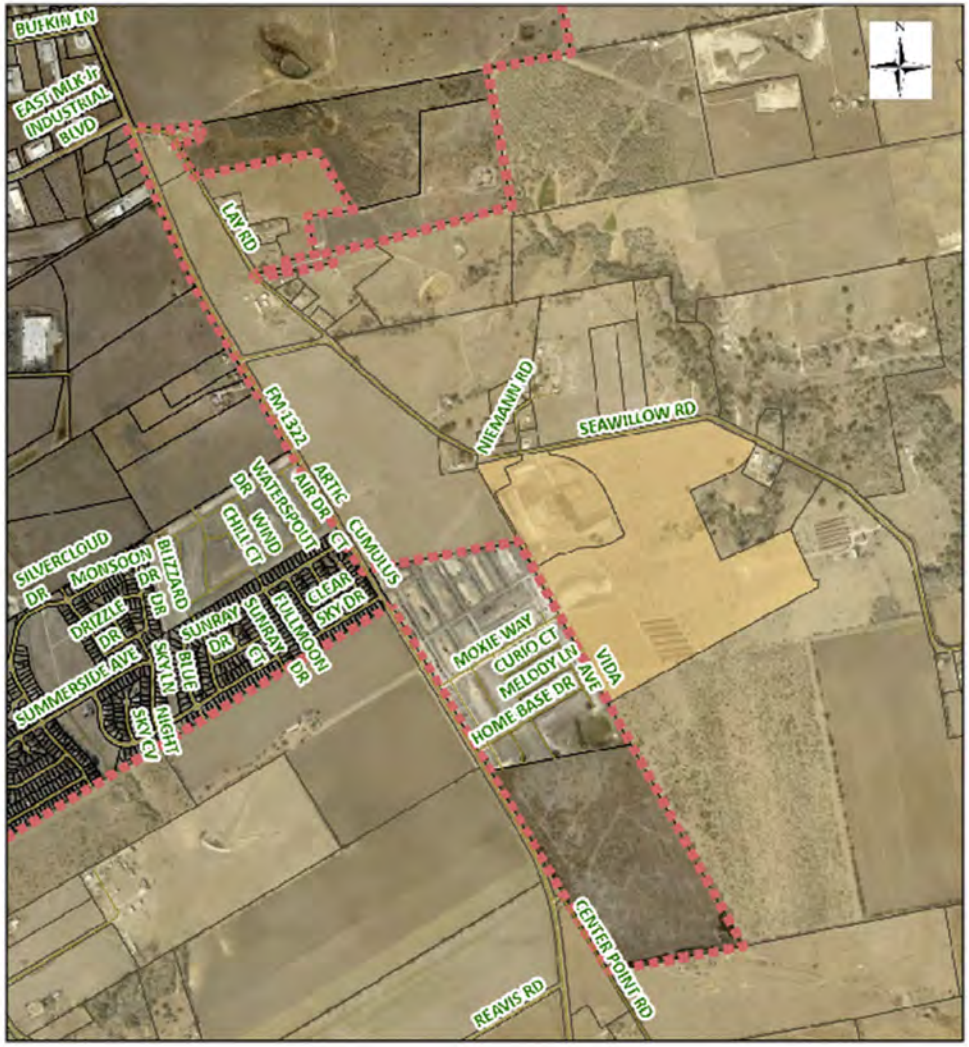
CITY OF
Lockhart
TEXAS

April 7, 2026

Resolution 2026-15



Resolution 2026-15



CITY OF Lockhart TEXAS

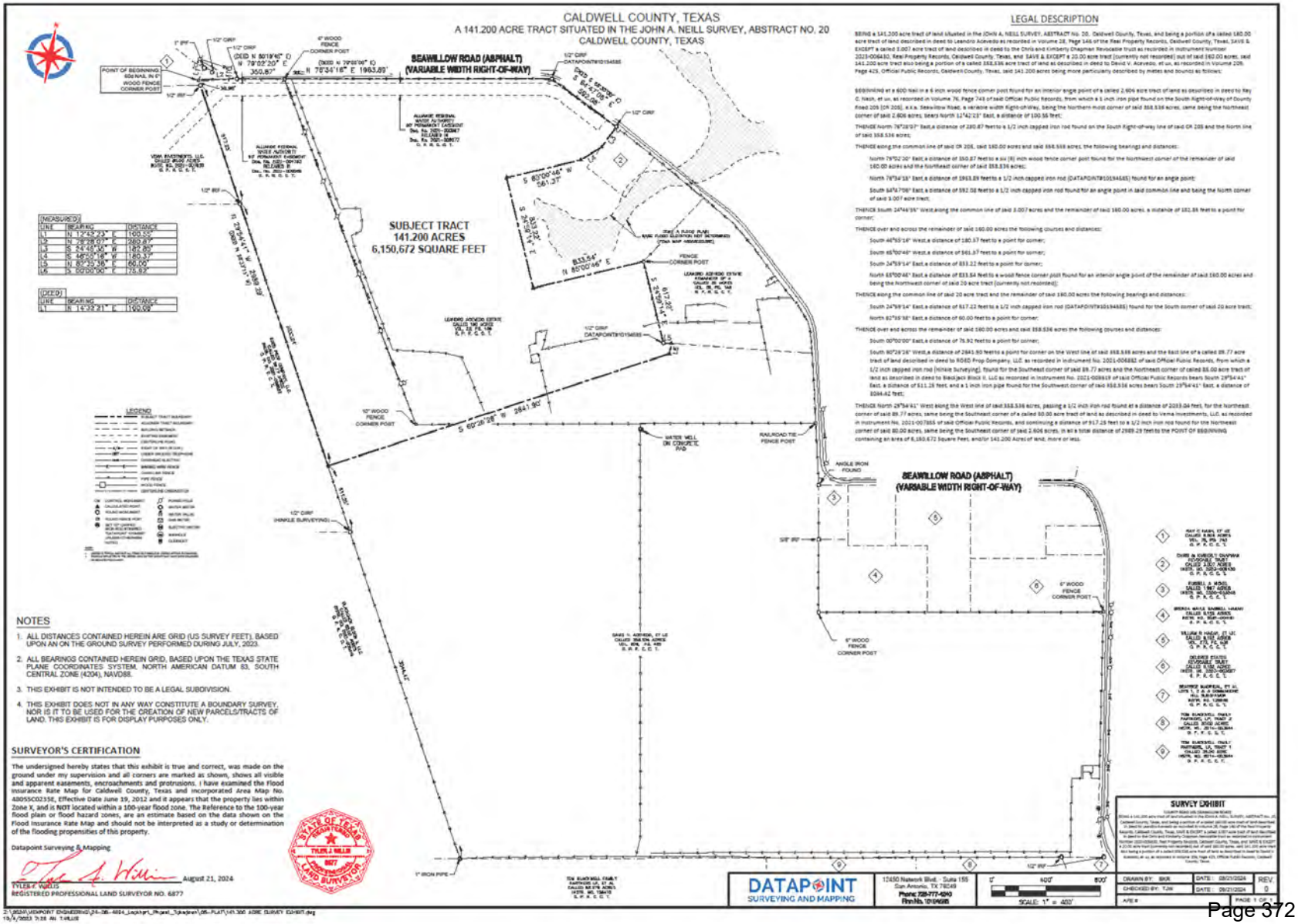
0 900 1,800 Feet

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.

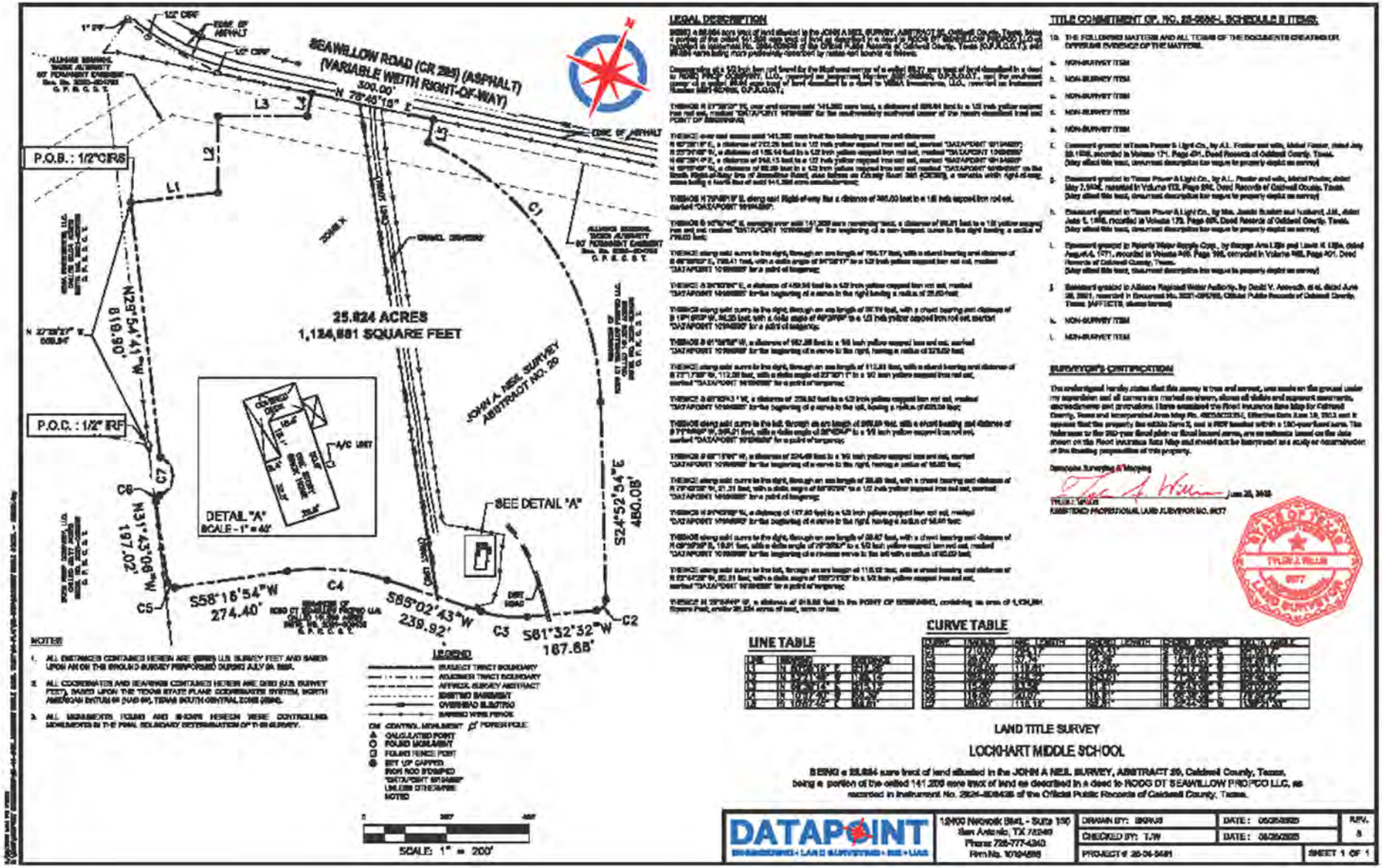
Map Legend

- SEAWILLOW ANNEXATION #2
- PARCEL BOUNDARY
- LOCKHART ETJ
- LOCKHART CITY LIMITS

Resolution 2026-15



Resolution 2026-15



LEGAL DESCRIPTION

BEING a 25.824 acre tract of land situated in the JOHN A NEIL SURVEY, ABSTRACT 20, Caldwell County, Texas, being a portion of the called 141.200 acre tract of land as described in a deed to ROOG DT SEAWILLOW PROPCO LLC, as recorded in Instrument No. 2024-606436 of the Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.), said 25.824 acre being more particularly described by metes and bounds as follows:

Commencing at a 1/2 inch iron rod found for the Northwest corner of a called 69.21 acre tract of land described in a deed to ROOG PROP COMPANY, LLC., recorded in Instrument No. 2024-606435, O.P.R.C.C.T., and the southwest corner of a called 30.00 acre tract of land described in a deed to Valley Investments, L.L.C., recorded in Instrument Number 2017-607466, O.P.R.C.C.T.;

THENCE N 27°28'27" W, over and across said 141.200 acre tract, a distance of 619.84 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for the southwesterly southwest corner of the herein described tract and POINT OF BEGINNING;

THENCE over and across said 141.200 acre tract the following courses and distances:
N 62°31'51" E, a distance of 222.26 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888";
N 25°54'41" W, a distance of 1,156.44 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888";
N 48°39'14" E, a distance of 248.13 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888";
N 18°56'48" W, a distance of 65.89 feet to a 1/2 inch yellow capped iron rod set and marked "DATAPOINT 1019888" on the South right-of-way line of Seawillow Road, said before an 80 ft wide Road (CR 284), a variable width right-of-way, same being a North line of said 141.200 acre remainder tract;

THENCE N 79°49'19" E, along said Right-of-way line, a distance of 365.00 feet to a 1/2 inch capped iron rod set, marked "DATAPOINT 1019888";

THENCE S 10°10'41" E, severing over said 141.200 acre ownership tract, a distance of 691.81 feet to a 1/2 yellow capped iron rod set marked "DATAPOINT 1019888" for the beginning of a non-tangent curve to the right having a radius of 719.00 feet;

THENCE along said curve to the right, through an arc length of 764.17 feet, with a chord bearing and distance of S 49°39'52" E, 728.41 feet, with a delta angle of 54°33'51" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for a point of tangency;

THENCE S 21°36'03" E, a distance of 459.56 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for the beginning of a curve to the right having a radius of 25.00 feet;

THENCE along said curve to the right, through an arc length of 39.74 feet, with a chord bearing and distance of S 19°51'58" W, 35.63 feet, with a delta angle of 89°26'02" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for a point of tangency;

THENCE S 64°15'00" W, a distance of 182.88 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for the beginning of a curve to the right, having a radius of 325.00 feet;

THENCE along said curve to the right, through an arc length of 112.81 feet, with a chord bearing and distance of S 74°11'58" W, 112.26 feet, with a delta angle of 19°53'01" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for a point of tangency;

THENCE S 84°08'53" W, a distance of 239.62 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for the beginning of a curve to the left, having a radius of 625.00 feet;

THENCE along said curve to the left, through an arc length of 265.09 feet, with a chord bearing and distance of S 71°59'59" W, 263.21 feet, with a delta angle of 24°18'06" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for a point of tangency;

THENCE S 60°11'56" W, a distance of 324.48 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for the beginning of a curve to the right, having a radius of 15.00 feet;

THENCE along said curve to the right, through an arc length of 23.45 feet, with a chord bearing and distance of N 29°48'28" W, 21.21 feet, with a delta angle of 89°35'56" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for a point of tangency;

THENCE N 24°40'30" W, a distance of 197.60 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for the beginning of a curve to the right, having a radius of 50.00 feet;

THENCE along said curve to the right, through an arc length of 38.67 feet, with a chord bearing and distance of N 02°30'58" E, 37.71 feet, with a delta angle of 44°18'58" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for the beginning of a reverse curve to the left with a radius of 45.00 feet;

THENCE along said curve to the left, through an arc length of 115.02 feet, with a chord bearing and distance of N 23°44'29" W, 82.31 feet, with a delta angle of 146°31'02" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 1019888" for a point of tangency;

THENCE N 79°49'19" E, a distance of 51.84 feet to the POINT OF BEGINNING, containing an area of 1,124,881 Square Feet, or/and 25.824 acres of land, more or less.

TITLE COMMITMENT GF. NO. 25-2606-L, SCHEDULE B ITEMS:

10. THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS:
   a. NON-SURVEY ITEM
   b. NON-SURVEY ITEM
   c. NON-SURVEY ITEM
   d. NON-SURVEY ITEM
   e. NON-SURVEY ITEM
   f. Easement granted to Texas Power & Light Co., by A.L. Foster and wife, Mabel Foster, dated July 28, 1926, recorded in Volume 171, Page 491, Deed Records of Caldwell County, Texas. (May affect this tract, insufficient description for region to properly depict on survey)
   g. Easement granted to Texas Power & Light Co., by A.L. Foster and wife, Mabel Foster, dated May 7, 1926, recorded in Volume 173, Page 256, Deed Records of Caldwell County, Texas. (May affect this tract, insufficient description for region to properly depict on survey)
   h. Easement granted to Texas Power & Light Co., by Mrs. Jessie Bunkett and husband, J.M., dated June 5, 1926, recorded in Volume 173, Page 605, Deed Records of Caldwell County, Texas. (May affect this tract, insufficient description for region to properly depict on survey)
   i. Easement granted to Rolanta Water Supply Corp., by George Ann Lilly and Louis H. Lilly, dated August 6, 1971, recorded in Volume 548, Page 166, corrected in Volume 568, Page 401, Deed Records of Caldwell County, Texas. (May affect this tract, insufficient description for region to properly depict on survey)
   j. Easement granted to Alliance Regional Water Authority, by Donald V. Ainsworth, et al, dated June 28, 2021, recorded in Document No. 2021-606268, Official Public Records of Caldwell County, Texas. (AFFECTS, shown hereon)
   k. NON-SURVEY ITEM
   l. NON-SURVEY ITEM

SURVEYOR'S CERTIFICATION

The undersigned hereby states that this survey is true and correct, was made on the ground under my supervision and all corners are marked as shown, shows all visible and apparent easements, encroachments and protrusions. I have examined the flood insurance rate map for Caldwell County, Texas and incorporated area map No. 48055C0215C, Effective Date June 19, 2012 and it appears that the property lies within Zone X, and is NOT located within a 100-year flood zone. This reference to the 100-year flood plain or flood hazard zones, are an estimate based on the data shown on the flood insurance rate map and should not be interpreted as a study or determination of the flooding propensities of the property.

Surveying & Mapping

Tyler J. Wells — June 26, 2025

TYLER J. WELLS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6577

STATE OF TEXAS — TYLER J. WELLS — 6577 — REGISTERED PROFESSIONAL LAND SURVEYOR

NOTES

1. ALL DISTANCES CONTAINED HEREIN ARE (GRID) U.S. SURVEY FEET AND BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING JULY 09, 2025.
2. ALL COORDINATES AND BEARINGS CONTAINED HEREIN ARE GRID (U.S. SURVEY FEET), BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, NORTH AMERICAN DATUM 83 (NAD 83), TEXAS SOUTH CENTRAL ZONE (4204).
3. ALL MONUMENTS FOUND AND SHOWN HEREON WERE CONTROLLING MONUMENTS IN THE FINAL BOUNDARY DETERMINATION OF THIS SURVEY.

LINE TABLE

LINE	BEARING	LENGTH
L1	N 27°28'27" W	619.84'
L2	N 62°31'51" E	222.26'
L3	N 25°54'41" W	1,156.44'
L4	N 48°39'14" E	248.13'
L5	N 18°56'48" W	65.89'
L6	N 79°49'19" E	365.00'
L7	S 10°10'41" E	691.81'
L8	S 79°49'19" W	51.84'

CURVE TABLE

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	719.00'	764.17'	728.41'	S 49°39'52" E	54°33'51"
C2	325.00'	112.81'	112.26'	S 74°11'58" W	19°53'01"
C3	625.00'	265.09'	263.21'	S 71°59'59" W	24°18'06"
C4	15.00'	23.45'	21.21'	N 29°48'28" W	89°35'56"
C5	50.00'	38.67'	37.71'	N 02°30'58" E	44°18'58"
C6	45.00'	115.02'	82.31'	N 23°44'29" W	146°31'02"
C7	25.00'	39.74'	35.63'	N 19°51'58" W	89°26'02"
C8	719.00'	459.56'	451.74'	N 03°34'23" W	36°37'49"

LAND TITLE SURVEY

LOCKHART MIDDLE SCHOOL

BEING a 25.824 acre tract of land situated in the JOHN A NEIL SURVEY, ABSTRACT 20, Caldwell County, Texas, being a portion of the called 141.200 acre tract of land as described in a deed to ROOG DT SEAWILLOW PROPCO LLC, as recorded in Instrument No. 2024-606436 of the Official Public Records of Caldwell County, Texas.

DATAPOINT — ENGINEERING • LAND SURVEYING • GIS • UAS

12400 Network Blvd - Suite 130
San Antonio, TX 78249
Phone: 726-777-4340
Firm No. 10194589

DRAWN BY: BGRUS	DATE: 06/26/2025	REV. 3
CHECKED BY: TJW	DATE: 06/26/2025	
PROJECT # 25-06-5491		SHEET 1 OF 1

Resolution 2026-15

- Total area of annexation request: 141.2 acres, including school site
- Public hearing would be scheduled for May 5, 2026
- Petitioners will need to sign Annexation Service Agreement prior to public hearing
- No zoning changes filed for site

City Council

CITY OF
Lockhart
TEXAS

April 7, 2026

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discuss Resolution 2026-16 authorizing City Manager to sign a three-year renewal agreement with Global Payments Direct, Inc. to provide merchant services and credit card payment processing for City of Lockhart.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Roque Salinas

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION:
In order for residents and customers to use credit cards to make payments for City services, a credit card processing agreement is required. Global Payments Direct, Inc. has been the vendor for the City since 2018, when a three-year contract was executed. The contract expired at the end of 2021 and has since continued on a month-to-month basis.

Since the contract expired, the processing rates have been subject to monthly market adjustments. As a result, the City has experienced increasing processing costs each year since 2021, creating a growing deficit between the fee collected from residents and the total credit card processing fees paid by the City. Residents are currently charged a 2% convenience fee, which does not fully cover the actual cost of processing credit card transactions.

The table below shows the credit card fees collected from residents and the total credit card processing fees paid by the City since the termination of the contract at the end of 2021.

City staff reached out to Global Payments Direct, Inc. and negotiated a new agreement to reduce the processing rate. The proposed agreement is being presented to the City Council for approval. Under the new agreement, the effective rate would average approximately 3.15%, and the rate would be locked in for a period of three years.

If approved, the new agreement would significantly reduce the City's exposure to fluctuating market rates and help stabilize processing costs. Based on current projections, staff estimates the negotiated rate would reduce the City's credit card processing costs by approximately 68% compared to the current variable rates.

However, staff still anticipates a deficit if the convenience fee charged to customers remains at the current 2% rate. The projected subsidy by the City under the proposed agreement is shown in the table below.

Year	Sum of Fee collected	Sum of Estimated fees new agreement	Over/(Under)
2022	$ 115,042	$ 145,821	$ (30,779)
2023	$ 178,579	$ 347,231	$ (168,653)
2024	$ 147,581	$ 517,132	$ (369,551)
2025	$ 157,875	$ 973,256	$ (815,380)
2026	$ 170,811	$ 778,556	$ (607,744)

2027	$	163,519	$	394,543	$	(231,025)
2028	$	168,991	$	406,380	$	(237,389)
2029	$	87,438	$	212,864	$	(125,425)

Staff recommends that the City Council approve the agreement with Global Payments Direct, Inc. to lock in the negotiated processing rate for a period of 36 months, which will significantly reduce the City's exposure to increasing credit card processing costs and provide greater financial stability.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:
Funds Required:
Account Number:
Funds Available:
Account Name:

FISCAL NOTE (if applicable):
Based on current projections, staff estimates the negotiated rate would reduce the City's credit card processing costs by approximately 68% compared to the current variable rates. The impact would save the City close to $600,000 per year. However, staff still anticipates a deficit if the convenience fee charged to customers remains at the current 2% rate.

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends approval of Agreement and authorization for City Manager to execute Agreement on behalf of the City

LIST OF SUPPORTING DOCUMENTS: RES 2026-16, Offer - City of Lockhart (Final - Extended), PPT- Credit Card fees

RESOLUTION NO. 2026-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING A THREE-YEAR RENEWAL OF THE GLOBAL PAYMENTS DIRECT, INC. AGREEMENT TO PROVIDE MERCHANT SERVICES AND CREDIT CARD PROCESSING SERVICES; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart, Texas (the "City"), in 2018 entered into an agreement (the "Agreement") with Global Payments Direct, Inc. ("Global Payments") to provide merchant services and credit card processing services for the City;

WHEREAS, the Agreement expired at the end of its three-year term in 2021, and the City and Global Payments have operated on a month-to-month basis since that time;

WHEREAS, under the month-to-month basis, the processing fee rates have been subject to monthly market adjustments, resulting in increasing processing costs each year for the City and creating a growing deficit between the 2% convenience fee collected from residents and the actual credit card processing fees paid by the City; and

WHEREAS, the City Staff and Global Payments negotiated a renewal agreement to reduce the processing fee rate charged to the City to an average of 3.15% for a period of three years.

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

Section 1. All of the above premises are hereby found to be true and correct legislative findings of the City Council of the City of Lockhart (the "City Council"), and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Section 2. The City Council hereby authorizes a three-year renewal of the agreement with Global Payments Direct, Inc. to provide merchant services and credit card processing services.

Section 3. The City Council hereby authorizes the City Manager to execute any documents necessary to effectuate this Resolution.

Section 4. If any part of this Resolution, of whatever size, is ever declared invalid or unenforceable for any reason, the remainder of this Resolution shall remain in full force and effect.

Section 5. This Resolution shall be effective from and after its passage by the City Council.

PASSED AND APPROVED by the City Council of the City of Lockhart, Texas the **_____**day of **_____**, 2026.

_____
Lew White, Mayor

ATTEST:

_____
Julie Bowermon, City Secretary

APPROVED AS TO FORM:

_____
Brad Bullock, City Attorney

globalpayments

CLIENT SATISFACTION OFFER

Merchant Name or DBA Name: CITY OF LOCKHART ("**Merchant**")

Merchant ID(s): 8788240016987, 8788240016988, 8788240017006, 8788240017009, 8788240022255 ("**MID**" or "**MIDs**")

Date: 02/24/26

Global Payments Direct, Inc. ("**Global Direct**"), a Global Payments company, values its merchant clients and strives to create mutually beneficial, long-term relationships with them. Accepting this offer will modify your Card Services Agreement (the "**Agreement**") with Global Direct in accordance with the adjustments listed below (the "**Amended Rates**"). Capitalized terms not defined herein shall have the meaning given in the Agreement.

Amended Rates

Credit Discount Rate	1.20%	Per item	$0.20
Risk Assessment Fee	0.20%	Per item	$0.20
Settlement Funding Fee	0.20%	Per item	$0.20

Auth per Item $0.00

Please see the Rate Analysis for full details.

Global Payments will keep your current discount rates exempt from fee increases for the duration of the current [Term/Extended Term (whichever is applicable)]. This rate lock does not apply to card association or other fees.

Contract Term

The Amended Rates will become effective on the first day of the calendar month of the Effective Date so long as this Client Satisfaction Offer is executed and received by Global Direct by the 15th of the calendar month, otherwise the Amended Rates will be effective on the first day of the calendar month following the Effective Date. The Amended Rates remain subject to change as per the terms and conditions of the Agreement. All fees, rates, charges and other terms not otherwise revised per this Client Satisfaction Offer remain in full force and effect.

Merchant agrees to extend the term of the Agreement for 36 months from the last date of execution below (the "**Effective Date**"). This time period will be referred to as the "**Extended Term**". At the expiration of the Extended Term, the Agreement will automatically renew as per the terms of the Agreement for successive one-year periods (each a "**Renewal Term**", and collectively with the Initial Term and the Extended Term, the "**Term**").

Merchant agrees to pay the following account closure fees per terminating MID upon early termination of the Agreement: (a) $500.00 if terminated with more than 12 months remaining in the Term; or (b) $500.00 if terminated with 12 or fewer months remaining in the Term, or such portion of the foregoing as may be permitted by applicable law.

All other terms and conditions of the Agreement remain unchanged. This Client Satisfaction Offer and the details contained herein are confidential and may not be disclosed, displayed, or otherwise transmitted to any third party except to attorneys, accountants or other professional advisers as may be necessary to effect the purposes of this letter between the parties. By signing below, each party acknowledges that it has carefully read and fully understood this amendment, and each agrees to be bound by the terms of this amendment.

GLOBAL PAYMENTS DIRECT, INC.	CITY OF LOCKHART
Signed By:_____	Signed By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date:_____	Date: _____

VIEW ONLY COPY

VIEW ONLY COPY



Three-year renewal agreement with Global Payments Direct, Inc.

Roque Salinas, MPA

Assistant City Manager

April 7, 2026

CITY OF Lockhart TEXAS

Summary and Discussion

- Discuss authorizing City Manager to sign a three-year renewal agreement with Global Payments Direct, Inc. to provide merchant services and credit card payment processing for City of Lockhart.
- In order for residents and customers to use credit cards to make payments for all City services, a credit card processing vendor is required.
  - Bill payment
  - Permit fees
  - Paying citations
  - Animal shelter fees
- **These charges are not City fees — they are vendor processing fees charged to the City. The city charges customers 2% to recover a portion of that charge.**
  - **Any amount not covered by the 2% fee is paid by the electric fund.**
- Global Payments Direct, Inc. is the staff recommendation.
- At council discretion

Background

•Global Payments Direct, Inc. has served as the City's credit card processing vendor since 2018, under an initial three-year contract. The contract expired at the end of 2021 and has continued on a month-to-month basis since that time.Since the contract expiration, processing rates have been subject to monthly market adjustments.

•The City has experienced increasing processing costs each year since 2022.This has created a growing gap between the processing fee collected from residents and the total processing fees paid by the City.

•Residents are currently charged a 2% processing fee, which does not fully cover the actual cost of processing credit card transactions.

Deficit growing

- The table below shows the credit card fees collected from residents and the total credit card processing fees paid by the City.
- The City' electric department lost $815k in 2025 on average, $83,000 per month in credit card fees.
  - Bucket Truck-$150,000 = 5.5 trucks
  - Class A Lineman- $57,500= 14 Class A Lineman
  - Annual tree trimming $150,000- 5.5 times increase
- If no action is taken the Electric fund will continue to lose funding and the forecast is starting to hit $1 million.

Fiscal Year	Sum of Fee collected	Sum of Credit Card Fees Paid	Sum of Over/(under)
2022	$ 115,042.38	$ 145,821.26	$ (30,778.88)
2023	$ 178,578.73	$ 347,231.33	$ (168,652.60)
2024	$ 147,580.94	$ 517,132.17	$ (369,551.23)
2025	$ 157,875.36	$ 973,255.53	$ (815,380.17)
2026	$ 170,811.42	$ 1,160,762.77	$ (989,951.35)
2027	$ 163,518.58	$ 1,195,585.65	$ (1,032,067.07)
2028	$ 168,990.51	$ 1,231,453.22	$ (1,062,462.71)
2029	$ 87,438.41	$ 645,041.75	$ (557,603.34)

2029 is not a full year. Only through April. Done for forecasting contract proposed of 36 months.

Staff Action

- Staff identified the issue in FY 2025.
- Staff reached out to Global Payments Direct, Inc. in February 2026 and negotiated a new agreement to reduce the processing rate.
- Staff estimates the new negotiated rate would reduce the City's credit card processing costs by approximately 68%.
- Under the new agreement, the effective rate would average approximately 3.15%, and the rate would be locked in for a period of three years.
- If approved, the new agreement would significantly reduce the electric fund exposure to fluctuating market rates and help stabilize processing costs.

Forecast

Year	Credit Card fee 2%	Credit Card Processing fees- Do nothing	Over/Under Current	Estimated fees new agreement	Over/Under Current new agreement	Estimated Savings with new agreement
2022	$ 115,042	$ 145,821	$ (30,779)			
2023	$ 178,579	$ 347,231	$ (168,653)			
2024	$ 147,581	$ 517,132	$ (369,551)			
2025	$ 157,875	$ 973,256	$ (815,380)			
2026	$ 170,811	$ 1,160,763	$ (989,951)	$ 778,556	$ (607,744)	$ 382,207
2027	$ 163,519	$ 1,195,586	$ (1,032,067)	$ 394,543	$ (231,025)	$ 801,042
2028	$ 168,991	$ 1,231,453	$ (1,062,463)	$ 406,380	$ (237,389)	$ 825,074
2029	$ 87,438	$ 645,042	$ (557,603)	$ 212,864	$ (125,425)	$ 432,178

2029 is not a full year. Only through April. Done for forecasting contract proposed of 36 months.

Fiscal impact

- Negotiated rate expected to reduce credit card processing costs by approximately 68%.Estimated savings of nearly $800,000 per year for the City.
- Even with the new agreement, staff projects a remaining deficit of approximately $235,000 if the customer fee remains at 2%.

- The deficit is currently paid from the Electric Fund. Only about 60% of customers are City electric customers.
  - Customers in the Bluebonnet Electric service area are currently subsidized by City electric customers.
  - Businesses with large bills also contribute to the deficit, which is ultimately covered by City electric customers.

- If paid from the General Fund:
  - No action: equivalent to about a $0.05 rate increase
  - Proposed agreement: equivalent to about a $0.02 rate increase
  - Proposed new deficit $235,000.
  - Police officer -$66,518- 3 police officers
  - Fire Fighter- $59,950- 4 Fire Fighters
  - New fire truck $850,000- 1 new fire truck every 4 years.

CITY OF Lockhart TEXAS

Fiscal impact Option

Fiscal Year	Estimated fees new agreement	Fee collected no change	Everyone pays fee	Increase to 2.25%	Increase to 2.35%	Increase to 2.45%	Increase to 2.50%
2026	$ 778,556	$ 170,811	$ 246,923	$ 277,789	$ 290,135	$ 302,481	$ 308,654
2027	$ 394,543	$ 163,519	$ 254,447	$ 286,253	$ 298,975	$ 311,698	$ 318,059
2028	$ 406,380	$ 168,991	$ 262,081	$ 294,841	$ 307,945	$ 321,049	$ 327,601
2029	$ 212,864	$ 87,438	$ 137,097	$ 154,234	$ 161,088	$ 167,943	$ 171,371

Fiscal Year	Estimated fees new agreement	Bastrop 3%	Lulling fee 3.7%	Buda Fee 3.3%	Appox break even 3.13%	Over /under
2026	$ 778,556	$ 370,385	$ 456,808	$ 407,423	$ 386,435	$ (392,121)
2027	$ 394,543	$ 381,671	$ 470,727	$ 419,838	$ 398,210	$ 3,667
2028	$ 406,380	$ 393,121	$ 484,849	$ 432,433	$ 410,156	$ 3,777
2029	$ 212,864	$ 205,645	$ 253,629	$ 226,209	$ 214,556	$ 1,692



Three-year renewal agreement with Global Payments Direct, Inc.

Roque Salinas, MPA

Assistant City Manager

April 7, 2026

CITY OF Lockhart TEXAS

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION:
Discuss awarding RFP 2026-01- Replacement and installation of a new elevator at the Dr. Euguene Clark Library to ATTA Elevators of Austin, Texas in an amount not to exceed $126,431.00.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Roque Salinas

ACTION REQUESTED: Award of Contract

BACKGROUND/SUMMARY/DISCUSSION:

The elevator at the library has experienced ongoing issues for several years, including instances of becoming stuck. Mechanical upgrades are necessary to ensure the continued safety and reliability of the equipment.

Funding for these improvements was approved as part of the FY2026 budget. Following this approval, staff issued a Request for Proposals (RFP) and received two responses in the amounts of $126,438 from ATTA Elevators and $139,825 from Austin Elevator Company. Both proposals were submitted by reputable vendors.

After completing a thorough evaluation of the submissions, staff recommends awarding the project to ATTA Elevators as the most responsive and responsible proposer to complete the necessary improvements.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:
Funds Required:
Account Number:
Funds Available:
Account Name:

FISCAL NOTE (if applicable): $126,438

PREVIOUS COUNCIL ACTION: None

COMMITTEE/BOARD/COMMISSION ACTION: None

STAFF RECOMMENDATION/REQUESTED MOTION:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Lockhart Library Modernization Elevator RFP Bid1, AECProposal_EugeneClarkLibrary_2026-02



REQUEST FOR PROPOSAL
Elevator Modernization

While all members of ATTA Elevators team play a key and important role in the day-to-day success of our company, the key individuals you will collaborate with are as follows:

Brian Mitchell
Regional VP Austin, Modernization

With over 25 years of experience in the elevator industry, Brian brings deep technical knowledge and leadership to every project. He began his career as an elevator mechanic in Chicago, where he spent more than 15 years honing his craft on a wide range of systems and technologies. For the past decade, Brian has served as a Modernization Operations Manager in the Austin area, successfully leading large-scale modernization projects and driving operational excellence.
As a leader, Brian is dedicated to fostering a team culture rooted in trust, collaboration, and accountability. Under his guidance, Team Austin delivers innovative, reliable solutions that put customer needs first, ensuring every client experience is efficient, responsive, and unforgettable.

Jon Anderson
Regional VP Austin, Service, Repair

With over 15 years of experience in the elevator industry, Jon has established a strong reputation for excellence in the service and repair of elevator systems. He is proficient in managing complex projects from inception to completion, consistently delivering solutions that prioritize safety, efficiency, and customer satisfaction. Throughout his career, Jon has worked with a wide range of elevator systems, ensuring compliance with regulatory standards and incorporating the latest technologies to enhance performance. Known for his meticulous attention to detail and unwavering commitment to high-quality service, Jon provides his customers with a seamless experience from start to finish.

Geoff Paquette
Vice President, U.S. Operations

Geoff brings with him more than 26 years of experience in the elevator industry, including extensive leadership in field operations, sales, strategy, and over a decade of recruitment expertise. His deep industry knowledge and established relationships make him the ideal candidate to help execute ATTA's ambitious vision of becoming a true North American independent elevator company.

ADVERTISEMENT AND INVITATION FOR PROPOSALS

The City of Lockhart, Texas is seeking proposals from highly qualified, capable, and experienced contractors for the replacement and installation of a new elevator at the Dr. Eugene Clark Library until ***3:00 p.m. on March 4, 2026. Proposals shall be addressed and delivered to: Roque Salinas, Assistant City Manager City of Lockhart – City Hall 308 West San Antonio Street Lockhart, Texas 78644***. Proposals will be publicly opened and read aloud immediately following the deadline in the Large Conference Room, 105 South Colorado Street, Lockhart, Texas 78644. Any proposal received after the stated closing time will be returned unopened. The City of Lockhart reserves the right to reject any and all proposals. A copy of the RFP can be found online at https://www.lockhart-tx.org/page/bids RFP # 2026-01.

Cover Page

CITY OF LOCKHART, TEXAS

RFP 2026-01

Lockhart
The BBQ Capital of Texas

REQUEST FOR SEALED PROPOSALS FOR

Replacement and installation of a new elevator at the Dr. Euguene Clark Library.

PROPOSAL DATE ISSUED:

February 4, 2026

RFP SUBMITTALS DATE DUE:

March 4, 2026, 3PM

DEPARTMENT CONTACT FOR QUESTIONS:

Roque Salinas
Assistant City Manager
rsalinas@lockhart-tx.org

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RFP # 2026-01 Invitation for Proposals
Replacement and installation of a new elevator at the Dr. Euguene Clark Library.

City of Lockhart, Texas

The City of Lockhart is soliciting proposals from qualified individuals, firms or corporations to provide a range of management and administrative services for:

Replacement and installation of a new elevator at the Dr. Euguene Clark Library.

Mark envelope in the lower left corner with the corresponding RFP Number; and name project, so the proposals will not be opened until the appointed hour.

Mailed proposals must be received as 1 (one) original and 3 (three) copies, on this form, prior to the closing date and time to be considered. Mailed proposals must be submitted in sufficient time to be received and time-stamped at the above location on or before the published date and time shown on the RFP. The City of Lockhart will not be responsible for mail delivered from the post office. Proposals received after the published time and date cannot be considered and will be returned unopened.

- A sealed copy of the bid proposal may be submitted by courier or hand delivered by the City Manager's Officer.
- A **digital copy must** be submitted; however, a digital submission cannot be emailed.
- Faxed proposals will not be accepted.

All proposals courier or hand proposals must be delivered and/or be submitted to:

308 W San Antonio St.,
Lockhart, Texas 78644

All mailed proposals must be mailed to:

P.O. Box 239,
Lockhart, Texas 78644.

If you have questions regarding the preparation of your proposal or for technical questions, you may contact the Department Contact on the cover page. All questions must be submitted in writing.

GENERAL CLAUSES AND CONDITIONS

1. Protection of Resident Workers: The City of Lockhart actively supports the Immigration and Nationality Act (INA), which includes provisions addressing employment eligibility, employment verification, and nondiscrimination. Under the INA, employers may hire only persons who may legally work in the United States (i.e., citizens and nationals of the U.S.) and aliens authorized to work in the U.S. The employer must verify the identity and employment eligibility of anyone to be hired, which includes completing the Employment Eligibility Verification Form (I-9). The Contractor shall establish appropriate procedures and controls so no services or products under the Contract Documents will be performed or manufactured by any worker who is not legally eligible to perform such services or

employment.

2. Laws and Ordinances: The Contractor shall at all times observe and comply with all Federal, State and local laws, ordinances and regulations which in any manner affect the Contract or the work and shall indemnify and save harmless the City against any claim arising from the violation of any such laws, ordinances and regulations whether by the Contractor or his employees.

3. Proposals will be received and publicly acknowledged at the location, date and time stated above. Only the name of the proposers responding to this request for proposal shall be released at the proposal opening. Other information submitted by the proposer shall not.be released by the City during the proposal evaluation process or prior to contract award. At no time will confidential information, as noted by the proposer, be released.

4. Proposer shall attach official documentation from the State of Texas or other qualified certification agency of M/WBE status of your company with bid/proposal. The data is for informational purposes only and will not affect the bid proposal award.

5. A completed W-9 form will be required within five business days by the apparent most qualified proposer once notification has been received.

6. In submitting an offer, respondent certifies that they have not participated in nor have they been party to any collusion, price fixing or any other illegal or unethical agreements with any company, firm or person concerning the pricing offered.

7. The attached Non-Exclusion Affidavit for General Contractors must be signed, notarized and submitted with bid proposal.

8. A representative of the proposing entity who is authorized to enter into contract on behalf of the proposing entity must manually sign proposals in ink. The person signing the proposal must indicate his/her title along with signature. Proposals received without proper signature will not be considered.

9. Any ambiguity in the bid proposal as a result of omission, error, lack of clarity or non-compliance by the proposer with specifications, instructions and all conditions shall be construed in favor of the City.

10. The City of Lockhart reserves the right to reject any and all proposals, waive formalities and to make award of bid proposal as may be deemed to the best advantage of the City. No proposal may be withdrawn within forty-five (45) days after date of opening.

11. This Contract may be terminated at any time with thirty-(30) days written notice by either the City of Lockhart or successful proposer.

12. The City is not liable for any cost incurred by Proposers in replying to this RFP. This includes costs to determine the nature of the proposal, submitting, negotiating, presentations or any other costs a vendor would incur in responding to the RFP.

13. Proposers shall complete all information requested and blanks provided shall be filled in

on the provided forms. Failure to completely describe the merchandise being proposed may result in rejection of your bid proposal.

14. The City is exempt from all sales and excise taxes.

15. The City of Lockhart reserves the right to evaluate variations from these specifications. If exceptions are made, proposer shall state wherein the merchandise fails to meet these specifications. Failure to completely describe the merchandise being proposed may result in rejection of your proposal.
16. It shall be understood all proposals, responses, inquiries or correspondence relating to or in reference to this RFP, and all reports, charges and proposal or referencing information submitted in response to this RFP shall become the property of the City and will not be returned. The City will use discretion with regard to disclosure of proprietary information contained in any response but cannot guarantee information will not be made public. As a governmental entity, the City is subject to making records available for disclosure.

17. All restrictions on the use of data contained within a proposal and all confidential information must be clearly stated in the RFP. Proprietary information submitted in a proposal, or in response to the RFP, will be handled in accordance with the Texas Open Records Law and other applicable state statutes.

18. It is the vendor's responsibility to check for any addendums that might have been issued before the proposal closing date and time.

19. The proposal evaluation process will occur after the closing date. The City's evaluation and clarification process will commence. An evaluation team will review the proposals. Financial terms will not be the sole determining factor in this award. Other criteria described in this RFP will be considered, as well as any other factors the evaluation team determines may affect the suitability of the proposal for the City's requirements. A Proposer's submission of a proposal constitutes their acceptance of the evaluation technique.

20. Proposers must comply with the minimum insurance requirements of the City of Lockhart as appropriate to final contract terms. The minimum insurance requirements are noted in Attachment A.

SPECIAL PROVISIONS

1. DISCLOSURE OF CONFLICT OF INTEREST AND COMPLIANCE WITH ALL OTHER APPLICABLE LAWS

    a. Proposer shall at all times observe and comply with all Federal, State and local laws, ordinances and regulations including all amendments and revisions thereto, which in any manner affect Bidder/Proposer or the services and/or items to be provided, specifically and not limited to any laws relating to conflicts of interest. In particular, Bidder/Proposer is put on notice that City will require compliance with Chapter 176 of the Texas Local Government Code (hereinafter referred to as the "Act") requiring any person who contracts or seeks to contract with the City to disclose potential conflicts

of interest as defined in the Act by completing the Conflict of Interest Questionnaire included in this bid proposal and returning it to the City in accordance with the provisions of the Act. Failure to comply with any applicable laws, including the provisions of the Act, may result in: i) the forfeiture by Bidder/Proposer of all benefits of the Contract; ii) the retainage by City of all services performed by Bidder/Proposer, and iii) the recovery by City of all consideration, or the value of all consideration, paid to Bidder/Proposer pursuant to any awarded contract.

b. The attached Conflict of Interest Questionnaire shall be submitted with the bid proposal submittal. It is the responsibility of the vendor to submit the form.

2. The successful proposer's rights and duties awarded by the contract may not be assigned to another without written consent of the City signed by the City's authorized agent. Such consent shall not relieve the assigned of liability in the event of default by the assignee.

3. Any deviations from specifications and alternate proposals must be clearly shown with complete information provided by the proposer. They may or may not be considered by the City.

4. No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All change orders to the contract will be made in writing and shall not be effective unless signed by an authorized representative of the City.

5. The City shall have the right to modify this order subject to an adjustment in the price in accordance with the applicable provisions of the purchase order, if any, or pursuant to mutual agreements. No agreement or understanding to modify this order shall be binding on the City unless it is in writing and signed by an authorized representative of the City.

6. The City reserves the right to require additional technical and pricing information and negotiate all elements which comprise the Vendor's proposal to ensure that the best possible consideration be afforded to all concerned. The City reserves the right to accept all or part of any proposal, to reject any or all proposals and to re-solicit for proposals.

7. The following RFP Schedule of Events represents the best estimate of the schedule the City will follow. The City plans to meet the dates described below. If a component of the schedule is delayed, it shall be anticipated that the remaining components will be delayed by a similar number of days. Any significant change to the schedule will be published via RFP Addendum.

Event	**Date**
Request for Proposals Published	February 5, 2026
Deadline for All questions- must be submitted via email	February 24, 2026

Deadline for Proposal Submissions	March 4, 2026, 3PM
Bid opening Time and Location	Immediately after deadline Large Conference room 105 S Colorado St Lockhart, TX 78644
Evaluation of Proposals	March 5, 2026
City Council Approval	March 17, 2026
Tentative Start Date	March 23, 2026

8. Proposers shall fill out the following required documents, as noted in the bid proposal. If the following forms are not included, the bid proposal may be considered non-responsive.

DISCLOSURE OF CERTAIN RELATIONSHIPS WITH LOCAL GOVERNMENT OFFICERS; PROVIDING PUBLIC ACCESS TO CERTAIN INFORMATION

Check List:

☐ Conflict of Interest Questionnaire

☐ Non-Exclusion Affidavit for General Contractors

Chapter 176 is an ethics law that requires certain local government officials to disclose employment and business relationships with vendors who conduct business with local government entities. The law defines a “vendor” as any person who enters or seeks to enter a contract with the city. The term also includes an agent of a vendor.

Local government officers subject to this law are a city council member, director, superintendent, administrator, president, city manager, or any other person who is designated as the executive officer of the local government entity. A municipal officer’s family member would include the officer’s spouse, father, mother, son, daughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, or step-child.

The law applies to any written contract for the sale or purchase of real property, goods, or services. A contract for services would include one for skilled or unskilled labor, or for professional services.

A vendor is required to file a conflict of interest questionnaire if the vendor has a business relationship with the city and has:

1. An employment or other business relationship with an officer or an officer’s family member that results in that person receiving taxable income that it more than $2,500 in the preceding twelve months; or

2. Has given an officer or an officer’s family member one or more gifts totaling more

than $250 in the preceding twelve months.

A vendor is required to file a questionnaire not later than the seventh business day after the later of the following:

1. The date the vendor begins discussions or negotiations to enter into a contract with the city or submits an application or response to a bid proposal; or

2. The date the vendor becomes aware of a relationship or gives a gift to an officer or officer's family member.

CONFLICT OF INTEREST QUESTIONNAIRE

CONFLICT OF INTEREST QUESTIONNAIRE For vendor or other person doing business with local governmental entity	**FORM CIQ**
This questionnaire reflects changes made to the law by H.B. 1491, 80th Lag., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a). By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.	OFFICEUSEONLY Date Received
Name of person who has a business relationship with local governmental entity. ATTA Elevators Austin INC.	
Check this box if you are filing an update to a previously filed questionnaire. _____ (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)	

1-' **Name of local government officer with whom filer has employment or business relationship.**

NONE

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

____ Yes X____ NO

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

____ Yes X____ NO

C. Is the filer of this questionnaire employed. by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

____ Yes X____ NO

D. Describe each employment or business relationship with the local government officer named in this section.

N/A

Brian Mitchell

Signature of person doing business with the governmental entity

2/27/2026

Date

Adopted 06/29/2007

Non-Exclusion Affidavit for General Contractors

Federal, state, and local government agencies, not-profits, and other organizations that use federal money to fund all or part of any program or project are required to follow specific requirements regarding the use of such federal funds. One of these requirements is that no contract, subcontract, grant, financial assistance, or other forms of assistance provided using federal funds may be awarded to individuals or entities that have been suspended, debarred, or otherwise excluded from participation in federally funded programs.

The U.S. federal government maintains a Web site known as the "System for Award Management" (SAM) at www.sam.gov. One of the purposes of the SAM Web site is to provide a comprehensive list of all individuals, firms, and other entities that have been suspended, debarred, or otherwise excluded from participation in federally funded contracts, subcontracts, grants, etc. SAM provides a simple means of helping government, non-profit agencies, and other organizations ensure that they do not award federally-funded grants, contracts, subcontracts, or other financial or non-financial benefits to any individual, firm, or other entity that has been excluded by any agency from participation in such federally funded activities.

I, Brian Mitchell (Contractor Representative), hereby certify that neither I nor ATTA Elevators Austin INC. (Name of the company or organization I represent) nor any subcontractors that I or said company may employ to work on any federally funded activity have been suspended, debarred, or otherwise excluded by any federal agency from participation in any federally funded activity. I further acknowledge my understanding that, before entering into a contract with me or with the company or organization I represent, City of Lockhart staff will perform a search on www.sam.gov to verify whether I, the organization I represent, or any subcontractors I may employ to work on any federally funded activity, have been excluded from participation in any federally funded activity.

Brian Mitchell — 2/27/2026

Signature of Contractor Representative — Date

Sworn to and subscribed before me this _____ day of _____, 20_____

_____

Notary Public in and for _____ County, _____ (State Name)

PROPOSAL EVALUATION

RFP shall be awarded to the best-value proposal. The proposals will be evaluated on the factors outlined below which shall be applied to all eligible, responsive proposals in selecting the successful proposer. Award of a contract may be made without discussion with proposers after responses are received. Proposals should, therefore, be submitted on the most favorable terms.

Sealed Proposal Submission

Proposals shall be sealed and clearly marked with the Proposer's name and return address and indicate the proposal number and title. Facsimile or e-mail submitted proposals will not be accepted. Proposals received after the deadline cannot be considered and will be returned unopened. The City is not responsible for delays by the U.S. Postal Service, the internal mail delivery system of the City, or any other delivery method employed by the Proposer.

Proposers or their authorized representatives are expected to be fully informed as to the general terms and conditions, requirements and specification of this Proposal Invitation before submitting proposals. Failure to do so will be at the proposer's own risk.

CRITERIA FOR EVALUATION IN ORDER OF IMPORTANCE:

Category	Weight
Completion of Requested information	5
Required state license and insurance compliance	10
Reference	15
Estimate time of completion of work	35
Cost	35
Total	100

Negotiations may be conducted with responsible proposers who submit proposals determined to be acceptable of being selected for award. All proposers will be accorded fair and equal treatment with respect to any opportunity for negotiation and revision of proposals. Revisions to proposals may be permitted after submission and before award for the purpose of obtaining best and final offers.

TERMINATION FOR DEFAULT

The City of Lockhart reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the City in the event of breach or default of this contract. The City reserves the right to terminate the contract immediately in the event the successful proposer fails to:

- meet delivery or completion schedules
- otherwise perform in accordance with the accepted proposal and contract

Breach of contract or default authorizes the City to award to another proposer, purchase

elsewhere, and charge the full increase in cost to the defaulting proposer.

NON-PERFORMANCE CONDITION

If the product or training is not in conformance with the specifications and requirements of the City, the vendor shall redo and complete any work necessary, bring the product or training into compliance at the vendor's expense.

NOTICE

The following blank spaces in the contract are not to be filled in by the Proposer at the time of submitting his proposal. The contract form is submitted at this time to familiarize the Proposer with the form of the contract, which the successful Proposer will be required to execute.

DRAFT CONTRACT FOR PURCHASE OF GOODS AND/OR SERVICES
***Do not fill out**

THIS CONTRACT is made and entered on _____, by and between the City of Lockhart, Texas, a Municipal corporation located in Caldwell County, Texas, (hereinafter called CITY), acting through its duly authorized City Manager, Joseph Resendez and _____ located at_____, hereinafter called COMPANY), acting by and through its duly authorized agent.

WITNESSETH: That for and in consideration of the mutual covenants hereinafter set forth, the CITY and COMPANY agree as follows:

I. DESCRIPTION OF GOODS AND/OR SERVICE

The CITY agrees to purchase and the COMPANY agrees to provide all of the goods and/or services as specified in the contract documents, such goods and/or services generally described as follows:

RFP 2026-01

Replacement and installation of a new elevator at the Dr. Euguene Clark Library

for the bid sum of $126,431.00 dollars and cents ($00.00), paid in current funds at the unit or total prices, at COMPANY'S own proper cost and expense, including all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, bonds and other accessories and services necessary to complete delivery of same, in accordance with the contract documents, hereinafter defined, and subject to such additions and deductions as provided therein.

II. CONTRACT DOCUMENTS

The contract documents shall consist of this written agreement or Contract, provisions of this Contract including General Clauses and Conditions, Special and all other Provisions, Advertisement for Bid, Invitation to Bid, Instruction to Bidders, Bidder's Proposal, all Addenda issued prior to award of Contract, any plans which include all maps, plats, blueprints, and other drawings and printed or written or explanatory matter thereof, the technical specifications and all

other documents identified as pertaining to this agreement, all of which have been identified by the CITY and COMPANY. The contract documents constitute the entire agreement between the CITY and COMPANY, and all are as fully a part of the Contract as if attached to and repeated in this agreement. The contract documents may be altered, amended or modified only as provided herein.

III. PURCHASE/WORK ORDER

The goods and/or services to be provided under this Contract shall be commenced by COMPANY upon final execution of this Contract and on a date to be specified in a written "Purchase Order" or "Work Order" (whichever applicable), in accordance with the contract documents. Time is of the essence for this Contract.

IV. MODIFICATION AND ASSIGNMENT

This Contract may not be altered; modified or amended except in writing properly executed by the parties and may not be assigned to a third party.

V. TERMINATION

Unless otherwise provided in the contract documents, CITY may terminate this Contract at any time without cause with thirty-(30) day's written notice. Additionally, CITY shall have the right to cancel this Contract if COMPANY fails to provide the goods and/or services in accordance with the Contract Documents after giving seven-(7) day's prior written notice. Irrespective of which party shall effect termination or the cause therefore, CITY shall within thirty-(30) days of termination compensate COMPANY for any delivery of goods and/or services made up to the time of termination. No amount shall be due for lost or anticipated profits.

VI. TERM

The term of this Contract shall be an initial term of _____ beginning on the ____ day of _____, 20__, and ending on the ___day of _____, 20__ unless terminated by either party under the terms set forth herein. This Contract shall automatically be renewed, without need for formal action, for two one-year terms beginning on the same day of the initial term, unless earlier terminated as provided in the contract documents.

VII. GOVERNING LAW AND VENUE

The parties agree that the laws of the State of Texas shall apply to and govern this Contract and venue for any legal proceeding shall be in Caldwell County, Texas.

VIII. INDEPENDENT CONTRACTOR/INDEMNITY

It is agreed for all purposes hereunder, the COMPANY is and shall be an independent contractor and shall not, with respect to their acts or omissions, be deemed an agent or employee of CITY.

COMPANY agrees to indemnify and hold harmless and defend CITY, its officers, agents and employees, from and against liability for any and all claims, liens, suits, demands, and/or actions for damages, injuries to persons (including death), property damage (including loss of use), and expenses, including court costs and attorneys' fees and other reasonable costs arising out of or resulting from COMPANY'S work and/or activities conducted in connection with or incidental to this Contract and from any liability arising out of, or resulting from, the intentional acts or negligence, including all such causes of action based upon common, constitutional, or statutory

law, or based in whole or in part upon the negligent or intentional acts or omissions of COMPANY, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons.

COMPANY further agrees that it shall at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, agents, employees, subcontractors, licenses, invitees and other persons, as well as their property, while engaged in the delivery of such purchases and/or services pursuant to this Contract or while on City's premises where the services are being provided. It is expressly understood and agreed that CITY shall not be liable or responsible for the negligence of COMPANY, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons.

Further, CITY assumes no responsibility or liability for harm, injury, or any damaging events which are directly or indirectly attributable to premise defects, real or alleged, in the vicinity where such purchases and/or services are to be delivered by COMPANY, which may now exist or which may hereafter arise upon the premises, responsibility for any and all such defects being expressly assumed by COMPANY. COMPANY understands and agrees that this indemnity provision shall apply to any and all claims, suits, demands, and/or actions based upon or arising from any such premise defects or conditions, including but not limited to any such claim asserted by or on behalf of COMPANY, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons.

It is further agreed with respect to the above indemnity, that CITY and COMPANY will provide the other prompt and timely notice of any event covered which in any way, directly or indirectly, contingently or otherwise, affects or might affect the COMPANY or CITY, and CITY shall have the right to compromise and defend the same to the extent of its own interests.

IX. DISCRIMINATION REGULATIONS

COMPANY, in the execution of this Contract and particularly in the employment practices engaged in, agrees that it will not discriminate on the basis of race, color, religion, national origin, sex, age, handicap or disability.

X. NOTIFICATION

All notices and communications required herein shall be personally delivered or mailed to the other party by United States certified mail, return receipt requested. Unless otherwise changed in writing by the respective party, notice intended for COMPANY shall be sent to the COMPANY's address as shown on COMPANY's Proposal; notice intended for CITY shall be sent to: Department Contact, City of Lockhart, P.O. Box 239, 308 W. San Antonio St., Lockhart, Texas 78644. Mailed notices shall be deemed to have been received three-(3) days after mailing.

IN WITNESS WHEREOF, CITY and COMPANY have executed this Contract in **three (3) counterparts**, each of which shall be deemed an original, the day and year first written above.

[Signature page to follow]

CITY OF LOCKHART

Jospeh Resendez, City Manager

ATTEST:

Julie Bowermon, City Secretary

APPROVED AS TO FORM:

City Attorney or designee

COMPANY

Signature

Printed Name: _____

Printed Title: _____

Acknowledgment

State of Texas, County of Caldwell: Before me the undersigned authority on this day personally appeared _____, known to be the person whose name is subscribed to the foregoing document and known to me to be the _____ (title) of _____ (company name) and acknowledged to me that (s)he executed said document with full authority to do so and for the purposes and consideration expressed therein. Given under my hand and seal of office the _____ day of _____, 20___.

Notary Public in and for the State of Texas

ATTACHMENT A

City of Lockhart – Minimum Insurance Requirements

LOCKHART $50,000+

CITY OF LOCKHART REQUIREMENTS:

- Comprehensive General Liability and Bodily Injury & Property Damage with minimum limits of $1,000,000 per Occurrence, $1,000,000 General Aggregate, $1,000,000 Products/Completed Operations Aggregate.
- General Liability must include coverage for Premises and Operations, Products and Completed Operations, Contractual Liability, Independent Contractors, Broad Form Property Damage, and Personal/Advertising Injury.
- Auto Liability with minimum limits of $1,000,000 per Occurrence, $1,000,000 General Aggregate.
- Certificate must include a statement listing **The City of Lockhart, Texas** as additional insured on the General Liability and Auto coverages. Blanket Endorsements are acceptable in meeting this requirement if copies of the endorsements are provided along with the certificate. If using a form that has specific boxes labeled for additional insured, checking those specific boxes is acceptable in meeting this requirement as well.
- Employers Liability with minimum limits of $100,000 Occupational Disease, $100,000 per Accident, and $100,000 per Employee.
- Workers Compensation providing statutory coverage limits.
- Certificate must include a statement providing a Waiver of Subrogation on the Workers Compensation, Employers Liability as well as the General Liability coverage. Blanket Endorsements are acceptable in meeting this requirement if copies of the endorsements are provided along with the certificate. If using a form that has specific boxes labeled for waiver of subrogation, checking those specific boxes is acceptable in meeting this requirement as well.

PROPOSAL INFORMATION

RFP
The City of Lockhart is looking for a company to replace and install a new elevator at the Dr. Euguene Clark Library.

Background

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 most recent U.S. Census Bureau reporting, the estimated population of the City of Lockhart is 14,985, and serves as the county seat of Caldwell County, Texas.

The City provides a full range of municipal government services including 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.

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.

For additional information on the City please review the City's Financial Reports on our website at City of Lockhart, TX (lockhart-tx.org).

Scope of Work

Each proposal must include the following components: Organizational Profile, References, Proposal and Fees for Services. Each component shall include the information requested below.

The contractor shall, at a minimum, perform the following tasks:

1. Existing Elevator Removal
   - Safely disconnect, dismantle, and remove the existing elevator system and associated components, including but not limited to:
     - Cab and doors
     - Hoist way equipment
     - Controller and electrical components
     - Mechanical and safety devices
   - Properly dispose of all non-reusable materials in accordance with applicable laws and regulations.

2. Elevator Replacement
   - Furnish and install a new elevator system suitable for a public library environment and compliant with all applicable codes.

- The elevator shall be designed to serve all existing floors currently accessed by the elevator.
- System shall include, but not be limited to:
    - Elevator cab, doors, rails, and operating equipment
    - Control systems and safety devices
    - Emergency communication and alarm systems
    - Interior and exterior call buttons and indicators
- Elevator finishes shall be durable and appropriate for a high-traffic public facility.
- The Contractor may reuse parts or equipment deemed reusable or salvageable.

3. Work Hours and Library Operations
   The library must remain open and operational during the project.
    a. All work shall be performed in a manner that does not disturb normal library operations, including but not limited to:
    b. Minimizing noise, vibration, dust, and odors
    c. Maintaining safe and accessible public pathways at all times
    d. Coordinating work schedules with City staff to avoid peak public hours when feasible
    e. Temporary barricades, signage, and safety measures shall be provided as needed to protect staff and the public.

4. Protection of Building and Historic Elements
    a. Contractor shall take all necessary precautions to protect the building structure, finishes, fixtures, and surrounding areas from damage.
    b. Any damage resulting from contractor operations shall be repaired at the contractor's expense.

5. Code Compliance and Standards
   The new elevator system must comply with all applicable federal, state, and local codes, including but not limited to:
    - Texas Department of Licensing and Regulation (TDLR) Elevator Safety Program requirements
    - ASME A17.1 / CSA B44 Safety Code for Elevators and Escalators
    - Americans with Disabilities Act (ADA) requirements
    - International Building Code (IBC), as adopted
    - National Electrical Code (NEC)
    - City of Lockhart building and safety codes
    - Contractor shall be responsible for ensuring the elevator passes all required inspections and receives all necessary approvals and certifications for operation.

4. Electrical and Structural Coordination
    - Coordinate and perform all required electrical connections, controls, and power requirements.
    - Identify and address any minor structural or shaft modifications required to meet code or manufacturer specifications.
    - Coordinate with the City for any significant structural impacts prior to execution.

5. Permits, Inspections, and Certifications
    - Obtain all required permits related to elevator installation and operation.
    - Coordinate all inspections with applicable authorities having jurisdiction.
    - Provide final inspection approvals, certificates, and documentation required for the elevator to be placed into service.
    - A building permit from the City of Lockhart will be required. The permit fee will be waived.

However, any additional fees- i.e. reinspection fees or similar will not be waived.

6. Testing and Commissioning
   - Perform all required testing to ensure safe, reliable, and compliant operation.
   - Provide on-site commissioning and demonstrate proper operation to City staff.
   - Address and correct any deficiencies identified during testing or inspection.

7. Warranty and Documentation
   - Provide manufacturer and contractor warranties for equipment and workmanship.
   - Submit as-built drawings, operation manuals, maintenance requirements, and warranty documentation upon project completion.

Organizational Profile

1. Company name, address and contact information
2. Federal Identification Number
3. Overview of firm
4. Individuals assigned to manage and execute the engagement (location and resources)
5. Must be licensed and authorized to perform elevator installation in the State of Texas.
6. Demonstrated experience with elevator replacement projects in public or commercial buildings.
7. Compliance with insurance requirements.
8. Any other useful information
9. If company is a partnership, state the name and address of all general and limited partners associated with the office responding to the RFP.

References

Include five (5) work references with the following information: name of client, address, phone numbers/emails, dates of contract period, description of services provided and contract amounts. Municipal clients preferred.

Proposed Services and fees for services

Please provide proposed fees for complete services as described in the Scope of Work section for a one-year term. Proposed fees should be provided on an Excel spreadsheet with the following format:

Service	Price	Unit	Frequency*	Additional Info
maintenance	275	1	monthly	

*Frequency = One-time, Annual, Monthly, etc.

Questions

Proposers are asked to examine this RFP upon request. All questions or clarifications shall only be directed in writing via e-mail to Department Contact on the Cover Page, before the designated deadline for written questions. Questions received after the date specified above may not receive response. Any contact or attempt to contact any other employee of the City regarding this RFP

may result in the immediate disqualification of the Proposer. Oral and other interpretations or clarifications will be without legal effect. Only questions answered by formal written addenda will be binding.

Controller- Motion control Element

- 24 VDC Signal Voltage
- Light and Fan Feature
- Door Detector Interface
- Hoistway access provisions
- Viscosity Control

Power Unit- MEI power Unit

- New oil
- Submersible Power Unit
- Viscosity Control
- Maxton Valve

Elevator-

- toe guard
- Elevator wiring
- Car top exit switch
- 2 speed fan

Hoistway-

- selector with steel tape
- Traveling cable
- Interlock/spirators

Door Operator- GAL

- New Door operator
- Cartop inspection station
- Door detector

Fixtures- MAD Elevator Fixtures

- Car station
- Car riding lantern
- Alarm bell
- Hoistway access
- Hall push buttons

Pit-

- Pit stop switch

Cab Interior- $15,000 allowance for new interiors

Elevator Reference Portfolio- Modernization

This document serves as a quick reference guide for key properties, elevator configurations, and primary contacts.

Stonebridge – Building 1

Units: Six total

- Four Traction Elevators
- Two Hydraulic Elevators

Primary Contact: elogan@riverside-re.com

Southwestern University

Units: Three Hydraulic Elevators

Primary Contact: kosts@southwestern.edu

Greenwood Tower – 1800 Lavaca

Units: Two Traction Elevators

Primary Contact: kimball.dempsey@rowcal.com

Leander ISD

Units: One Hydraulic Elevator

Primary Contact: terry.sanders@leanderisd.org

CITY OF LOCKHART

RFP 2026-01

DR. EUGUENE CLARK LIBRARY

ELEVATOR INSTALLATION PROPOSAL

Due: March 4, 2026 @ 3:00 p.m. CST

PRESENTED TO

MR. ROQUE SALINAS

ASSISTANT CITY MANAGER

308 WEST SAN ANTONIO STREET

LOCKHART, TEXAS 78644

SUBMITTED BY

AUSTIN ELEVATOR COMPANY, LLC

SARA FAIRCHILD

336 MILLENNIUM DRIVE, NIEDERWALD TX 78640

P.O. Box 2202
Kyle, Texas 78640
Phone: 512-376-2107
www.austinelevator.com

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P.O. Box 2202
Kyle, Texas 78640
Phone: 512-376-2107
www.austinelevator.com

Organizational Profile

Austin Elevator Company, LLC

EIN: 47-5030700

Established in 2015 by Josh and Sara Fairchild, Austin Elevator is a privately-held, small non-union, family owned and operated company. AEC specializes in delivering high-quality workmanship and expertise in all aspects of vertical transportation. Being local to central Texas, elevator services are offered throughout the state of Texas.

AEC is a licensed contractor with Texas Department of Licensing and Regulation (TDLR), a member of the National Association of Elevator Contractors (NAEC), a member of the National Association of Elevator Safety Authorities International (NAESA), reporting to Mine Safety and Health Administration (MSHA), and strongly adheres to the Occupational Safety and Health Administration (OSHA). Safety is our utmost priority, continuing education and training is provided weekly to all employees, elevator specific training is also provided weekly.

Josh is a recognized qualified elevator inspector, recommended by TDLR, Josh receives referrals from TDLR to assist businesses with their elevator inspection needs.

AEC's main office is in Niederwald, Texas, and employs several Lockhart locals. Our team is skilled in all brands, models, and types of elevators, as well as both construction and maintenance. We are highly adept at troubleshooting and finding solutions. As locals, we understand the needs and characters of our community, we strive to achieve the best business and friendly relationships from our customers.

Additionally, Josh and Sara maintain leadership positions in Chisholm Trail 4-H Club and the Caldwell County Junior Livestock Association. Volunteering for Club Management, pulling the 4-H parade float during Chisholm Trail Roundup, fundraising and catering the 4-H Banquet. Austin Elevator is invested in our local youth and plan to expand knowledge in engineering, mechanics, any and all aspects of professional development as much as possible.

Thank you for your time and consideration!

P.O. Box 2202
Kyle, Texas 78640
Phone: 512-376-2107
www.austinelevator.com

Conflict of Interest Questionnaire

CONFLICT OF INTEREST QUESTIONNAIRE — FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

Austin Elevator Company, LLC

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

N/A

Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Sara Fairchild
Name of signatory

Signature

03/03/2026
Date

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 8/14/2024

AUSTIN ELEVATOR

P.O. Box 2202
Kyle, Texas 78640
Phone: 512-376-2107
www.austinelevator.com

Non-Exclusion Affidavit for General Contractors

Non-Exclusion Affidavit for General Contractors

Federal, state, and local government agencies, not-profits, and other organizations that use federal money to fund all or part of any program or project are required to follow specific requirements regarding the use of such federal funds. One of these requirements is that no contract, subcontract, grant, financial assistance, or other forms of assistance provided using federal funds may be awarded to individuals or entities that have been suspended, debarred, or otherwise excluded from participation in federally funded programs.

The U.S. federal government maintains a Web site known as the "System for Award Management" (SAM) at www.sam.gov. One of the purposes of the SAM Web site is to provide a comprehensive list of all individuals, firms, and other entities that have been suspended, debarred, or otherwise excluded from participation in federally funded contracts, subcontracts, grants, etc. SAM provides a simple means of helping government, non-profit agencies, and other organizations ensure that they do not award federally-funded grants, contracts, subcontracts, or other financial or non-financial benefits to any individual, firm, or other entity that has been excluded by any agency from participation in such federally funded activities.

I, Sara Fairchild (Contractor Representative), hereby certify that neither I nor Austin Elevator Company, LLC (Name of the company or organization I represent) nor any subcontractors that I or said company may employ to work on any federally funded activity have been suspended, debarred, or otherwise excluded by any federal agency from participation in any federally funded activity. I further acknowledge my understanding that, before entering into a contract with me or with the company or organization I represent, City of Lockhart staff will perform a search on www.sam.gov to verify whether I, the organization I represent, or any subcontractors I may employ to work on any federally funded activity, have been excluded from participation in any federally funded activity.

Signature of Contractor Representative

March 3, 2026
Date

Sworn to and subscribed before me this 3rd day of March, 2026

ABIGAIL NICHOLE HOLDER
Notary ID #133714694
My Commission Expires
April 19, 2026

Notary Public in and for Hays County, Texas (State Name)

Page **10** of **21**
Tuesday, February 3, 2026

CITY OF Lockhart TEXAS

P.O. Box 2202
Kyle, Texas 78640
Phone: 512-376-2107
www.austinelevator.com

Contractor's License



Rick Figueroa
Chair

Thomas F. Butler
Vice Chair

Gerald R. Callas, M.D., F.A.S.A.
Nora Castañeda
Sujeeth Draksharam
Lori High, RN, NP, Retired
Gary F. Wesson, D.D.S., M.S

ELEVATOR CONTRACTOR

AUSTIN ELEVATOR COMPANY LLC

License Number: 20330

The business named above is licensed by the Texas Department of Licensing and Regulation

License Expires: JANUARY 16 2027

Courtney Arbour
Executive Director

AUSTIN ELEVATOR

P.O. Box 2202
Kyle, Texas 78640
Phone: 512-376-2107
www.austinelevator.com

Certificate of Insurance

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/3/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Frost Insurance - Austin 401 Congress Ave, Suite 1400 Austin TX 78701 License#: 7298 AUSTELE-01	**CONTACT NAME:** Mason Kimmel **PHONE (A/C, No, Ext):** 512-473-4602 **FAX (A/C, No):** 512-473-4555 **E-MAIL ADDRESS:** mason.kimmel@frostinsurance.com
INSURED Austin Elevator Company LLC PO Box 2202 Kyle TX 78640	**INSURER(S) AFFORDING COVERAGE** — **NAIC #** **INSURER A :** The Cincinnati Insurance Company — 10677 **INSURER B :** Progressive Casualty Ins Co **INSURER C :** Evanston Insurance Company — 35378 **INSURER D :** Texas Mutual Insurance Co. — 22945 **INSURER E :** Houston Casualty Company — 42374 **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 2078907911 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:			CSU0227918	9/25/2025	9/25/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG $	$ 1,000,000 $ 300,000 $ $ 1,000,000 $ 2,000,000 $ 2,000,000 $
B	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			03395088	3/25/2025	3/25/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) $	$ 1,000,000 $ $ $ $
C	UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DED RETENTION $			MKLV2EUL106340	9/25/2025	9/25/2026	EACH OCCURRENCE AGGREGATE $	$ 5,000,000 $ 5,000,000 $
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			0001297808	9/25/2025	9/25/2026	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
E	Professional Liability			HCC2569445	9/25/2025	9/25/2026	Aggregate Limit	$1,000,000 $1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The General Liability and Auto Liability policies include a blanket automatic additional insured endorsement on primary and non-contributory basis that provides additional insured status to the certificate holder only when there is a written contract between the named insured and the certificate holder that requires such status.

The General Liability policy includes blanket automatic additional insured endorsements when there is a written contract between the named insured and certificate holder, executed prior to the occurrence of a loss, which requires such status. The endorsements' wording include both the Insured's ongoing and completed operations.

See Attached...

CERTIFICATE HOLDER	CANCELLATION
City of Lockhart 308 W. San Antonio St. Lockhart TX 78644	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Allen Bak

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AGENCY CUSTOMER ID: AUSTELE-01
LOC #:

ACORD

ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY	NAMED INSURED
Frost Insurance - Austin	Austin Elevator Company LLC PO Box 2202 Kyle TX 78640
POLICY NUMBER	
CARRIER / NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

The General Liability, Auto Liability and Workers Compensation policy includes a blanket automatic waiver of subrogation endorsement that provides this feature only when there is a written contract with the Named Insured and the certificate holder that requires such status.

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References

CONFIDENTIAL

1. Housing Authority of the City of Austin
   Ms. Nora Velasco
   Director of Purchasing
   PO Box 6159
   Austin, Texas 78704
   Tel: (512) 477-1496
   Fax: (512) 477-3979
   norav@hacanet.org
   Elevator maintenance, repair and inspection services for 10 elevators. July, 2009 to Present.
   Total cost since starting services: $1,000,000.00

   Gaston Place Apartments – 2018: AEC performed elevator modernization (upgrade of major elevator equipment, including controls, fixtures, hydraulic tank units, etc.) and new installation in the existing building. Two 3-stop passenger hydraulic elevators.

   Northloop Apartments – 2018: AEC performed elevator modernizations (upgrade of major elevator equipment, including controls, fixtures, hydraulic tank units, etc.) on two 5-stop hydraulic passenger elevators.

   Lakeside Apartments – 2020/2021: AEC has been selected to modernize (upgrade of major elevator equipment, including controls, fixtures, machines, etc.) two 13-stop electric passenger elevators.

2. Employees Retirement System of Texas
   Ms. Wendy McAdams
   Operations / Purchasing
   200 E. 18th Street
   Austin, Texas 78701
   Tel: (512) 867-7160
   Fax: (512) 867-7438
   Wendy.mcadams@ers.texas.gov
   Elevator maintenance, repair and inspection services for 4 elevators. July, 2014 to Present.
   Total cost since starting services: $900,000.00

   2020: Modernization (upgrade of major elevator equipment, including controller, fixtures, machine, etc.) of unit 4 a 6-stop electric freight elevator.

   2025/2026: Modernization (upgrade of major elevator equipment, including controller, fixtures, machine, etc.) of units 1, 2, and 3, 6-stop electric passenger elevators.

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3. Port Royal Resort
   Ms. Amy Rhoads Granberry
   General Manager
   6317 Texas 361
   Port Aransas, TX 78373
   Tel: (361) 749-3705
   agranberry@port-royal.com
   Elevator maintenance, repair, modernization and inspection services for 5 elevators. January 2023 to present.
   Total cost since starting services: $930,000.00

   2023 / 2025: Replacement of six 4-stop hydraulic passenger elevators.
   2026 to Current: Installation of new two 4-stop electric passenger elevators.

4. Municipal Advisory Council of Texas
   Mr. Felix Tovar
   Facility Manager
   600 West 8th Street
   Austin, Texas 78701
   Tel: (512) 476-6947
   Fax: (512) 476-6948
   felix@mactexas.com
   Elevator maintenance, repair and inspection services for 1 elevator. April 2011 to Present
   Total cost since starting services: $15,000.00

5. Lotus Hotels, Inc.
   Mr. Santosh Khanjee
   President
   2200 South IH 35
   Austin, Texas 78704
   Tel: (512) 650-8737
   Fax: (512) 329-0638
   santosh@austincityhotels.com
   Elevator maintenance, repair and inspection services for 2 elevators. December 2012 to Present
   Total cost since starting services: $45,000.00

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Cost

CITY OF LOCKHART – DR. EUGENE CLARK LIBRARY: 217 MAIN STREET
ELEVATOR MODERNIZATION OF ONE (1) UNIT

Austin Elevator Company, LLC will furnish the following equipment and labor:

- Scope of Work (Attachment AEC-1)
- Major Equipment Information (Attachment AEC-2)
- Preventative Maintenance Agreement & Warranty (Attachment AEC-3)

Contract Cost for 1 Unit: <u>One Hundred Thirty-Nine Thousand Eight Hundred Twenty-Five and 00/100 Dollars ($139,825.00).</u> This price does not include any sales tax. This price does not include Davis-Bacon wage rates. This price does not include preventative maintenance costs.

Compensation Schedule: AEC requests to be compensated as follows:
Draw 1: 35% upon Approval of Contract ($48,938.75),
Draw 2: 25% upon Approved Drawings ($34,956.25),
Equipment shall be ordered upon receipt of Draw 2 payment.
Draw 3: 20% upon Shipment of Specialized Equipment ($27,973.75),
Installation schedule confirmation upon receipt of Draw 3 payment.
Draw 4: 15% upon Running Platform ($20,973.75), and
Draw 5: 5% Completion of Work / Performance of Acceptance Inspection ($6,991.25).
Release to customer upon receipt of Draws 4 and 5 payments.

ALTERNATE 1: Keep Existing Rails **DEDUCT $5,200.00** from Contract Cost.
Circle One **YES** **NO** Compensation Schedule will be updated if approved.

BONDING (IF REQUIRED): 30% of Contract Cost ($41,947.50) not including approved alternates, to be paid upon approval of proposal. Bonding fee is non-refundable.

TERMS & CONDITIONS

This is the entire Agreement between us, and no other terms or conditions shall apply. This proposal does not void or negate the terms and conditions of any existing service agreement unless fully executed by both parties. No services or work other than specifically set forth herein are included or intended by this Agreement.

You retain your responsibilities as Owner / Purchaser of the premises and of the Equipment. You will provide a clear and safe access to the Equipment and a safe workplace for our employees as well as a secure storage location for parts and other materials specifically for your Equipment. Owner / Purchaser shall be responsible for storage fees for the equipment when equipment is stored on AEC facilities or with AEC storage units.

We will perform all work Monday through Friday, up to 8 hours per day, excluding holidays. Any work requested outside of this scope will require a change order and will be billed using our most current billing rates. Estimated cost includes one mobilization trip, should customer request additional mobilization dates or delays cost associated will be billed according to our current billing rates.

Austin Elevator Company, LLC will warranty all labor and AEC fabricated equipment for 12 months from date of normal operation, Manufacturer warranty is 3 years from delivery date. AEC cannot warranty installations, repairs or adjustments provided by others.

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It is the understanding of the parties that at the time of the contract it is not known what parts will be fabricated by AEC. AEC represents that the majority of the elevator parts and equipment will come from the manufacturer. AEC will provide Owner with a detailed list upon completion of all AEC fabricated parts.

Austin Elevator Company, LLC will provide callback services during regular business hours (Monday through Friday, 8:00 a.m. – 5:00 p.m.) for 12 months after completion for all issues covered under warranty, issues that arise due to other than AEC control will be billed at our most current billing rate. After 12 months we will provide callback services at our most current billing rates. A monthly maintenance agreement shall be required the duration of the 12 month warranty term, should maintenance cease the labor warranty shall be nullified.

Labor hours are an estimate only, any work done after the estimated time will be billed at our current billing rates.

Austin Elevator will provide 1 set of drawings and wiring prints from the Manufacturer, additional sets will be billed at cost plus 45%.

This proposal and attachments shall survive closing and shall prevail in the event of any conflicts. Upon execution of this contract, AEC will provide Owner with certificate of General Liability.

Invoices are due upon receipt, past due invoices are subject to a 5% surcharge beginning the 15th day and per month on all past due, outstanding balances. In the event that collection actions are required on past due balances, the Owner / Purchaser agrees to pay, in addition to any past due balances inclusive of accrued surcharges, all attorney fees, collection costs, and court costs in connection therewith. Payments made according to the outlined draw schedule on page 1 of this agreement are non-refundable

Items Provided by Owner (Owner / Purchaser)

Provide necessary power for power tools and lighting, all hoisting equipment (forklifts, cranes etc.). Temporary 480VAC 3 Phase Power if permanent power is not available for adjusting, elevator will need permanent power when operated normally. Smoke alarms (if needed), working phone line to elevator. All applicable taxes.

This quote is good for 45 days from March 4th, 2026

Respectfully Submitted by (AEC):	**Accepted by (Owner / Purchaser):**
_____	_____
Signature	Signature
_____	_____
Print Name / Title	Print Name / Title
Austin Elevator Company, LLC	_____
Company	Company
_____	_____
Date	Date

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Scope of Work

Per RFQ 2026-01

The contractor shall, at a minimum, perform the following tasks:

1. Existing Elevator Removal
   - Safely disconnect, dismantle, and remove the existing elevator system and associated components, including but not limited to:
     - Cab and doors
     - Hoist way equipment
     - Controller and electrical components
     - Mechanical and safety devices
   - Properly dispose of all non-reusable materials in accordance with applicable laws and regulations.

2. Elevator Replacement
   - Furnish and install a new elevator system suitable for a public library environment and compliant with all applicable codes.

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- The elevator shall be designed to serve all existing floors currently accessed by the elevator.
- System shall include, but not be limited to:
  - Elevator cab, doors, rails, and operating equipment
  - Control systems and safety devices
  - Emergency communication and alarm systems
  - Interior and exterior call buttons and indicators
- Elevator finishes shall be durable and appropriate for a high-traffic public facility.
- The Contractor may reuse parts or equipment deemed reusable or salvageable.

3. Work Hours and Library Operations
The library must remain open and operational during the project.
   a. All work shall be performed in a manner that does not disturb normal library operations, including but not limited to:
   b. Minimizing noise, vibration, dust, and odors
   c. Maintaining safe and accessible public pathways at all times
   d. Coordinating work schedules with City staff to avoid peak public hours when feasible
   e. Temporary barricades, signage, and safety measures shall be provided as needed to protect staff and the public.

4. Protection of Building and Historic Elements
   a. Contractor shall take all necessary precautions to protect the building structure, finishes, fixtures, and surrounding areas from damage.
   b. Any damage resulting from contractor operations shall be repaired at the contractor's expense.

5. Code Compliance and Standards
The new elevator system must comply with all applicable federal, state, and local codes, including but not limited to:
- Texas Department of Licensing and Regulation (TDLR) Elevator Safety Program requirements
- ASME A17.1 / CSA B44 Safety Code for Elevators and Escalators
- Americans with Disabilities Act (ADA) requirements
- International Building Code (IBC), as adopted
- National Electrical Code (NEC)
- City of Lockhart building and safety codes
- Contractor shall be responsible for ensuring the elevator passes all required inspections and receives all necessary approvals and certifications for operation.

4. Electrical and Structural Coordination
- Coordinate and perform all required electrical connections, controls, and power requirements.
- Identify and address any minor structural or shaft modifications required to meet code or manufacturer specifications.
- Coordinate with the City for any significant structural impacts prior to execution.

5. Permits, Inspections, and Certifications
- Obtain all required permits related to elevator installation and operation.
- Coordinate all inspections with applicable authorities having jurisdiction.
- Provide final inspection approvals, certificates, and documentation required for the elevator to be placed into service.
- A building permit from the City of Lockhart will be required. The permit fee will be waived.

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However, any additional fees- i.e. reinspection fees or similar will not be waived.

6. Testing and Commissioning
   - Perform all required testing to ensure safe, reliable, and compliant operation.
   - Provide on-site commissioning and demonstrate proper operation to City staff.
   - Address and correct any deficiencies identified during testing or inspection.

7. Warranty and Documentation
   - Provide manufacturer and contractor warranties for equipment and workmanship.
   - Submit as-built drawings, operation manuals, maintenance requirements, and warranty documentation upon project completion.

New Equipment List:

EQUIPMENT	NEW	RETAIN	N/A	DETAIL
Controller	X			Non-proprietary, American-made. Includes new position tranducer / limit switches. Machine room wiring shall be approved by UL, CSA, or both and installed in accordance with the requirements of the National Electrical Code.
Selector System	X			
Machine Room Wiring	X			
Traveling Cable	X			
Car Platform	X			New materials, primed steel.
Car Top Inspection Station	X			In accordance with ASME and ANSI
Car Wiring	X			In accordance with ASME and ANSI
Hydraulic Tank Unit	X			All components will be mounted inside of tank. Storage tank constructed of steel with removable cover including dip stick. Motor is submersible alternating current, squirrel cage induction type. Pump is a positive displacement screw type. Valve is manifold with up, down and check valve.
Motor	X			
Pump	X			
Valve	X			
2" Oil Line	X			
Fixtures	X			Standard, hall stations are suface mounted. #4 stainles steel, LED emergency lighting, digital position indicator. Braille floor markings and vandal resistant buttons. ADA Compliant Hands Free Auto Dialer.
Car Operating Panel	X			
Hall Operating Panel	X			
Position Indicator	X			
Floor Passing Signal	X			
Alarm Bell	X			
Fireman Service	X			Shall be in accordance with the ANSI A17.1
Auto Terminal Limits	X			Designed to cut off the electric current to stop the car should it run beyond either terminal landing.
Wiring	X			New duct and flexible connections will be replaced as needed.
Cab Enclosure				Standard features, compliant with ASME / ANSI / ADA (if applicable), include vinyl-wrapped panels (as existing), stainless steel handrail, SS with LED drop down ceiling, high-traffic vinyl flooring. Any upgrades to the standard features may cause increase in estimate.
Sling	X			
Panels	X			
Handrail	X			
Ceiling	X			
Flooring		X		
Transom		X		
Ventilation	X			
Car Doors	X			
Door Operator	X			New GAL closed loop door operator. Maintain constant feedback on the positiona dn velocity of the elevator doors. The motor torque shall be constantly adjusted to maintain the correct door speed based on its position and load. Doors will automatically open when the car is dispatched to another landing.
Mounting Header	X			
Car Door Track	X			
Car Door Hanger Rollers	X			
Gate Switch			X	
Door Protection Device	X			

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EQUIPMENT	NEW	RETAIN	N/A	DETAIL
Hoistway Entrances	X			Standard as Stainless steel
Hoistway Door Equipment	X			In accordance with ASME and ANSI. Doors are UL labeled, heavy duty design, 1 or 2 speed. Slide or center opening. Powder coating or stainless finish. If retaining, AEC shall refurbish all hoistway door equipment and / or replace as necessary.
Restrictors	X			
Door Hanger & Hanger Rollers	X			
Hanger Fire Retainers	X			
Door Closers / Hinges			X	
Interlocks	X			
Pick-up Assemblies	X			
Fire Gibs	X			
Hydraulic Jack & Piston	X			Includes new seals. Hole excavating and debris removal not included.
Buffers	X			In accordance with ASME and total car load.
Hoistway Access	X			Installed at top and bottom landing
Pit Ladder	X			In accordance with ASME
Pit Stop Switch	X			In accordance with ASME and ANSI
Toe Guard	X			In accordance with ASME
Rails	X			In accordance with ASME
Hoist Ropes & Shackles			X	5/8"
Governor & Governor Rope			X	3/8"
Rope Gripper			X	In accordance with ASME
Hoist Motor			X	In accordance with ASME
Hoist Machine			X	In accordance with ASME

Estimated Project Timeline

City of Lockhart Determination / Award: TBD

Estimated manufacturing time: 16 – 18 weeks from submission of approved drawings

Quality Assurance / Quality Check: 3 days from receipt of equipment

Mobilization and start of project: within 10 business days from receipt of equipment

Completion of project: 4 weeks from mobilization and start of project.

AEC to provide project schedule.

Documents/Drawings

DRAWINGS: Contractor shall prepare drawings showing the general arrangement of the elevator equipment. Project drawings provided by Contractor shall be those required for applicable fixture and/or cab approval and elevator permit only.

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Contractor Responsibilities

See description of Work above, Section 2.

Owner / Purchaser Responsibilities (Work by Others)

1. Enclose/relocate all non-elevator oriented conduit, ducts and drains from elevator machine room, where required in the machine hoistway and/or pit. Enclosures, when used, need to be two-hour rated.
2. Provide means to regulate control room temperature and humidity between 55°F and 90°F with relative humidity no more than 85% non-condensing.
3. Provide machine room smoke/heat detector as required by regulation.
4. Provide new electric wiring from the present disconnect switches to the terminals of the new elevator controllers in the new locations, inclusive of a normal/standby 120 VAC, 15 Amp supply at each controller
5. Provide connection at the first elevator controller for fire recall operation, where auto-recall is needed to respond to a life safety/fire alarm system.
6. Provide proper lighting in the elevator machine rooms within the vicinity of every controller and mainline disconnect
7. Provide a fused disconnect switch or circuit breaker and a light switch adjacent to the lock jamb-side of the machine room door for each elevator location, per the NEC.
8. Provide copper wire feeder and branch wiring circuits to the controller, including a main line switch and convenience outlets
9. Provide a self-closing and locking access machine room door.
10. Provide an “ABC” fire extinguisher
11. Provide 75 degree bevel guards on all projections, recesses or setbacks over two inches, except for the loading or unloading side.
12. Provide pit light and GFI outlet. Light switch to be located adjacent to each pit entrance.
13. Provide a legal hoistway inclusive of ventilation and shaftway bevel guards, as required.
14. Cutting and patching walls and floors
15. Provide a pit access ladder for each elevator, where required
16. Provide a lockable, self-closing, fire-rated pit door, where required
17. Hoistway venting or pressurization to prevent accumulation of smoke and gas, as required by local building code
18. Provide sufficient space for storage and security of materials on site throughout the duration of the modernization, AEC shall not be responsible for vandalism or acts of God.

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19. Provide clear floor space to be used as a work area
20. Provide building signage and floor designations related to other building systems, as required
21. Provide building corridor lighting sufficient for illumination of elevator landing sills, as required by code.
22. Provide means to unload freight.
23. Provide pump truck if necessary to vacuum jack hole to acceptable depth.

Regulatory Requirements

All Work shall be performed in accordance with the current edition of American National Standard Safety Code for Elevators, Dumbwaiters, Escalators, and Moving Walks (ANSI A17.1), ANSI A117.1 Barrier Free Code as pertaining to Passenger Elevators, the Americans with Disabilities Act (ADA), the National Electrical Code, and/or such state and local elevator codes that are in effect on the date of this proposal.

Detailed Description of Work Site

217 Main Street, Lockhart TX 78644

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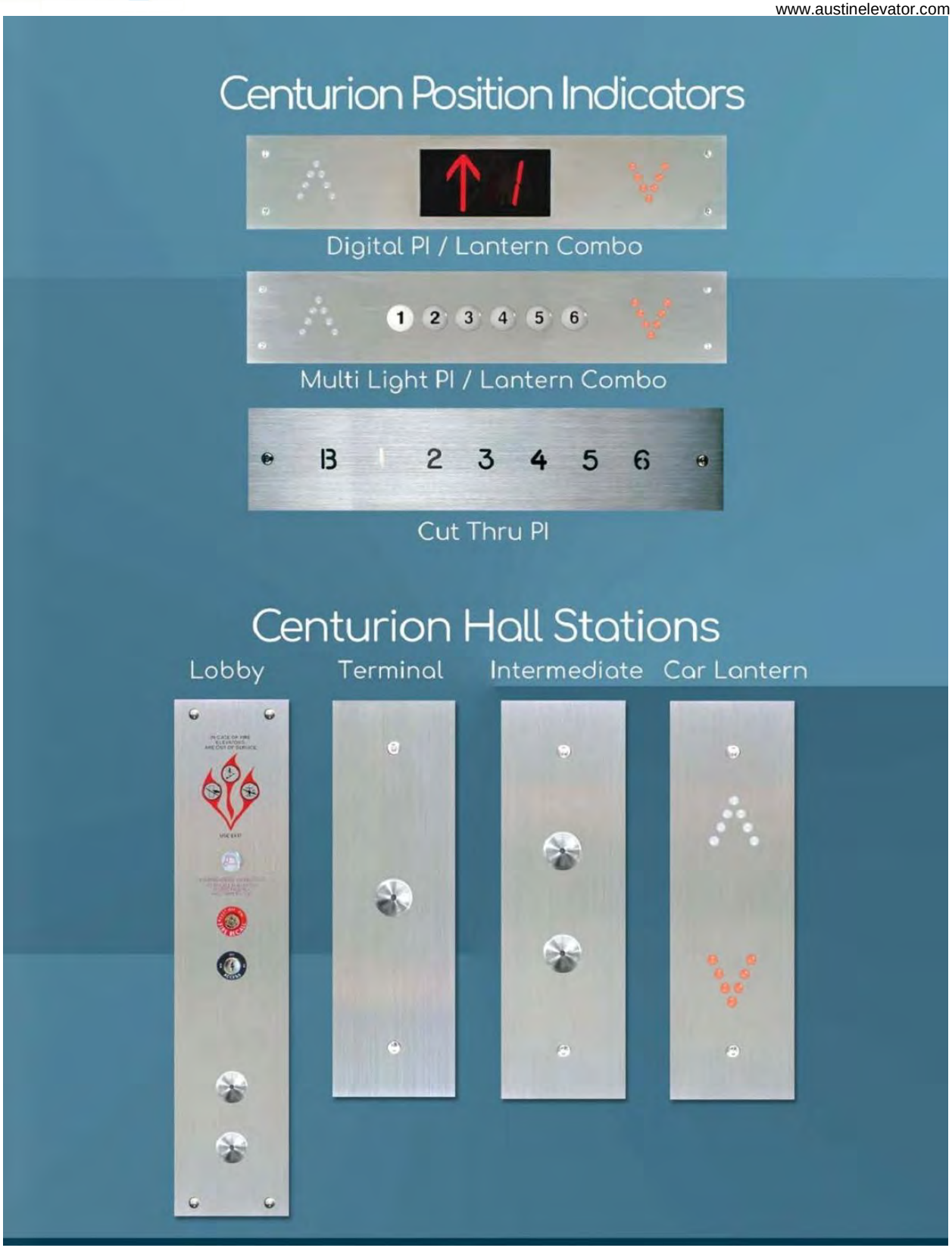
AEC-2 Major Equipment Information



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Preventative Maintenance & Warranty

Austin Elevator Company, LLC
City of Lockhart - Dr. Eugene Clark Library
Elevator Modernization RFP 2026-01

Service	Price	Unit	Frequency	Additional Info
Preventative Maintenance / $125.00 per month (12 months)	$ 1,500.00	1	Monthly	See Preventative Maintenance & Warranty
Annual QEI	$ 525.00	1	One-Time	12 months from date of acceptance inspection

Frequency: MONTHLY

Type: STANDARD

Start Date: **1ST** day of Choose an item., **2026** and shall continue until terminated. Either party may terminate this agreement at the end of the first 3 years or at the end of any subsequent year thereafter by giving the other party thirty (30) days prior written notice.

Contract Price: **$125.00** per **MONTH** for 36 months, payable in advance, due on the 1st day of the month prior to service. Owner/Agent agrees to pay as an addition to the price herein quoted, the amount of any tax based upon the transfer, use, ownership or possession of the equipment of which this proposal relates imposed upon you by present or future laws. Contract price may be adjusted annually upward or downward equal to the percentage of change in Austin Elevator Company's cost of labor for the services rendered. Termination of this agreement prior to the end date above may result in early termination fees.

Equipment Information listed on AEC Attachment – 1 Equipment

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PREVENTATIVE MAINTENANCE:

Austin Elevator Company, LLC shall provide maintenance logs, procedures manual per ASME A17.1 2016 by directly employed and supervised trained elevator technicians. An elevator emergency phone monitoring service by a 3rd party is available*. Specific maintenance guidelines have been set to maintain the following elevator equipment in the proper and safe operation conditions, the applicable equipment listed below shall be visually checked at least once per year or per OEM recommendations:

1. Machines, including worms, gears, thrust bearings, drive sheaves, drive sheave shaft bearings, brake pulleys and all other components and parts of the machine and brake.

2. Hoist and governor ropes, including tension equalization.

3. Hoist motors, including motor windings, solid state power conversion drives, motor generators, rotating elements, including commutators, brushes, brush holders and bearings and all other related components and parts.

4. Motor windings shall be treated as needed with proper insulating compound, which has been approved by the motor manufacturer.

5. Controllers, encoders, transducers, selectors and dispatching equipment, including all relays, solid-state components, resistors, capacitors, transformers, contacts, leads, timing devices, computer devices, steel tape (or cable) and mechanical and electrical driving equipment and all other related components and parts.

6. Pump units, including motors belts, sheaves or pulleys, valves, seals, mufflers, heating elements, tank, tank oil, exposed pipes, shut-off valves and all other components of the pump unit.

7. Plungers, packing, and hydraulic system oil and all above-ground piping and connections.

8. Governors, governor sheave and shaft assemblies, bearings, contacts, governor jaws, car and counterweight safety mechanism, car and counterweight sheave assemblies, deflectors, 2:1 or secondary sheaves including bearings, car and counterweight buffers, car and counterweight guide rails (excluding replacement), top and bottom limit switches, governor tension sheave assembly, compensating sheave assembly, counterweight guide shoes, rollers and liners, inductors, cams and tapes and all other related components and parts.

9. Hoistway door interlocks, hoistway door hangers and rollers, bottom door gibs, door closing devices and all other related components and parts.

10. Door operators, including door drive chains, sheaves, belts, car door hangers, rollers and upthrusts, car door contacts, door protective devices, bottom door guides and all other related components and parts.

11. Load-weighing equipment, car frames, platforms, elevator car roller guides and all other components and parts.

12. Alarm bells, emergency stop switches, emergency car lights and batteries and all other related components and parts.

13. Car fans or exhaust blower, car and corridor signals and fixtures including lights, pushbuttons, contact assemblies, key switches, dials, voice annunciation systems, read-out indicators and audible signaling devices.

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Phone: 512-376-2107
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14. Car, hoistway and machine room wiring including traveling cables.
15. All operating features and functions, including firefighters service, emergency power operation and Independent Service, including the operating switches for those features and functions.
16. Escalator driving system, including machine, worms, gears, sprockets, brake, coupling, coil, lining, chains, bearings, motor, stator, rotor and all other related components and parts.
17. Escalator handrail system, including sprockets, handrails, rollers, chains, bearings, brush guards, driving mechanism and all other related components and parts.
18. Escalator step system, including steps, treads, chains comb plates, track, rollers and all other related components and parts.

EXAMINE:

Examinations of the equipment follows the basic procedures recognized by the elevator service industry. Austin Elevator shall examine the elevator equipment at regular intervals sufficient to preserve the life of the equipment.

When, as a result of our examination, corrective action is determined to be the responsibility of the Austin Elevator, we shall proceed to immediately make (or cause to be made) replacements, repair and corrections. When such work is determined not to be Austin Elevator's responsibility, a written report and a repair quote shall be delivered to the Owner/Agent.

CLEANING:

Austin Elevator shall clean all of the elevator equipment as well as the elevator equipment room, hoistway and pits. Cleaning of the equipment shall occur at regular intervals sufficient to maintain a professional appearance and preserve the life of the equipment. Minimum cleaning intervals shall be set forth on the cover page of this agreement.

Austin Elevator shall report to the Owner/Agent the need for cleaning and/or janitorial services for all items not covered by the contract or which is otherwise not the responsibility of Austin Elevator in its opinion.

PAINT:

Austin elevator shall paint the elevator equipment at intervals to maintain a professional appearance, prevent rusting and preserve the equipment. All paint shall be suitable for the purpose intended and be of good quality. Painting shall be done during preventative maintenance interval, if needed, should Owner/Agent request special paint or performance outside of regular working hours, Owner/Agent shall be billed at our current billing rates, cost plus markup. Application of the paint shall in all circumstances, comply with applicable local codes and/or latest edition of ASME/ANSI A17.1 *American National Standard Safety Code for Elevators and Escalators.*

LUBRICATE:

Austin Elevator shall lubricate all moving parts of the equipment. Lubricants shall be applied at intervals recommended by the OEM or as dictated through use of the equipment. All lubricants shall be suitable for the purpose intended and shall meet or exceed the minimum requirements specified by the OEM to with lubricant is applied. All lubricants shall be stored in approved and labeled containers.

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ADJUST:

Austin Elevator shall make the necessary equipment adjustments when the operation of the equipment varies from it's normal design performance standards.

Qualified individuals, employed by Austin Elevator, shall make adjustments with appropriate tools and instruments. Adjustments shall be made at regular intervals to maintain the elevator in optimum operating condition.

PERIODIC TESTING:

Austin Elevator shall conduct periodic testing of the elevators to ensure that they meet the standard requirements of ASME/ANSI A17.1 *Safety Code for Elevators and Escalators*, latest edition (if applicable). Test results shall be notated on the service technicians electronic ticket and can be submitted to customer within 5 business days upon request.

Austin Elevator shall assist with testing of the firemen's emergency operation and emergency power operation in accordance with ASME/ANSI A17.1 as well as inspections required by city, county, state, or federal government and/or insurance agencies or representatives, these tests are to be scheduled by the Owner/Agent during regular hours at the frequency required by code. The Owner/Agent shall pay additional costs for such tests.

Austin Elevator shall provide 3rd party 24/7/365 answering service for the dedicated elevator emergency phone, testing of the emergency phone shall be conducted at the time of the elevator maintenance visits. Austin Elevator shall not be responsible for violations but will assist Owner/Agent in any corrective actions.

PREVENTATIVE MAINTENANCE SCHEDULE:

Maintenance work is to be performed between the hours of 8:00 a.m. – 5:00 p.m., Monday – Friday, excluding the following holidays: New Year's Eve & New Year's Day (Dec. 31st & Jan. 1st), Independence Day (July 4th), Thanksgiving Day & Day After (Nov. 24th & 25th), Christmas Eve & Christmas Day (Dec. 24th & 25th).

AEC staff will pre-schedule preventative maintenance for approximately the same week out of the month, and coordinate with Owner/Agent. Any changes in the schedule shall be made in writing.

CALLBACK SERVICE & NECESSARY REPAIRS

All Minor or Emergency callback services requested (regular or overtime) by the building Owner/Agent will be billed at our current billing rate.

For non-emergency callbacks during AEC normal business hours, Austin Elevator shall respond within 2 hours of call.

For emergency callbacks during AEC normal business hours, Austin Elevator shall respond within 30 minutes of call.

Onsite arrival time may be dependent on traffic flow, AEC shall not be held responsible for such delays.

Available replacement parts will be promptly quoted for approval prior to installation. Any proprietary parts AEC is unable to secure itself that are required for the repair, the Owner/Agent may have to purchase from the Original Elevator Manufacturer (OEM). AEC will assist with the ordering of this equipment if needed. If Owner/Agent refuse quoted repairs, and neglected repairs result in unexpected costs, any of the above specified services found to be above and beyond normal preventative maintenance standards, will be billed to Owner/Agent at our current billing rates.

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EXCLUSIONS

Austin Elevator Company, LLC shall not be responsible for the following:

1. Repairs required because of negligence, accident, or misuse of the equipment by anyone other than the AEC, its employees, subcontractors, servants or agents, or other causes beyond the control of AEC except ordinary wear and tear.
2. Repairs or any service carried out or performed by individuals or companies other than AEC, and may be grounds for early termination of this service agreement.
3. Repair or replacement of car enclosures (including removable panels, door panels, car gates, plenum chambers, hung ceilings, light diffusers, inside car handrail, mirrors, and car flooring), hoistway enclosures, hoistway gates, doors, frames, sills, signal fixture faceplates, rail alignment when affected by building compression or shifting, above or underground hydraulic jack cylinders including underground piping and fittings, hydraulic oil that exceeds 2 gallons per visit, elevator music, two-way communications equipment, answering service fees over $25.00 per phone per month, annunciators, chimes, smoke sensors, cleaning of “interiors” and exposed portions of sills, balustrades, wedge guards, floor plates, keeping elevator machine rooms free of non-elevator equipment and door locking equipment.
4. Elevator security, badging, or keypad operation.
5. Proprietary equipment and obsolete equipment.
6. Making safety tests or installing new attachments on the elevators when recommended by insurance companies or governmental authorities or to meet the current safety codes.
7. For maintaining the main line power feeders and associated disconnect switches and breakers.
8. Lighting for car interior and machine room or pit illumination.
9. Emergency power generator and associated contacts and wiring.
10. Elevator wiring diagrams and drawings, unless installed by AEC, shall be furnished and made available for AEC use by the Owner.
11. Fees and labor associated with annual and 5-year tests witnessed by a certified inspector.
12. Fees associated with Owner/Agent contract management companies. AEC shall comply with such services and maintain current company information, all fees will be billed back to customer and due net 30.

It is agreed, in consideration of our performance of the service enumerated herein at the price stated, that nothing shall be construed to mean that we assume any liability on account of accidents or injury to persons or property, except those directly due to our negligent acts or omissions or those of our employees, and that your own responsibility for accidents or injuries to persons or property while riding on or being in or about the subject elevator(s) and related equipment is in no way affected by this agreement. We shall not be liable for any loss, damage or delay due to any cause beyond our reasonable control including, but not limited to acts of government, strikes, lockouts, fire, explosion, theft, floods, riot, civil commotion, war, malicious mischief, or acts of God. Owner/Agent shall be liable for early termination fees equal to the amount of the remainder of the contract plus 10%. Invoices are due net 30, any past due invoices are subject to 5% late charges per additional 30 days thereafter, cease of maintenance or early termination due to default of Owner/Agent for non-payment.

City of Lockhart, Texas

Council Agenda Item
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COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discuss authorizing the City Manager to solicit proposals from qualified firms to develop design plans for City Hall improvements to reconfigure space for staff and customer service needs and approve an amount not to exceed for design and improvements funded from the 2025 Certificates of Obligation.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Roque Salinas

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: The proposed project will focus on upgrading existing facilities and consolidating City staff into a single building to enhance operational efficiency and improve service delivery. Funding for these design services will be supported through the 2025 bond issuance.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: None

COMMITTEE/BOARD/COMMISSION ACTION: None

STAFF RECOMMENDATION/REQUESTED MOTION: Approve

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

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COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discussion regarding a proposed Traffic Calming Policy and guidelines for implementing Speed Cushions as a traffic calming measure.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: On December 16, 2025, council was presented with information regarding a draft Speed Cushion and Traffic Calming Policy. There was some initial confusion regarding the petition requirement to have speed cushions implemented. The policy was revised to clarify when petitions for support were required in the steps of meeting the eligibility requirements. Public Works also purchased new inconspicuous portable traffic speed counters to collect impartial data following requests.

The speed cushion policy outlines the guidelines for the installation, design, and maintenance of speed cushions as a traffic-calming measure. Speed cushions are designed to slow down smaller vehicles while allowing emergency and large vehicles to pass without delay. The policy includes eligibility requirements, petition processes, design standards, prioritization criteria, and funding responsibilities.

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: Staff respectfully recommends adoption of the speed cushion policy.

LIST OF SUPPORTING DOCUMENTS: Speed Cushion Policy v2, Traffic Calming Speed Cushions Presentation

City of Lockhart, Texas

Council Agenda Item
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CITY OF Lockhart TEXAS

Speed Cushion/Traffic Calming Policy

1. GENERAL

The purpose of this policy is to provide guidelines for the application of speed cushions. A "speed cushion" is a traffic calming device that is raised in the center of a road with gaps on the sides for emergency vehicles, bicycles, and other wide-axle vehicles to pass through at speed without slowing down. This unique design forces cars and other smaller vehicles to slow down as their wheels are forced into the cutouts, while allowing larger vehicles like fire trucks, ambulances, and buses to maintain their speed. They are commonly used on emergency vehicle routes and in residential areas to reduce traffic speed without causing significant delays for emergency services. Common designs of speed cushions include 1) **Length:** Commonly 8 to 10 feet in the direction of travel, 2) **Width:** Typically 6 to 7 feet, which is wider than most passenger cars but narrower than the axle width of large emergency vehicles and 3) **Material Recycled Rubber:** A common choice due to its durability, flexibility, and ease of installation and removal (e.g., for road resurfacing or repairs). They also produce less noise than concrete or asphalt. A speed cushions differs from "speed bumps and humps", which are more abrupt. Due to gentle vehicle rocking, speed cushions cause some drivers discomfort and result in most vehicles slowing down at speed cushions and between properly spaced successive cushions.

Research has shown that speed cushions and other raised traffic calming devices are effective in safely reducing speeds along roadways. There is, however, potential for traffic diversion onto neighboring streets as a result of motorists avoiding roads containing speed cushions.

Multi-way stop signs are traffic control devices and are not traffic calming measures. An engineering study based on criteria outlined in the Texas Manual on Uniform Traffic Control Devices (TMUTCD) is used to determine if a multi-way stop is warranted.

In order for speed cushion installation to be effective, their provisions should be in accordance with established transportation engineering criteria and documented facts. As is the case with all traffic control devices, proper installation will encourage compliance and safe driving practices. This policy provides criteria and procedures for installation of safe and effective speed cushions.

The City of Lockhart (City) reserves the right to change any or all of the criteria and procedures in these guidelines if deemed necessary.

2. ELIGIBILITY REQUIREMENTS

All of the following criteria shall be satisfied for a street to be considered eligible for speed cushion installation.

CITY OF Lockhart TEXAS

Step 1- OPERATIONAL AND GEOMETRIC CHARACTERISTICS OF THE STREET

1. The street shall provide access (via driveway or on-street parking) to abutting residential and/or commercial properties (residential local or low-volume collector streets). Residential properties include multiple dwellings such as apartment complexes.

2. The street shall not have more than one traffic lane in each direction.

3. The street shall have a regulatory speed limit of 30 mph or less as determined in accordance with State Law.

4. The 85th percentile speed on the street section must be at least 35 mph or 5 mph over the regulatory speed limit.

5. The speed cushions should not be located on a horizontal curve, on vertical curves where visibility of the cushion is restricted, or on the approaches to these curves.

6. The street should have curb and gutter. Considerations may be given to streets without curb and gutter. In such cases, special care should be used to accommodate drainage and prevent vehicle run-arounds.

7. The street must be approved by the emergency services departments for installation of speed cushions. Requests closer than 1,500' from an emergency services department building will not be considered.

8. The street must have a 24-hour traffic volume of at least 800 vehicles.

Step 2- PETITION (Criteria in Step 1 must be met first)

1. A petition from the residents and business owners documenting that at least two-thirds of all households and businesses adjacent to the project street support the installation of speed cushions.

2. A verification statement from the contact person confirming that the signatures on the speed cushion petition are valid and represent at least two-thirds of the households/businesses adjacent to the project street (refer to attached verification statements).

3. A statement from the neighborhood association endorsing speed cushion installation on the project street. In the absence of a neighborhood association, the petition area may be extended to include nearby streets that may see an increase in traffic as a result of this project. Staff will determine the petition area.

3. PROJECT PRIORITIZATION

Speed cushion projects are prioritized on a city-wide basis. This ensures proper allocation of the City's resources. The projects will be ranked according to the criteria developed by the staff and funding.

4. COST RESPONSIBILITY

The City will consider designing funds for traffic calming including speed cushions; however, the cost for speed cushions installation (including cushions, signs, pavement markings and if necessary, special features) will be covered by the City.

5. SPEED CUSHION LOCATION

A speed cushion shall not be located in front of a property if the occupant objects to its placement or, in the case of multiple dwellings, if a majority of the households on the property object to its placement. Fulfillment of this requirement is the responsibility of the applicant(s).

6. DESIGN, CONSTRUCTION AND MAINTENANCE

The Public Works Department shall prepare design standards and installation procedures for speed cushions and related features such as signs and pavement markings. The Department will administer construction of speed cushions. The Department will maintain the speed cushions and all related features.

7. SPEED CUSHION REMOVAL AND ALTERATION

The process for speed cushion alteration or removal requested by the residents is the same as the process for installation. A petition approved by the neighborhood association, documenting that at least two-thirds of all households and businesses adjacent to the speed cushion street are in favor of speed cushion removal, will be required.

Speed Cushion Installation Procedure

The following items describe the procedure to be followed for speed cushion installation. A list of the speed cushion installation process is presented.

CITY OF Lockhart TEXAS

1. **PROJECT REQUEST**
   Individual residents or neighborhood associations can initiate requests for speed cushion installation. A request must be made to:

   City of Lockhart
   Attn: Public Works Department
   PO Box 239
   Lockhart, Texas 78644

2. **PRELIMINARY REVIEW**
   A. After a request for speed cushions has been received, City staff will conduct an initial investigation and collect data to determine the street's eligibility regarding the operational and geometric characteristics. This eligibility process includes approval from the emergency services departments.

   B. If the operational and geometric requirements for eligibility are not met, the street will not be considered for speed cushions, and the requestor(s) will be notified.

   C. If after the initial study it is determined that the street qualifies for speed cushion installation, a petition packet consisting of the speed cushion petition, a verification statement for the contact person, and an endorsement statement for the neighborhood association, if applicable, will be provided to the requestor(s). The project requestor(s) will be responsible for circulating the petition in the petition area.

   D. Signatures representing two-thirds of all the households and businesses within the petition area must be in favor of speed cushion installation for the study to proceed further. Multi-family dwellings with more than four units will be counted as one household, with the property owner or manager representing the household.

   E. The cut-off date for receiving requests for speed cushion projects to be undertaken during a particular fiscal year will be March 1st of the preceding fiscal year, the cut-off date for receiving the approved petition, verification statement, and endorsement statement will be May 1st of the preceding fiscal year.

   F. If the approved petition, completed verification statement, and endorsement statement from the neighborhood association (if applicable) is received by the specified date, the street will be placed on the list of streets eligible for speed cushion installation. A priority ranking will be assigned to the street according to the project prioritization criteria.

3. FUNDING

Funding is approved by City Council allowing for a specific amount of money to be allocated to speed cushion installation. City funding will proceed in descending order from the top of the priority list (detailed below).

4. SPEED CUSHION INSTALLATION

Upon allotment of funding, speed cushions will be installed as scheduling permits. The construction of cushions, the placement of signs and marking will conform to the current design standards as established by the City Construction Standards.

Project Prioritization Criteria

Speed cushion projects will be ranked according to the criteria established in this section. Projects will be assigned points on the basis of existing speeds and volumes, average number of speed related accidents reported to the Lockhart Police Department and presence of schools and/or other special pedestrian generators in the area. The project accumulating the greatest number of points will be considered to have the highest priority. Among projects with the same rank, higher priority will be given to the one with the earliest application date.

1. ACCIDENT CRITERIA

All accidents considered for point assignment must be speed-related accidents within the LPD database and on the project street, either at intersections or at mid-block locations.

Total number of reported accidents over a period of 3 consecutive years	Points assigned
3	1
4-6	2
7-9	3
10-12	4
13 or more	5

2. SPEED CRITERIA

The speed criteria considers the difference between the 85th percentile speed during the entire 24-hour period and the regulatory speed limit (85th percentile speed is the speed at or below which 85 percent of the drivers are traveling).

Speed difference between 85th percentile speed and regulatory speed limit (MPH)	Points assigned
5-7	4
8-10	6
Greater than 10	8

3. TRAFFIC VOLUME CRITERIA

Traffic volumes (two-way) during the peak hour are considered.

Hourly volume (veh/hour)	Points assigned
<50	0
50-225	1
226-300	2
301-375	3
376-450	4
Greater than 450	5

4. TYPE OF NEIGHBORHOOD CRITERIA

Points will be assigned to the project if there are schools and/or special pedestrian generators (such as parks, elderly housing, community center, and shopping areas).

1. Schools within a ½ mile radius of the project street. 1 point
2. Special pedestrian generators other than schools within a 1,000-foot radius of the project street. 1 point
3. Absence of sidewalks on the project street. 1 point

Design Standards

1. DIMENSION AND CROSS-SECTION

Speed cushion dimensions vary, but typical specifications include a length between 7 and 21 feet, a width of 6 to 7 feet, and a maximum height of 3 inches. The cross-section has a flat top with ramped sides, and the cushions can be configured with gaps for emergency vehicle passage, though a small lip may exist at the edges of the gaps. Design standards emphasize a gradual slope, proper placement with clear visibility, and consistent use of reflective markings and warning signs.

2. SPACING AND LOCATION

Speed cushions will usually be placed 500 ft. apart on average to maintain consistent speeds. Other spacing may be used based upon engineering judgment. The following guidelines will be considered when determining speed cushion spacing.

1. On single short blocks (300 ft. to 500 ft.) a signal cushion cross-section positioned near midpoint is usually sufficient.

2. On single blocks of moderate length (500 ft. to 1000 ft.) two-cushion cross-section configurations are usually adequate.

3. On very long blocks (1000 ft. to 1600 ft) three or more cushion cross-sections may be necessary.

The following should be considered when locating speed cushions.

1. A speed cushion should not be located in front of a driveway or within an intersection. Speed cushions should not be located within 250 ft. of a traffic signal or within 50 feet of an intersection.

2. Speed cushions should not be located over, or contain manholes, or be located adjacent to fire hydrants.

3. A 12-inch minimum gap may be considered along curbed roadways for drainage. For cushions installed on non-curbed roadways special treatment such as delineator posts should be considered to prevent vehicle run-arounds. For cushions located near drainage inlets the cushion should be placed just downstream of the inlet. If this is not feasible, special treatment should be considered for drainage.

4. If possible, cushions should be located on property lines rather than directly in front of a residence.

5. The advantage of existing or planned street lighting should be taken into consideration when determining speed cushion locations.

3. TRAFFIC CONTROL

Traffic control consisting of signs and markings should be provided to advise roadway users of the presence of a speed cushion and to guide their subsequent action. Traffic signs and pavement markings should conform to Manual of Uniform Traffic Control and Devices Standards (MUTCD).

CITY OF Lockhart TEXAS

Speed Cushion/ Traffic Calming Policy Update

April 7, 2026

Purpose

- Speed cushions reduce vehicle speeds without impeding emergency services.
- Commonly used in residential areas to slow traffic down where persistent speeding occurs.

Design Features

- Typical dimensions: 8–10 ft length, 6–7 ft width, max height 3 inches.
- Made from recycled rubber for durability and noise reduction.
- Includes gaps for emergency vehicles and bicycles.

Design Features





Spacing and Location Standards

- Spacing: ~500 ft apart; varies by block length.
- Placement: Avoid intersections, crosswalks, driveways, signals, manholes, and hydrants.
- Traffic control signs and markings per Texas Manual on Uniform Traffic Control Devices (TMUTCD) standards.

Request Process

Step 1- Request submitted to Public Works Department(Initial Investigation).

Step 2- Preliminary review and data collection for eligibility.

Step 3- Petition circulation and verification.

Step 4- Priority ranking based on speed, volume, accidents, and pedestrian generators.

Step 5- Installation of Speed Cushions.

Eligibility Requirements & Process
STEP 1: Operational and Street Characterizes (DATA Collection)

- Speed limit for the requested area must have a regulatory speed limit of ≤ 30 mph.
- 85th percentile speed ≥ 35 mph or 5 MPH over the speed limit.
- No more than one lane per direction and curb/gutter. Special considerations are needed to accommodate streets with no curbs and to prevent vehicle drive-arounds.
- Daily traffic volume ≥ 800 vehicles per day (both directions of traffic combined).
- Approval from emergency services; not within 1,500 ft of emergency service
- buildings.

Examples of Data Collected

705 South Blanco St.

Feb. 9th-20th, 2026

Speed Limit-30 MPH

- 85th Percentile Speed= 33 MPH
- 85th Percentile Vehicles= 7,046
- 50th Percentile Speed= 27 MPH
- Max Speed 69 MPH
- Total Vehicles= 8,290
- Average Daily Total= 592

Weld Dr. SE corner of Summit Dr.

Feb. 24th-Mar. 3rd, 2026

Speed Limit-30 MPH

- 85th Percentile Speed= 26 MPH
- 85th Percentile Vehicles= 1,832
- 50th Percentile Speed= 22 MPH
- Max Speed 52 MPH
- Total Vehicles= 2,155
- Average Daily Total= 306

Examples of Data Collected

909 Trinity St.

Mar. 10th-17th, 2026

Speed Limit-30 MPH

- 85th Percentile Speed= 32 MPH
- 85th Percentile Vehicles= 9,402
- 50th Percentile Speed= 28 MPH
- Max Speed 62 MPH
- Total Vehicles= 11,061
- Average Daily Total= 1,491

Eligibility Requirements & Process
STEP 2: Petition of Support

- All criteria from Step 1 – Operational and Geometrical Characteristics must be met before petition process. (Applicant to be notified)
- If the street qualifies for speed cushion installation, a petition packet is given to the contact (requestor or HOA).
- The requestor is responsible for circulating the petition.
- Signature representing 2/3 of all household/businesses within the petition area must be in favor of the speed cushions.

Funding & Installation

- Funding for speed cushions to be allocated within the annual Fiscal Year Budget.
- Multiple qualifying requests will be prioritized using the criteria in the policy.
- Upon allotment of funding, speed cushions will be installed as scheduling permits.

Installation





CITY OF Lockhart TEXAS

Questions?

City of Lockhart, Texas

Council Agenda Item
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COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discuss Ordinance No. 2026-14 amending Chapter 54, Article IV of the City of Lockhart Code of Ordinances, adding the term short-term rental to the definition of Hotel.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Roque Salinas

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION:
The City of Lockhart currently receives Hotel Occupancy Tax (HOT) revenues from registered short-term rental property owners. Ordinance No. 2026-02 amended Chapter 54 of the City Code to require short-term rental platforms to collect and remit local Hotel Occupancy Tax directly to the City. However, during the adoption of Ordinance No. 2026-02, the term “short-term rental” was inadvertently removed from the definition of “hotel.” This amendment corrects that omission by reinstating and clarifying that short-term rentals are included within the definition of “hotel,” and by providing a definition for “short-term rental” within Chapter 54.

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: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully requests approval of the proposed Ordinance 2026-14

LIST OF SUPPORTING DOCUMENTS: ORDINANCE 2026-14, Exhibit A

ORDINANCE 2026-14

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AMENDING ARTICLE IV CHAPTER 54 - HOTEL OCCUPANT TAX OF THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; AND PROVIDING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Texas Tax Code, Chapter 351 authorizes a governmental entity to allocate hotel occupancy tax funds; and

WHEREAS, it is the desire of the Lockhart City Council to amend Chapter 54- Taxation- Article IV- Hotel Occupancy Tax.

WHEREAS, the City Council finds it in the best interest of the City and its residents to adopt the following ordinance.

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

SECTION 1.

Section Chapter 54- Taxation- Article IV- Hotel Occupancy Tax of the Code of Ordinances, City of Lockhart, Texas, is hereby amended as shown in Exhibit A attached.

SECTION 2. SEVERABILITY

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other provisions, sections, or applications of the ordinance that can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are declared to be severable.

SECTION 3. REPEALER

All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of the conflict only.

SECTION 4. EFFECTIVE DATE

This ordinance shall take effect immediately upon its passage and publication as provided by law.

PASSED AND APPROVED on this ___ day of _____, 2026.

CITY OF LOCKHART, TEXAS

_____

LEW WHITE, Mayor

ATTEST:

_____

JULIE BOWERMON, City Secretary

APPROVED AS TO FORM:

_____

BRADFORD E. BULLOCK, City Attorney

Exhibit A

Sec. 54-116. Definitions.

(a) The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Calendar quarter: A period of three consecutive months of the year.

City finance director: The finance director for the City of Lockhart, Texas, or his agent.

Consideration: The cost of the room or other facility in such hotel only if the room or other facilities are ordinarily used for sleeping. This term shall not include the cost of any food served or personal services rendered to the occupant of the room, not related to the cleaning and readying of the room for occupancy.

Hotel: A building in which members of the public obtain sleeping accommodations for consideration. The term includes a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, bed and breakfast, or Short-term rental. The term does not include a hospital, sanitarium, nursing home, a dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by V.T.C.A., Education Code § 61.003 and used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution, or an oilfield portable unit as defined in V.T.C.A., Tax Code § 152.001.

Occupancy: The use or possession, or the right to use or possession, of any room in a hotel if the room is one ordinarily used for sleeping and if the occupant's use, possession, or right to use or possession extends for a period less than 30 days.

Occupant: Anyone who, for a consideration, uses, possesses, or has a right to use or possess any room or rooms or facilities in a hotel under any lease, concession, permit, right of access, license, contract or agreement if the room or facility is ordinarily used for sleeping.

Permanent resident: A person who has a right to use or possess a room in a hotel for at least 30 consecutive days, so long as there is no interruption of payment for the period.

Person: Any individual, company, partnership, corporation, association or other entity owning, operating, managing or controlling any hotel.

Short-term rental. A dwelling that is (a) used or designed to be used as a place where a person may reside, including a single-family dwelling, garage apartment, guest house or a unit in a multi-unit building, including an apartment, condominium, cooperative or timeshare; and (b) rented wholly or partly for a fee and for a period of less than 30 consecutive days.

Short-term rental *listing service.* A person, company or other legal entity that participates in the short-term rental business by facilitating and/or collecting a fee for booking services through which a person may offer short-term rentals to potential guests. Short-term rental listing services usually, though not necessarily, provide booking services through an online platform that allows a person to advertise the premises through a website or mobile application provided by the short-term rental listing service and the short-term rental listing service conducts a transaction by which potential guests arrange their use and their payment, whether the potential guest pays rent directly to the person or to the short-term rental listing service.

(b) Any other terms or phrases used herein shall be defined and construed in accordance with the definitions and usages given those terms and phrases under V.T.C.A., Tax Code ch. 351.

(Code 1982, § 24-40; Ord. No. 85-1, 3-12-85; Ord. No. 93-02, pt. 1, 2-16-93; Ord. No. 2018-16, 6-19-18)

Cross reference(s)—Definitions generally, § 1-2.

Sec. 54-118. Collection, reimbursement fee; forfeiture.

(a) Every person owning, operating, managing or controlling any hotel shall collect the tax imposed in section 54-117 hereof for the City of Lockhart, Texas, except that any such person shall withhold from the payment to the city, as reimbursement for the cost of collecting the tax, an amount not to exceed one percent of the amount of tax collected and required to be reported herein. Such reimbursement shall be automatically forfeited upon the failure to pay the tax or to file reports as required by this article.

(b) The one-percent reimbursement fee as provided herein shall become effective only on those amounts due and payable after the effective date of this article.

(C) Every short-term rental listing service providing services shall collect the tax imposed in this article for the city.

(Code 1982, § 24-42; Ord. No. 85-1, 3-12-85)

Sec. 54-119. Reports; payment.

By the last day of the month following each calendar quarter, every person required in section 54-118 hereof to collect the tax imposed herein shall file a report with the city finance director showing the consideration paid for all room and sleeping space occupancies in the preceding quarter, the amount of tax collected on such occupancies, and any other information that the city finance director may reasonably require. Such persons shall pay the tax due to the city on such occupancies at the time of filing such report.

~~At the request of T~~the City can audit a Hotel~~, the Short-term rental *listing service* shall provide a detailed report identifying each short-term rental property and the amount of tax remitted for each property.~~ The ~~report~~audit report shall include, but is not limited to, the address of the property and a full calculation of the tax collected.

(Code 1982, § 24-43; Ord. No. 85-1, 3-12-85)

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discussion regarding Resolution 2026-17 canvassing the returns for the Special Election held on March 31, 2026 for the purpose of filling the vacancy in the office of City Council, Councilmember District 2, to complete the remaining term of office for Councilmember District 2.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Julie Bowermon

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: A special election was held on March 31, 2026 to fill the unexpired term of Councilmember District 2. In compliance with election regulations, the results of the election must be canvassed no later than 11 days from the day of the election.

Proposed Resolution 2026-17 will provide the final election results to canvass the March 31, 2026 City of Lockhart Special Election. Should a candidate receive a majority of the votes cast, the Oath of Office will be administered to the newly elected official immediately after the canvassing.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discuss Ordinance 2026-15 ordering a special election of runoff to be administered by the Caldwell County Elections Administrator on May 2, 2026, for the purpose of electing one member of the Lochart City Council (Councilmember District 2) to fill the vacancy resulting from the constitutional resignation of Councilmember John Castillo; designating early voting polling places and hours; designating election day polling places and hours; ordering notices of election to be given as prescribed by law in connection with such election; providing for the appointment of election judges and clerks; authorizing the Mayor and City Secretary to take all actions necessary to comply with applicable election laws; and providing a savings/repealing clause, severability clause and an effective date; IF A RUNOFF ELECTION IS NEEDED.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Brad Bullock

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: The City of Lockart is required to hold a Special Election due to the vacancy of Councilmember District 2. The vacancy was created when Councilmember John Castillo resigned from his position on the City Council, when he filed for candidacy for another elected office on December 8, 2025. A Special Election will be held on March 31, 2026. In accordance with City Chater Section 5.05, if a candidate does not receive a majority of votes in the special election, a runoff election shall be called.

This item is being placed on the April 7, 2026 City Council agenda, if necessary, should a candidate not receive a majority of the votes cast.

CITY CHARTER
Sec. 5.05. - Election by plurality or majority.
(a) Mayor and councilmember-at-large. At any regular or special municipal election, the candidates for mayor and councilmember-at-large who shall have received the greater number of votes cast in such election for either mayor or the two (2) councilmembers-at-large shall be declared elected. In the event a tie vote makes it impossible to determine the winning candidate, the council shall cause to be held a runoff election between the tied candidates between thirty (30) to forty-five (45) days after said special or regular election, or provide that the winner be determined by a method provided in the Texas Election Code not inconsistent with this method.

(b) District councilmembers. At any regular or special municipal election, the candidates for each district who shall have received the majority of the votes cast in such election for such district shall be declared elected. In the event any candidate running for a district councilmember position on the ballot shall fail to receive a majority of the votes cast for all candidates for such district councilmember position on the ballot at such election, then the

council shall cause to be held a runoff election between the two (2) candidates receiving the highest number of votes for such district councilmember position on the ballot. Such runoff election shall be held between thirty (30) and forty-five (45) days after such regular or special election, or the council shall provide that the winner be determined by a method provided in the Texas Election Code not inconsistent with this method.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding Hotel Occupancy Tax (HOT) allocations as recommended by the HOT Advisory Board for the 2026 funding year.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: On March 12, 2026, the Hotel Occupancy Tax (HOT) Advisory Board met to review and discuss Hotel Tax funding applications for FYE 2026. The City of Lockhart collects a 7% Hotel Occupancy Tax from hotels, bed & breakfasts, and other lodging facilities. The revenue from the HOT fund may be used only to directly promote tourism and the hotel and convention industry. The Funding Application Form provides applicants the specific eligible uses of HOT funds under state law requirements, outlines city policy, and provides guidance on the priority uses for Hotel Tax funds. A copy of this form is attached for reference.

This funding cycle, the City received nine applications from eight organizations. The eight organizations include: Anything Curatorial, Inc., Caldwell County Historic Jail Museum, Cirque Vida, Courthouse Nights, Gaslight-Baker Theatre, Greater Caldwell County Hispanic Chamber of Commerce, Lockhart Chamber of Commerce, and Lockhart Initiative for Tourism. Applicants attended the HOT Advisory Board meeting and made formal presentations. The total amount requested was $212,500.

After discussion and consideration, the HOT Advisory Board submits a proposed funding allocation of $174,000 for FYE 2026 to Council for review and final approval. Also attached are the FYE 2026 Application Funding Chart providing the HOT Advisory Board's detailed funding recommendations and the previous year's allocation history, and the submitted Funding Applications for review.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:
Funds Required: $174,000
Account Number: 220-5199-2XX-00
Funds Available: $108,158
Account Name: HOTEL/MOTEL EXPENDITURES

FISCAL NOTE (if applicable): Two quarters of revenue collections remain in FYE 2026.

PREVIOUS COUNCIL ACTION:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff request direction from the Council for the allocation of HOT funds.

LIST OF SUPPORTING DOCUMENTS: FYE 2026- HOT Use Application Form, FYE 2026 - HOT Board Approved - Application Funding Chart, FYE 2026 - HOT Funding Applications, FYE 2026 - HOT Applicant Presentations

FUNDING APPLICATION FORM

HOTEL OCCUPANCY TAX USE GUIDELINES UNDER TEXAS STATE LAW

State Law: By law of the State of Texas, the City of Lockhart collects a Hotel Occupancy Tax (HOT) from hotels, bed & breakfasts, and other lodging facilities. Under state law, the revenue from the HOT may be used only to directly promote tourism and the hotel and convention industry. **Chapter 351 of the Tax Code states that the use of HOT funds is limited to:**

a) **Convention Centers and Visitor Information Centers:** the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing operation and maintenance of convention center facilities or visitor information centers, or both;

b) **Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;

c) **Advertising, Solicitations and Promotions that Directly Promote Tourism and the Hotel and Convention Industry**: advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;

d) **Promotions of the Arts that Directly Promote Tourism and the Hotel and Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms.

e) **Historical Restoration and Preservation Activities that Directly Promote Tourism and the Hotel and Convention Industry:** historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.

f) **Sporting Event Expenses that Substantially Increase Economic Activity at Hotels:** Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.

g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations:

1. the commercial center of the city;
2. a convention center in the city;

3. other hotels in or near the city; or
4. tourist attractions in or near the city.

The law specifically prohibits the use of the local hotel tax to cover the costs for general city transit costs to transport the general public.

h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

City Policy: The City of Lockhart accepts applications from groups and businesses whose program fits into one or more of the above categories. All requests for funds should be submitted by the official application**.** The application will be reviewed by the City of Lockhart's HOT Advisory Board at a regularly scheduled meeting. The applicant may choose to be present at the meeting to answer any questions regarding the application.

Based on the application, the City of Lockhart's HOT Advisory Board will make a recommendation to the City Council. The City Council will make the final decision on your request.

Eligibility and Priority for Hotel Tax Funds: Priority will be given to those events and entities based on their ability to generate overnight visitors to the City of Lockhart. Events can prove this potential to generate overnight visitors by:

a) **historic information on the number of room nights used during previous years of the same events**;

b) **current information on the size of a room block that has been reserved at area hotels** to accommodate anticipated overnight guests attending the funded event;

c) **historical information on the number of guests at hotel or other lodging facilities that attended the funded event (through surveys, guest directories, or other sources**;and/or

d) **examples of the planned marketing of the programs and activities that will likely generate overnight visitors** to local lodging properties from this event.

Use of Revenues from Event: A portion of the revenues from any event and/or project receiving any type of funding assistance from the HOT funds should be channeled back into the future costs of operating that same event or the continued operation of the project.

Supplemental Information Required With Application: Along with the application, please submit the following:

_____ Proposed Marketing Plan for Funded Event

_____ Schedule of Activities or Events Relating to the Funded Project

Submit to: City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Application

Date: _____

Organization Information

Name of Organization: _____

Address: _____

City, State, Zip: _____

Contact Name: _____ Contact Phone Number: _____

Web Site Address for Event or Sponsoring Entity _____

Non-Profit or For-Profit status: _____ Tax ID #: _____

Entity's Creation Date: _____

Purpose of your organization: _____

_____

_____

Event Information

Name of Event or Project: _____

Date of Event or Project: _____

Primary Location of Event or Project: _____

Amount Requested: $_____

How will the funds be used: _____

_____

_____

_____

_____

Primary Purpose of Funded Activity/Facility:

_____

_____

_____

_____

Percentage of Hotel Tax Support of Related Costs

_____ Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities_____%

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☐ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $_____

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city**. Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: _____
2. Expected Attendance: _____
3. How many people attending the Event or Project will use City of Lockhart hotels? ___

   Number of the people many nights will they stay: _____
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: _____

   _____

   _____
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	**Assistance Amount**	**Number of Hotel Rooms Used**
_____	_____	_____
_____	_____	_____
_____	_____	_____

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? _____

   _____

   _____
7. Please list other organization, government entities, and grants that have offered financial support to your project: _____

_____

_____

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

_____

_____

_____

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $_____
Radio: $_____
TV: $_____
Other Paid Advertising: $_____

Number of Press Releases to Media _____
Number Direct Mailings to out-of-town recipients _____

Other Promotions _____

10. Will you include a link to local hotels on your website for booking during this event?

_____

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

_____

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

_____

_____

_____

13. What geographic areas does your advertising and promotion reach: _____

_____

14. How many individuals will your proposed marketing reach who are located in another city or county? _____

15. If the funding requested is related to a permanent facility (e.g. museum, visitor

    center): Expected Attendance Monthly/Annually: _____

    Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

HOTEL OCCUPANCY TAX (HOT)
FUNDING APPLICATION REQUESTS
FYE 2026

Organization (Alphabetical)	(A) Convention Center or visitor's center	(B) Registration of Convention Delegates	(C) Advertisting, Solicitations, Promotional programs to attract tourists and convention delegates.	(D) Promotion of the Arts that directly enhance tourism and the hotel & convention industry. (limit 15% budget)***	(E) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs. (limit 15% budget)***	(F) Expenses including promotional expenses, directly related to sporting events.	(G) Funding transportation systems for transporting tourists from hotel to any of the following: 1) commercial center; 2) convention center; 3) other hotels; and 4) tourist attractions.	(H) Signage directing tourists to sights and attractions that are frequently visited by hotel guests in the municipality.	HOT BOARD APPROVED ALLOCATIONS FYE 2026	TOTAL REQUESTED FUNDING FYE 2026	PRIOR YEAR REQUESTED FUNDING FYE 2025	CITY COUNCIL AND HOT BOARD APPROVED ALLOCATIONS FYE 2025
				$26,100	$26,100							
Anything Curatorial, Inc. (DBA Spellerberg Projects) (NP) First Friday Visiting Artist Exhibition Program	$ -	$ -	$ 3,000	$ -	$ -	$ -	$ -	$ -	$ 3,000	$ 5,000	$ 5,000	$ 5,000
Caldwell County Historic Jail Museum & Visitors Center (NP)					15,000				15,000	15,000	15,000	15,000
Cirque Vida Entre Dios Cielos/Under Two Skies									-	4,500	-	-
Courthouse Nights			20,000	7,000					27,000	20,000	20,000	15,000
Gaslight-Baker Theatre (NP)					9,000				9,000	18,000	15,000	15,000
Greater Caldwell County Hispanic Chamber of Commerce (NP) Cinco de Mayo Festival			15,000	7,500					22,500	25,000	25,000	20,000
Greater Caldwell County Hispanic Chamber of Commerce (NP) Diez y Seis Festival			15,000	7,500					22,500	25,000	25,000	20,000
Lockhart Chamber of Commerce (NP) Lockhart Hometown Spring Festival and Fair									-	15,000	60,000	$ 60,000
Lockhart Initiative for Tourism (LIT) (NP) Lockhart Downtown Book Fair and Cemetery Tour			13,000	2,000					15,000	25,000	10,000	10,000
Downtown and Tourism Department Visitors Center	50,000								50,000	50,000		
250th 4th of July Event			10,000						10,000	10,000		
	$ 50,000	**$ -**	**$ 76,000**	**$ 24,000**	**$ 24,000**	**$ -**	**$ -**	**$ -**	**$ 174,000**	**$ 212,500**	**$ 175,000**	**$ 160,000**

CURRENT HOT FUNDS AVAILABLE: **$ 108,158**

PROJECTED FYE 2026 YEAR-END HOT FUNDS AVAILABLE: **$ 174,000**

***Abbreviations:** Non-Profit (NP) | For-Profit (FP) - as stated on application.

***Limit of 15% based on projected FYE 2026 available fund balance ($174,000). This amount represents the absolute maximum cap.

Application

Date: Feb 27, 2026

Organization Information

Name of Organization: Anything Curatorial, Inc. (dba Spellerberg Projects)

Address: Gallery: 103 S Main St. / Mailing: 334 Heartwood Dr.

City, State, Zip: Gallery: Lockhart TX 78644 / Mailing: Austin TX 78745

Contact Name: Marty Spellerberg Contact Phone Number: 737-333-9760

Web Site Address for Event or Sponsoring Entity spellerbergproject.com

Non-Profit or For-Profit status: 501(c)(3) Tax ID #: 33-3605054

Entity's Creation Date: 2025

Purpose of your organization:

Anything Curatorial Inc. operates Spellerberg Projects, an artist-run center at 103 S Main St on the Lockhart square that presents a year-round program of exhibitions by visiting artists from across the U.S. and internationally. The gallery offers studios to local working artists.

Event Information

Name of Event or Project: First Friday Visiting Artist Exhibition Program

Date of Event or Project: April 2026 – March 2027

Primary Location of Event or Project: 103 S Main St, Lockhart (Historic District)

Amount Requested: $ 5,000

How will the funds be used:

HOT funds will directly promote tourism and the hotel industry by covering two costs associated with overnight hotel activity. Support of $2,800 will cover lodging for visiting artists who travel to Lockhart to install and present exhibitions, putting hotel occupancy tax revenue directly back into Lockhart hotels and short-term rentals. The remaining $2,200 will fund targeted marketing, including event calendar submissions, digital advertising, and email outreach to attract overnight visitors from Austin and San Antonio to First Friday exhibition receptions. Without dedicated lodging support, the gallery must limit visiting artist invitations to those who can cover their own travel costs, reducing the program's geographic reach and the hotel nights it generates.

Primary Purpose of Funded Activity/Facility:

We bring out-of-town artists to Lockhart who need a place to stay. Over the past 2.5 years, we have documented 22 visiting artist trips from 12 cities across 10 states and 2 countries, generating 47+ overnights in Lockhart. We draw an average of 170 visitors per event, 62% from outside Lockhart. This directly promotes tourism and attracts overnight visitors. HOT support allows the gallery to guarantee lodging for every visiting artist, removing the single biggest barrier to bringing artists from farther afield, while investing in the marketing .nfrastructure to convert that audience into measurable hotel impact.

Percentage of Hotel Tax Support of Related Costs

23% Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

0% Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

18% Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 18 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☒ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $ $2,200

☒ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $ $2,800

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.** Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation? _____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.** Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 10
2. Expected Attendance: 255 per month; 2,500–3,000 over the funded year
3. How many people attending the Event or Project will use City of Lockhart hotels? 10–12

   Number of the people many nights will they stay: 20–25
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: N/A
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)?

   Historic room night data: Direct documentation of every visiting artist hotel stay. Hotel guest attendance data: A visitor survey administered at all First Friday receptions currently captures geographic origin. We are adding an overnight stay question to measure whether gallery visitors are staying in Lockhart hotels, giving us hotel impact data from both artists and audiences. Marketing reach: Website analytics tracking geographic origin of online visitors and growth in sessions from Austin and San Antonio. Email newsletter and Instagram subscriber counts.

7. Please list other organization, government entities, and grants that have offered financial support to your project:

   A $30,000 Andy Warhol Foundation grant application is currently pending.

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

Admission is free. Spellerberg Projects operates on a noncommercial model where exhibitions are free and open to the public, removing barriers for visitors and maximizing foot traffic to downtown Lockhart. There is no anticipated net profit from the funded activities. Revenue from studio rentals and consulting services supports ongoing operations. The exhibition program's contribution to Lockhart's economy flows through the hotel nights it generates and the visitors it brings to downtown businesses – a return that feeds directly back into the HOT revenue base.

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper:	$ **0**
Radio:	$ **0**
TV:	$ **0**
Other Paid Advertising:	$ **2,200, digital marketing**

Number of Press Releases to Media **12 per year**

Number Direct Mailings to out-of-town recipients **Email newsletter with 1,187 subscribers**

Other Promotions **Instagram (3,612 followers); First Friday coordination with neighboring businesses and Hello Lockhart; event calendar submissions to Austin listing sites**

10. Will you include a link to local hotels on your website for booking during this event?

Yes. We will add a "Visiting Lockhart" section to our website with links to Hello Lockhart's local hotels and short-term rentals. This material will also be linked from our email newsletters to encourage overnight stays.

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

No.

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

(1) Systematic submission of First Friday receptions and exhibition openings to Austin and San Antonio event listing sites (Visit Austin, Do512, 365 Things to Do in Austin). (2) Application for Google Ad Grants (free search advertising for nonprofits). (3) use the gallery's existing email newsletter (1,187 subscribers) to target the Austin market with tourism-focused content, including a "Visiting Lockhart" sectio in every send.

13. What geographic areas does your advertising and promotion reach:

Primary: Austin (44% of current visitors) – the largest and most reachable source of overnight visitors. Secondary: San Antonio, San Marcos, Kyle, and the I-35 corridor. National and international reach through Instagram and visiting artist networks: each exhibition extends to the artist's own audience in cities such as Brooklyn, Chicago, Nashville, and Miami, attracting visitors who may already be traveling to Central Texas.

14. How many individuals will your proposed marketing reach who are located in another city or county? **10,000–15,000**

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center): Expected Attendance Monthly/Annually: **2,500–3,000 annually**

Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Audience overnight stays unknown; adding question to visitor survey. What is known: 10–12 visiting artists per year.

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Spellerberg Projects

First Friday Visiting Artist Exhibition Program Marketing Plan for Tourism Promotion

Situation Analysis

Spellerberg Projects' exhibition program is at an inflection point. After ten years of steady operation, the gallery's audience is growing rapidly, and the visiting artist pipeline has expanded internationally, with upcoming exhibitions by artists from Germany and Canada. And Lockhart itself is building momentum as an arts destination: six organizations on the square are working toward a Texas Cultural District designation, with a TCA application planned for July 2026.

This growth is happening organically, but it's outpacing the gallery's marketing infrastructure. The gallery has an established email newsletter (1,187 subscribers) and an active Instagram presence (3,612 followers), but no paid advertising, no systematic presence on Austin event calendars, and no Google Analytics on its website. The visitor data available — collected through in-gallery clipboard surveys — already shows that the audience is largely out-of-town and growing. A modest investment in marketing tools now will convert that organic growth into measurable, documented tourism impact for Lockhart's hotel industry.

The gallery and its audience

Spellerberg Projects is an artist-run center at 103 S Main Street on the Lockhart square, operating since 2016. The gallery has presented over 60 exhibitions to date, hosting 10–12 per year by visiting artists with monthly First Friday receptions. Visitor survey data collected since October 2025 (183 surveys across 1,355 visitors on 24 open days) shows:

- First Friday receptions average 170 visitors per event
- 65% are first-time visitors
- 62% of visitors come from outside Lockhart
- 44% travel from Austin
- 18% from farther afield — San Antonio, San Marcos, Kyle, Houston, Dallas, Marfa, Denver, New Jersey
- 27% of visitors also visit Commerce Gallery during the same trip, suggesting cross-pollination between cultural venues on the square

The visiting artist model and hotel impact

The exhibition program brings artists from outside Lockhart to install and present work. Since July 2023, the gallery has documented 22 visiting artist trips from 12 cities across 10 states and 2 countries (Germany, Canada), generating 47+ overnights in Lockhart. This is cultural tourism

in both directions: artists travel to Lockhart and stay in local lodging, and their exhibitions draw audiences who come from Austin and beyond. The program directly promotes tourism and generates overnight visitors year-round.

Context

Lockhart is building toward a Texas Cultural District designation, a process involving six arts organizations on and around the square. The gallery's visitor data and tourism marketing efforts contribute to the district-wide case for arts-driven tourism. A strong track record of hotel impact from the exhibition program strengthens the district's application and Lockhart's broader tourism positioning.

The Market

Lockhart is part of the Austin-Round Rock-Georgetown MSA. Austin, the primary visitor market, is a 40-minute drive on US-183. San Antonio is roughly 65 miles south — outside the state tourism office's 50-mile threshold, making San Antonio visitors unambiguous tourists. Lockhart's identity as a BBQ destination brings a baseline of food tourism visitors; survey data confirms crossover between food and cultural tourism. The gallery's positioning — noncommercial contemporary art in a small-town storefront — is distinct from anything in Austin and offers a reason to visit that is specific to Lockhart.

Collaborators

Spellerberg Projects operates alongside several organizations on the Lockhart square whose programming complements and amplifies the gallery's tourism draw.

Commerce Gallery presents rotating exhibitions of regional contemporary art and hosts its own First Friday openings; survey data shows 27% of Spellerberg visitors also visit Commerce Gallery during the same trip, confirming cross-pollination between venues.

Hello Lockhart, the tourism promotion platform operated by the Lockhart Initiative for Tourism, maintains an events calendar and business directory that lists gallery events alongside dining, accommodations, and other attractions — the gallery's exhibitions will be submitted to this calendar as part of the marketing plan. **KLKT Radio (107.9 FM)**, launched in 2024, provides hyperlocal media coverage of arts events.

Courthouse Nights, a free monthly concert series on the courthouse lawn (April–August), and **Gaslight-Baker Theatre**, a community theater operating since 1998 in a historic 1920 venue, draw audiences to downtown Lockhart on different nights and in different seasons, expanding the overall pool of cultural visitors.

Together these organizations create a cluster of cultural programming that gives visitors multiple reasons to come to Lockhart and to stay longer — or to come back.

Competitors

The gallery's primary audience competition is Austin's own arts scene. **Austin's East Side** galleries hold their own First Friday events, and institutions like the **Blanton Museum** and the **Contemporary Austin** offer free or low-cost programming that doesn't require a 40-minute drive. For day-trippers looking for a small-town outing from Austin, **Fredericksburg**, **Wimberley**, and **Dripping Springs** are established destinations with stronger tourism infrastructure.

Spellerberg Projects competes by offering something none of these alternatives provide: a noncommercial contemporary art program in a town already on the map for food tourism. The gallery doesn't need to outcompete Austin's arts institutions; it needs to give Austin residents a reason to make the drive. The visiting artist model — where nationally recognized artists install and present work in a small-town storefront — creates events that feel distinctive and worth the trip. The cross-pollination with Lockhart's BBQ tourism (visitors already coming for food discover the gallery) and the growing cultural cluster on the square reinforce this positioning.

Target Audiences

Primary: Austin arts-interested visitors.

Already the largest source of out-of-town visitors (44%). Reachable through free and low-cost digital channels. Within easy driving distance for day trips and overnight stays. Many visit in groups, often on First Fridays.

Secondary: San Antonio and I-35 corridor.

San Antonio falls outside the 50-mile radius, making these visitors unambiguous tourists who are more likely to generate overnight stays. San Marcos and Kyle are midway between Austin and Lockhart, with growing populations.

Tertiary: National audiences reached through visiting artist networks.

Each visiting artist shares their exhibition with their own audience (social media, mailing lists), thereby extending the gallery's reach to cities such as Brooklyn, Chicago, Nashville, and Miami. While most of these contacts won't travel to Lockhart, the visibility reinforces the gallery's reputation. This may attract visitors who are already traveling to Central Texas.

Marketing Tactics

Spellerberg Projects

Event calendar submissions

Submit First Friday receptions and exhibition openings to Austin event listing sites: Visit Austin events calendar, 365 Things to Do in Austin, Do512, and Austin360. Also submit to San Antonio equivalents. Focus on exhibitions with the strongest out-of-town draw (visiting artists from notable cities, distinctive media, or themes). Target: every First Friday reception and at least 6 additional exhibition events per year, submitted to a minimum of 3 listing sites. This directly promotes tourism by putting the gallery's events in front of Austin and San Antonio audiences actively looking for things to do.

Google Ad Grants

Apply for Google's nonprofit ad grant program through Anything Curatorial's 501(c)(3) status, which provides free search ads on Google.com. Use to promote First Friday receptions and exhibition openings to users searching for arts events in Austin and San Antonio. Target keywords: "art events near Austin," "Lockhart galleries," "First Friday Lockhart," and exhibition-specific terms. Target: active campaign running by Q2 of the funded period.

Email newsletter

The gallery's existing email newsletter has 1,187 subscribers. HOT funds will support tourism-focused content — exhibition previews, First Friday reminders, and a "Visiting Lockhart" section with links to local hotels and short-term rentals in every send. Continued list growth through in-gallery sign-ups and website subscriptions.

Instagram promotion

Maintain an active Instagram presence (3,612 followers) to promote visiting artist exhibitions, artist profiles, behind-the-scenes installation content, and First Friday receptions. Each visiting artist's exhibition generates 5–10 posts that reach both the gallery's and the artist's audiences (cross-tagging). The account will be converted to a Business account during the funded period, enabling geographic analytics on followers and post reach — data that will support future HOT applications and Cultural District reporting.

Website improvements

Add a "Visiting Lockhart" section with links to Hello Lockhart's listing of local hotels and short-term rentals. Install Google Analytics to track the geographic origin of website visitors. Add exhibition-specific landing pages optimized for search. Analytics will provide ongoing documentation of out-of-town interest in the exhibition program.

Visitor survey expansion

Spellerberg Projects

Continue the in-gallery clipboard survey at all First Friday receptions. Add a question as to whether the visitor is staying overnight in Lockhart. This directly measures the gallery's hotel impact and strengthens future HOT applications with the kind of data the Advisory Board prioritizes.

Measurement and Outcomes

The marketing plan is designed to produce measurable tourism outcomes:

- **Hotel nights generated:** Documented visiting artist stays (property, nightly rate, number of nights) — targeting 20–25 hotel nights during the funded period, up from an annualized rate of approximately 18
- **Out-of-town visitors attracted:** Visitor survey tracking geographic origin, first-time vs. return, and (new) overnight stay data — targeting maintenance of 62%+ out-of-town visitor share as total attendance grows
- **Marketing reach to tourists:** Website analytics geographic data (new), email newsletter subscriber geography via segmentation (new), Instagram audience insights by city after Business account conversion (new) — establishing baseline metrics for ongoing tourism promotion
- **Visitor survey expansion:** Addition of zip code and overnight stay questions to produce the hotel impact data that strengthens future HOT applications

Budget

Category (d): Arts promotion that directly enhances tourism and the hotel industry — $2,800. Funds in this category will cover overnight lodging for visiting artists traveling to Lockhart to install and present exhibitions. Based on documented history, the gallery hosts 10–12 visiting artists per year, with an average stay of 2 nights at an average nightly rate of $118. Artists travel from Dallas, Brooklyn, Chicago, Nashville, Miami, San Antonio, and internationally (Germany, Canada). Each visit directly generates hotel room nights in Lockhart. With HOT support guaranteeing lodging, the gallery can prioritize artists from outside Texas rather than limiting invitations to those within driving distance. This is the most direct possible use of hotel occupancy tax funds: the money goes to hotel rooms.

Category (c): Advertising, solicitations, and promotional programs to attract tourists — $2,200. Funds in this category will support targeted marketing to attract out-of-town visitors to Lockhart for exhibition receptions and First Friday events. Specific activities: submission of events to Austin and San Antonio event listing sites (Visit Austin, Do512, 365 Things to Do in Austin); tourism-focused growth of the gallery's existing email newsletter (1,187 subscribers) and Instagram (3,612 followers) to drive visits from the Austin market; and printed promotional

Spellerberg Projects

materials. These efforts directly promote tourism by reaching audiences in Austin (44% of current gallery visitors) and San Antonio and converting awareness into visits to Lockhart.

HOT-Funded: Lodging — category (d)				
Visiting artist lodging	—	$2,800	HOT	10–11 artists × avg 2 nights × $118/night; based on 47+ documented nights over 2.5 years
HOT-Funded: Marketing — category (c)				
Event calendar submissions	Exhibition Manager	$400	HOT	Visit Austin, Do512, 365 Things, Austin360
Google Ad Grants setup and management	Exhibition Manager	$350	HOT	Free nonprofit ad program; target "art events near Austin," "First Friday Lockhart"
Email newsletter content and sends	Exhibition Manager	$400	HOT	1,187 subscribers; monthly exhibition previews with "Visiting Lockhart" hotel link
Instagram promotion	Gallery attendants	$300	HOT	3,612 followers; 5–10 posts per exhibition with artist cross-tagging
Visitor survey administration	Gallery attendants	$250	HOT	Clipboard surveys at all First Fridays; adding zip code and overnight stay questions
Website updates + analytics	Exhibition Manager	$200	HOT	Google Analytics install; "Visiting Lockhart" page with hotel links
Printed materials	—	$300	HOT	Postcards and flyers for Austin distribution
Total HOT Request		**$5,000**		

Spellerberg Projects

Organization-Funded Costs				
Exhibition Manager (remaining 82%)	Jennifer Moore	$7,250	Spellerberg Projects	Manages exhibitions, coordinates visiting artists, handles installation logistics
Gallery attendants + First Friday supplies (remaining 82%)		$2,783	Spellerberg Projects	Staff open hours and receptions; conduct visitor surveys
Exhibition documentation photography		$2,400	Spellerberg Projects	Professional documentation of all 12 exhibitions
Artwork shipping		$4,125	Spellerberg Projects	~$375/exhibition × 11 exhibitions requiring shipping
Total Organization Match		**$16,558**		
Total Program Cost		**$21,558**		

Spellerberg Projects

Schedule of Activities or Events Relating to the Funded Project

First Friday Visiting Artist Exhibition Program
Spellerberg Projects | 103 S Main St, Lockhart, TX 78644 April 2026 – March 2027

Exhibition Dates

- First Friday April 3, 2026
- First Friday May 1, 2026
- First Friday June 5, 2026
- First Friday July 3, 2026
- First Friday August 7, 2026
- First Friday September 4, 2026
- First Friday October 2, 2026
- First Friday November 6, 2026
- First Friday December 4, 2026
- First Friday January 1, 2027
- First Friday February 5, 2027
- First Friday March 5, 2027

Each date is an exhibition reception, 6–9 PM. Exhibitions run approximately one month each. The gallery is open Saturdays 11 AM – 3 PM, First Fridays 6–9 PM, and for special events.

Recurring Activity by HOT Category

Category (d): Arts Promotion — Visiting Artist Lodging

The following cycle repeats for each exhibition involving a visiting artist (approximately 10 of 12 per year; some exhibitions feature local or regional artists who do not require overnight lodging):

- Visiting artist arrives in time for First Friday
- 2-night stay in Lockhart lodging
- Artist attends reception
- Lodging documented (property name, nightly rate, number of nights)

Spellerberg Projects

Category (c): Advertising and Promotion — Tourism Marketing

The following cycle repeats monthly, timed to each exhibition:

- Press release issued for incoming exhibition
- Exhibition submitted to Austin and San Antonio event listing sites
- Exhibition submitted to Hello Lockhart events calendar
- Email newsletter send (exhibition preview, "Visiting Lockhart" hotel links)
- Instagram promotion (exhibition previews, artist profiles, visitor highlights)
- Google Ad Grants campaign updated with exhibition-specific keywords
- In-gallery visitor surveys administered at reception and on open days
- Website analytics reviewed for geographic traffic patterns

Application

Date: 2/27/2026 (for 2026)

Organization Information

Name of Organization: Caldwell County Historic Jail Museum & Visitors Center
(Operated by: Caldwell County Historical Commission)

Address: 315 East Market Street **(Mailing Address: PO Box 1419)**

City, State, Zip: Lockhart, TX 78644

Contact Name: Coyle Buhler, Chair Contact Phone Number: 512-376-8636

Web Site Address for Event or Sponsoring Entity: http://caldwellcountyhistoricalcommission.org/home.html
(https://m.facebook.com/CaldwellCountyHistorical Commission/)

Non-Profit or For-Profit status: Non-Profit Tax ID #: 74-0750132

Entity's Creation Date: 1974

Purpose of your organization: **Heritage Tourism**. Strategically located and highly visible, the historic Jail Museum & Visitors Center will attract, entertain and educate over **2,250** tourists and visitors throughout a typical year with tourism-related information, public interpretive exhibits, outreach programs and special events. The historic 1909 Caldwell County Jail building is fully open to the traveling public and a tremendous tourist attraction alone. To promote local heritage tourism, the historic Jail Museum collects, identifies, and preserves historical material pertaining to the rich history of Lockhart, Caldwell County, and its residents. The Jail Museum & Visitors Center collection consists of the historic jail building, local area relevant historic artifacts, photographs, books, documents and maps. The Jail Museum & Visitors Center is operated by the Caldwell County Historical Commission.

Event Information

Name of Event or Project: Caldwell County Historic Jail Museum & Visitors Center

Date of Event or Project: 1/1/2026-12/31/2026

Primary Location of Event or Project: 315 East Market Street, Lockhart, TX 78644

Amount Requested: $ 15,000

How will the funds be used: The funds will be used consistent with Chapter 351 (e) of the Texas Tax Code. This includes historical restoration, preservation and maintenance activities and advertising, conducting solicitations and promotional programs to encourage tourists and convention delegates to

visit preserved historic sites or museums. The funds will be used to preserve, repair, restore and maintain the historic Museum structure and historic materials exhibited. Also, the funds will be used for heritage-tourism related advertizing and informational materials (See attach budget). In addition on weekends, using other donated funds, when the Chambers of Commerce and many other points of interest may be closed, the Jail Museum & Visitors Center will support the community tourism-related efforts as a visible tourist attraction, providing brochures and other local information to visiting tourists. The historic Jail Museum & Visitors Center **does not** intend to replace, but augment, the one primary designated visitor's center for the City of Lockhart. HOT funds **will not** be used for visitor center direct operating expenses.

Primary Purpose of Funded Activity/Facility: **Preserve and maintain the historic Jail Museum and promote Heritage Tourism. Approximately 90% of the expected over 2,250 registered weekend visitors in a typical year are tourists from outside Caldwell County.** In the past, the Jail Museum & Visitors Center has hosted visitors from over **224 different Texas cities** and over **46 different states**. Also, the Jail Museum & Visitors Center has hosted international tourists representing over **59 foreign countries**. The Jail Museum & Visitors Center is a community non-profit operation supported by many dedicated volunteers. The vast majority of support activities for the Jail Museum & Visitor Center are performed by unpaid volunteers. Over **1,650 registered hours of volunteer work** were documented in the past year. A docent is on duty to welcome and inform all guests during hours of public operation. The requested HOT funds will **NOT** be used to offset the cost of docent related activities or direct visitor center operating expenses. The HOT funds will be used to preserve, repair, restore, protect and maintain the historic Museum structure and historic materials exhibited. Also, the funds will be used for Lockhart historical tourism-related promotional materials (consistent with Chapter 351 (e) of the Texas Tax Code).

Percentage of Hotel Tax Support of Related Costs: "Costs" are only event-related (see attached budget)

48.4 Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

78.4 Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event (Consistent with Chapter 351 (e) of the Texas Tax Code)

0 Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event (Funds are not used for Museum Docent activities – all maintenance is by contract labor)

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 0 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, **operation**, and maintenance of convention center facilities or **visitor information centers**, or both. Amount requested under this category: $ **-0.00- [see Item (e) below].** ◆

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☐ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $_____

☒ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.** Amount requested under this category: **$ 15,000**

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.** Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 42 (Started In 1983)
2. Expected Attendance: Over 2,250
3. How many people attending the Event or Project will use City of Lockhart hotels? ?
   Number of the people many nights will they stay: ?
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: No. Very seldom does an out-of-town visitor book lodging in advance just to visit only a museum or visitors center. But, many of the visitors to the Jail Museum & Visitors Center come exclusively to witness, learn and discover the rich history of Lockhart and Caldwell County. While doing so, the visitors are directed by the Jail Museum Docent to local lodging, restaurants, and many other points of interest in the area. **Consistently, over 90% of the registered weekend visitors are from outside Caldwell County and are ideal prospects for over-night lodging. Many are from another state, or another country, and in need of lodging. The Jail Museum & Visitor Center is open with comprehensive visitor information on the weekend, when many other tourist information locations are closed.**
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
2025	$ 15,000.00	?
2024	$ 15,000.00	?
2023	$ 17,000.00	?
2022	$ 5,000.00	?

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? The Jail Museum & Visitors Center attempts to register each and every visitor. Approximately 25%-30% refuse or fail to register. We will attempt to obtain the visitor over-night lodging statistical information.

7. Please list other organization, government entities, and grants that have offered financial support to your project: The Jail Museum & Visitors Center is a community non-profit operation supported by many dedicated volunteers and donors. It depends on and appreciates all donations, both large and small. Excluding HOT funds, total donations in most years are well below the costs of maintaining the building. Without HOT funds, the Jail Museum would suffer a large net funds deficit. Caldwell County supports the Jail Museum & Visitors Center by providing the historic jail building with periodic minor maintenance at no cost. In addition, Caldwell County has provided a total of $4,000 cash over the past five years to supplement operating costs. In addition, for many prior years in the Fall, typically approximately 400 additional visitors would come to Lockhart from around central Texas to the very popular and successful Cemetery Tour (aka:"Speaking of the Dead: Intriguing Stories of the Past"). It is a twilight and after-dark historical adventure fund raiser, where visitors meet many "Kindred Spirits" that have "come back from the grave" to tell their personal stories about the historic Lockhart area. The Caldwell County Historical Commission has collaborated with many other local organizations (i.e. City of Lockhart, LISD, Gaslight-Baker Theater, Chamber) to sponsor Jail Museum & Visitors Center outreach activities to raise donated funds for the benefit of the Jail Museum & Visitors Center preservation expenses. These out-reach programs bring many additional tourists to Lockhart and have been fund-raising activities to fund the Jail Museum & Visitor Center operations and preservation budget.

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?
A donation of $5 for adults and $3 for children is suggested for a tour of the Museum exhibits and upper floors containing the historic jail cells. Very seldom has the Jail Museum had an annual operating funds surplus since beginning operations. We depend on outside donations to cover shortfalls.

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet: The Jail Museum & Visitors Center does not have funds to engage in paid heritage promotions, unless provided through HOT funding.

Newspaper:	$ PSAs
Radio:	$ PSAs
TV:	$ PSAs
Other Paid Advertising:	$ 2,550

Number of Press Releases to Media: 35 (2022 & 2023 & 2024)

Number Direct Mailings & Emailing to out-of-town recipients: ~10,500 (2022, 2023, 2024 & 2025)

Other Promotions: To promote and publicize local attractions to tourists from outside of Lockhart, the historic jail building has been made available to **multiple film groups** and to **paranormal groups** that conducted experiments in an attempt to detect any "ghosts" or "spirits". They also produce and host widely viewed **internet videos** and **podcasts**. We have continued to be featured on **"Day Tripper"** television program. The Jail Museum & Visitors Center has been featured in numerous publications, including the ***Texas Hill Country Magazine***. Annually, volunteers conduct several weekday **educational tours** and local **heritage presentations** for K-12 and university classes, Scout troops, and Chamber of Commerce **bus tours**. In the past, the Jail Museum & Visitors Center has participated in a local homes tour conducted by a local service sorority. These many out-reach programs bring many additional tourists and visitors to Lockhart. The Museum distributes **promotional brochures** to museums and towns throughout Texas for redistribution. As mentioned in #7 above, in many past years, typically over 400 additional visitors have come to Lockhart from around central Texas to the very popular and successful Cemetery Tour (aka: "Speaking of the Dead: Intriguing Stories of the Past").

10. Will you include a link to local hotels on your website for booking during this event?
Yes, if authorized and provided.

11. Will you negotiate a special rate or hotel/event package to attract overnight stays? ___
We will promote any special rates offered by local lodging through existing platforms.

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event? We will include local lodging info on existing platforms and with in-house displays of provided materials and information.

13. What geographic areas does your advertising and promotion reach: **Worldwide**, through the internet. As a past example, groups from Australia and Oregon came to Lockhart exclusively to visit the Lockhart Cemetery, Jail Museum, and area historic sites on family heritage trips. The Jail Museum & Visitor Center aided in the visitors' trip planning, research and coordination. All was completed both via internet and in-person at the Jail Museum & Visitor Center. In the past, the Jail Museum & Visitors Center has hosted and registered visitors from **over 224 different Texas towns and cities, over 45 different states, and over 59 foreign countries**.

14. How many individuals will your proposed marketing reach who are located in another city or county? Over 2,025 in-person (90%- based on prior year stats) and 1000's via the internet & email

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):
    Expected Attendance Monthly/Annually: Over 2,250/ distributed fairly equally over the year.
    Percentage of those in attendance that are staying at area hotels/lodging facilities: ? %
    Note: Consistently, over 90% of the registered weekend visitors to the Jail Museum & Visitors Center are from outside Caldwell County and ideal prospects for local over-night lodging. We do not have any current data as to the number or percent that are staying in local lodging facilities.

Please Submit To:

City of Lockhart HOT Advisory Board

c/o Finance Department

P.O. Box 239

Lockhart, TX 78644

HISTORIC CALDWELL COUNTY JAIL MUSEUM
&
VISITORS CENTER



HERITAGE TOURISM

PROPOSAL

HISTORIC CALDWELL COUNTY JAIL MUSEUM
&
VISITORS CENTER
Lockhart, Texas

Operated by
CALDWELL COUNTY
HISTORICAL COMMISSION

MISSION STATEMENTS OF THE HISTORIC CALDWELL COUNTY JAIL MUSEUM & VISITORS CENTER

Located in the City of Lockhart, the mission of the Historic Caldwell County Jail Museum & Visitors Center is to promote heritage tourism for the economic benefit of Lockhart and surrounding Caldwell County, by preserving, exhibiting and sponsoring the recorded and material history of the area.

Strategically located and highly visible, the Jail Museum & Visitors Center will attract, entertain and educate over 2,250 tourists and visitors throughout a typical non-pandemic year with tourist-related information, public interpretive exhibits, outreach programs and special events.

On weekends, when the Chambers of Commerce and many other points of interest are closed, the Jail Museum & Visitors Center will support the community tourist-related efforts as a visible tourist attraction, providing brochures and other local information to visiting tourists. The Jail Museum & Visitors Center will augment, not replace, the City's primary visitors center.

The Jail Museum will collect, identify, and preserve historical material pertaining to the rich history of Lockhart, Caldwell County, and its residents and visitors. The Jail Museum collection will consist of the historic jail building, local area relevant historic artifacts, photographs, books, documents and maps.

REQUEST FOR A HOTEL OCCUPANCY TAX FUND ALLOCATION

We respectfully request an amount of $15,000 from the prospective allocation of the Hotel Occupancy Tax Fund. This money will be allocated exclusively to preserve, repair, restore and maintain the historic Museum structure and historic materials exhibited. Also, the funds will be used to promote heritage-tourism related advertizing and informational materials consistent with Chapter 351 (e) of the Texas Tax Code.

HISTORIC CALDWELL COUNTY JAIL MUSEUM
&
VISITORS CENTER
Lockhart, Texas

Operated by
CALDWELL COUNTY HISTORICAL COMMISSION

Annual Funds Recap: Over the past year, the Historic Caldwell County Jail Museum & Visitor Center received **$15,000** funding from the City's annual Hotel Occupancy Tax Fund distribution. **Thank You!** A total distribution of **$15,000** is anticipated and requested for the coming year. **The total amount received from the Hotel Occupancy Tax Fund distribution will be used to partially off-set the expense to preserve, repair, restore, maintain and promote the historic Museum structure, its historical exhibits, and promote local heritage-tourism.** The Jail Museum & Visitor Center is a community non-profit operation.

HOT Fund Allocation Request: The Jail Museum & Visitor Center total operating expenses for **2026** are budgeted at **$31,025** for the upcoming fiscal year (budget attached). The building preservation/restoration/repairs and advertizing/promotional HOT qualifying expenses budgeted for the year total **$28,575**. Any short-fall in the overall Jail Museum & Visitors Center annual operating budget must be made-up from donations and year-round fund raising activities.

For the coming fiscal year, we respectfully request $15,000 from the Hotel Occupancy Tax Fund distribution. This money will be allocated consistent with Chapter 351(e) of the Texas Tax Code. This requested distribution would help overcome short-falls in fund raising for building restoration, preservation, maintenance, and the promotion of heritage-tourism.

Jail Museum & Visitors Center Tourism Benefits: The Lockhart area history and heritage are its greatest assets. The Jail Museum & Visitors Center stands tall as a strategically located and highly visible focal point for weekend tourists and visitors to Lockhart. As conditions and precautions allow, the Visitors Center will be open every weekend when most tourists are in the area. It will be open on Saturdays and Sundays, when many other local tourist information locations are typically closed. Also, many times volunteers are able to accommodate special requests for tours during the week. The Jail Museum & Visitors Center operation interacts with a large variety of groups of tourists and local public throughout the year.

In a typical year, the Museum & Visitors Center receives over 2,000 registered guests. Over 90% of our weekend visitors were tourists from outside the Caldwell County area. In the past, the Visitors Center has hosted visitors from over 224 different Texas cities and 46 different states, including as far-away as Alaska and Connecticut. Also, the Visitors Center has hosted international tourists representing over 59 foreign countries (including: Japan, South Korea, China, Russia, Philippines, Singapore, Indonesia, Australia, New Zealand, India, Bangladesh, Ukraine, Russia, Germany, Denmark, Sweden, Finland, Turkey, Greece, Hungary, France, Italy, Spain, Israel, England, Scotland, Ireland, Kenya, Nigeria, Argentina, Venezuela, Colombia, Ecuador, Nicaragua, Guatemala, Barbados, Puerto Rico, Jamaica, Mexico and Canada).

Jail Museum & Visitors Center Heritage Tourism Outreach: To promote and publicize local attractions to tourists from outside of Lockhart, the historic jail building has been made available to multiple film groups and to paranormal podcast groups that conducted experiments in an attempt to detect "spirits from the past". We have continued to be featured on the "Day Tripper" television program and the *Texas Hill Country Magazine*. Every time the Jail Museum is featured, Lockhart and the Jail Museum & Visitors Center receive a great response with increased out-of-town visitors. To promote and publicize local attractions year-round to tourists and visitors already in Lockhart, the Jail Museum Visitors Center will continue to distribute appropriate local tourism brochures made available to us by various groups.

For many past years, in the early Fall, typically over 400 additional visitors come to Lockhart from around central Texas to the very popular and successful Cemetery Tour (aka:"Speaking of the Dead: Intriguing Stories of Lockhart Past"). It is a twilight and after-dark historical adventure, where visitors meet many "Kindred Spirits" that have "come back from the grave" to tell their personal stories about the historic Lockhart area. The Caldwell County Historical Commission sponsors this historical tourism outreach for the benefit for the Jail Museum & Visitors Center. It brings many additional tourists to Lockhart and has been the primary fund-raising activity for the Jail Museum & Visitors Center.

Volunteer Support Activities: The Jail Museum & Visitors Center is a community non-profit operation supported by many dedicated volunteers. It depends on and appreciates all donations, both large and small. The vast majority of support activities for the Jail Museum & Visitor Center are performed by unpaid volunteers outside the posted hours of public operation. Over **1650 volunteer hours** were documented for the past year. In addition to the activities previously mentioned, we have conducted several educational tours for K-12 and university classes, Boy Scout troops, and Chamber of Commerce bus tours. These and other outreach programs bring many additional tourists and visitors to Lockhart.

In addition to tourist-related operations, the historic Jail Museum building is undergoing a multi-year program of planned restoration and preservation as funds become available from specific grants and donations. Hotel Occupancy Tax funds have been allocated to restoration, preservation and maintenance projects. These activities are typically scheduled during non-public hours and do not interfere with the Visitors Center's beneficial tourist-related operation. The rich history and heritage of the local area is also actively promoted as funds are available.

Thank You: On behalf of the Historic Caldwell County Jail Museum & Visitors Center, I would like to thank the Lockhart City Council, the HOT Advisory Board, and the Finance Department for its foresight and funding in the past years. We encourage you to continue your support for this historic Lockhart jewel. The Jail Museum & Visitors Center offers a great economic benefit to the entire community.

Respectfully submitted,

Coyle Buhler, Chair
Caldwell County Historical Commission
Historic Caldwell County Jail Museum & Visitors Center

HISTORIC CALDWELL COUNTY JAIL MUSEUM and VISITORS CENTER

ANNUAL EXPENSES (*HOT Qualified):	2025 Actual	2026 Budget
Docent – Promotion - Heritage Tourism*	$ 1,900.00	$ 2,250.00
Credit Card Fees	614.44	750.00
City of Lockhart*	2,788.68	2,900.00
Insurance – Property Preservation*	1,618.57	1,750.00
Telephone - ATT	903.10	1,000.00
Supplies – Operations	88.67	300.00
Supplies – Maintenance / Preservation / Repairs*	78.14	250.00
Maintenance – Building Preservation (Labor)*	2,087.54	3,375.00
Advertizing / Promotion – Materials*	2,027.71	1,800.00
Pest Control – Termites / Ants/Bees*	308.52	500.00
Promotion / Advertizing – Heritage Tourism*	(Included^)	750.00
Fees / Other	337.00	400.00
Restoration / Preservation (Special Projects Backlog)*	6,170.00	15,000.00
TOTAL MUSEUM EXPENSES (Calendar Year)	**$18,922.57**	**$ 31,025.00**

MUSEUM RESTORATION / PRESERVATION (*HOT QUALIFIED) BACKLOG

Electrical: Repairs / Upgrades	$ 12,250.00
Environmental: Air Conditioning/Dehumidification Upgrades/Repairs (3rd)	6,250.00
Third Floor: Archive Storage Space Security / Rehab / Preservation	6,400.00
Exterior: Preservation / Repairs / Painting	3,050.00
Windows: Restoration / Repairs / Replacements / Security	1,200.00
Accessibility Upgrades	5,250.00
Interior: Preservation / Repairs / Painting	6,500.00
Museum Signage / Displays: Repairs / Preservation / Security	2,750.00
Plumbing: Repairs / Upgrades / Maintenance	6,100.00
Inventory / Records-Graffiti Recording / Preservation	3,200.00
Basement & Tree Damage Cleanup / Rehab / Upgrades	8,000.00
Security: Cameras, Electronics, Miscellaneous Supplies and Maintenance	5,250.00
TOTAL PRESERVATION / RESTORATION BACKLOG*	**$66,200.00**

Application

Date: 2/26/2026

Organization Information

Name of Organization: Cirque Vida

Address: 223 Little Ranch rd.

City, State, Zip: Red Rock, TX 78662

Contact Name: Xochitl Sosa Contact Phone Number: 510-219-5157

Web Site Address for Event or Sponsoring Entity: www.cirquevida.com

Non-Profit or For-Profit status: Fiscally sponsored non-profit Tax ID #: 88-2298962

Entity's Creation Date: 05-01-2022

Purpose of your organization: Cirque Vida is a high-caliber circus company committed to creating and serving accessible art to Texas artists and residents.

Event Information

Name of Event or Project: Entre Dios Cielos/ Under two skies

Date of Event or Project: Fall 2026

Primary Location of Event or Project: Gerry Ohlendorf Performing arts Center

Amount Requested: $ 4,500

How will the funds be used:

Funding will support housing, transportation, and lodging for out-of-town artists and the choreographer during the rehearsal and performance period. Cirque Vida collaborates with internationally recognized artists and creators to present high-quality, innovative performances for audiences in this region of Texas.

An estimated $3,800 will be allocated to artist travel and accommodations. The remaining $700 will support regional marketing efforts targeting audiences in San Antonio, Austin, and surrounding communities to ensure strong attendance and broad community engagement.

Primary Purpose of Funded Activity/Facility:

Entre Dos Cielos is a multi-disciplinary performance project that highlights the beauty, depth, and complexity of Texas's multicultural identity and the shared border that has shaped it. Rooted in the understanding that Texas culture is not singular but a living blend of histories, influences, and traditions, this work explores how Mexican and Texan heritage have continually informed and coexisted with one another.
Through an innovative fusion of circus arts, Baile Folklorico, dance, physical storytelling, and live music, the production embodies the collision and convergence that define the region. Movement becomes a language through which cultural exchange, resilience, and shared roots are expressed.
Original music by Deadman, the award-winning Texas-based musical group, anchors the piece with a sonic landscape that reflects both sides of the border, honoring traditional sounds while expanding into contemporary interpretations.
We are excited to also partner with Lockhart High School to include student performers from their new Mariachi Program, who will contribute to select moments of the production, deepening the community connection and expanding the cultural dialogue at the heart of this work.
This 90-minute full-length piece will be presented at the Frank O' Lendory Auditorium at Lockhart High School, with a two-day run and a total of 3 performances.

Percentage of Hotel Tax Support of Related Costs

5-10% Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 60 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☑ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $ 4500

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category:
$_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city**. Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 0
2. Expected Attendance: 2500
3. How many people attending the Event or Project will use City of Lockhart hotels? ___

   Number of the people many nights will they stay: _____
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: _____

   _____

   _____
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
_____	_____	_____
_____	_____	_____
_____	_____	_____

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? _____

   We will have question attached to our ticketing asking 1. Where do you live? 2. Zip code 3. Will you be staying in a hotel in Lockhart?

   _____
7. Please list other organization, government entities, and grants that have offered financial support to your project: _____

   We are waiting to hear back about the Elevate Grant and the ACLU artist in residence grant

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

Yes, we will have a range of ticket prices from first row to student tickets.
We will not know if we will have a profit til after we hear about grants and other funding sources.

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $ 600
Radio: $
TV: $
Other Paid Advertising: $ 1000

Number of Press Releases to Media 30
Number Direct Mailings to out-of-town recipients 630

Other Promotions We will be running online ads, posters, interviews with radio and TV stations, student promotion through Lockhart highschool, Mailing lists, paying influencers, and yard signs around lockhart

10. Will you include a link to local hotels on your website for booking during this event?

yes

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

yes

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

social media stories highlighting the abundance of downtown Lockhart and include posts about "How to make a weekend stay- out of Lockahart"

13. What geographic areas does your advertising and promotion reach:

Central and south texas, our instagram reaches an international audience

14. How many individuals will your proposed marketing reach who are located in another city or county? 630 on our mailing list 2,100 followers on instagram

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):

    Expected Attendance Monthly/Annually: _____

    Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Marketing Strategy for Cirque Vida's "Entre Dos Cielos"

1. Local Community-Based Marketing

A. Partner with Local Institutions

- **Lockhart Chamber of Commerce**: asks for newsletter inclusion + event calendar listing.
- **Lockhart Highschool**: flyers, teacher/student discounts, communication from the highschool to faculty, students, and families.
- **Eugene Clark LIbrary**: posters + small performance teaser/demo during an event.
- **Courthouse Nights:** A Summer music series that brings the town to the courthouse for live music April-August and can be a great way to spread the word through flyers, teaser demo and stage shout outs
- **Chisholm Trail Parade**. Place circus performers with Lockhart Highschool Mariachi band/A float that exhibits the circus performers and band and/or flyer distribution during parade
- **The Lockhart Initiative of Tourism** and their Instagram **@HelloLockhart**
- **KLKT,** Lockhart's local radio station
- **78644 Podcast:** Celebrating Art and Music in Lockhart

B. Business-to-Business Collaborations Lockhart businesses are community and arts focused and can be counted on to help get the word out.

- **Black's BBQ, Kreuz Market, Smitty's, Terry Blacks, Chisholm Trail** ticket discount cards, table tents.
- **Chaparral Coffee, Summer Moon Coffee**
- **Shops on the Square**: posters + social media shares.
- **Local Air Bnbs** to help encourage a weekend stay
- **Willow Gardens Yoga:**
- **Dancing Center Unlimited**

3. Digital + Social Strategy

A. Social Media Rollout (4–6 weeks before)

6 WEEKS OUT

- Launch announcement with hero image or teaser video.
- "What is *Entre Dos Cielos*?" intro post.
- Share rehearsal footage from Deadman + circus ensemble.

5 WEEKS OUT

- Performer spotlights (Deadman + aerialists).
- First mariachi rehearsal clip.
- Behind-the-scenes: costumes, props.

4 WEEKS OUT

- Longer BTS mini-docs (30–60 sec).
- Story series: "Why Lockhart? Why now?"
- Local partnerships posts (cafes, shops offering ticket discounts or giveaways).

3 WEEKS OUT

- Ticket push #1.
- Parent/student voices from Lockhart High.
- Aerial rehearsal slow-mos (always perform well).

2 WEEKS OUT

- Teaser of two different musical moments from the show.
- "Meet the creatives" video (you, directors, composers).
- Cross-posts from Deadman's accounts.

1 WEEKS OUT

- Daily countdown.
- "What to expect" video.
- Tech rehearsal glamour posts (lights, aerials).

- Same-day Stories + reposts + user content.

B. Facebook for Local Audience
- Post regularly in the following groups:
    - **Lockhart Community Group**
    - **LIT (Lockhart Initiative for Tourism)**
    - **Lockhart Highschool Facebook/Instagram**
- Create a **Facebook Event** with trailer clips + ticket link.

C. Email Campaign
This will include combined email groups for Cirque Vida, Deadman, 78644 Podcast and Lockhart Highschool
Send 3-4 rounds:
1. **Announcement**
2. **Meet the Cast**
3. **Behind the Scenes**
4. **Last Chance / Final Push**

4. Traditional Marketing

A. Posters + Flyers
- Local business' around the square and lockhart
- Courthouse square bulletin boards
- Eugene Clark Library
- Golden Hour
- The Dancing Center Unlimited
- Hotels + Airbnb welcome books

B. Press + Local Media
Reach out to:
- Press release
- Lockhart Post-Register
- Austin Chronicle (for regional reach)
- KOOP Radio
- KLKT Radio station in Lockhart
- Fox 7's "Good Day Austin"
- Lockhart Post Register
- Sun Radio Promotion

5. Live Activation + Community Presence

A. Pop-Up Performances
Short 3–5 minute teasers:
- **First Friday**: Circus performers and live music with flyer distribution
- **Chisholm Trail Parade**: Place circus performers with Lockhart Highschool Mariachi band. A float that exhibits the circus performers and band and/or flyer distribution during the parade.
- **Courthouse Nights:** A Summer music series that brings the town to the courthouse for live music April-August and can be a great way to spread the word through flyers, teaser demo and stage shout outs

6. Ticketing Incentives
- **Early bird pricing** (first 10–20 tickets)
- **Group discounts**
- **Family packages**
- **Highschool Students/Faculty Discounts**

7. Partnerships & Sponsorships

- Wella Foods
- Texas Hatters
- Lockhart Initiative for Tourism

8. Day-of Experience to Build Word of Mouth

People in small towns spread news FAST. Make show day memorable:

- Photo-op wall with show branding
- Stilt greeter or costumed character at entrance
- Quick 5-second clips for guests to share

Application

Date: 2/24/26

Organization Information

Name of Organization: Courthouse Nights

Address: 610 S. Main St.

City, State, Zip: Lockhart, TX 78644

Contact Name: Rachel Lingvai Contact Phone Number: 512-689-2726

Web Site Address for Event or Sponsoring Entity https://www.rachandrhodespresents.com/courthouse-nights

Non-Profit or For-Profit status: Non-Profit Tax ID #: 33-3190222

Entity's Creation Date: 1/28/25 as a non-profit, through Rach & Rhodes from May 2021

Purpose of your organization: Courthouse Nights' primary purpose is to bring our community together through music and the arts.

Event Information

Name of Event or Project: Courthouse Nights

Date of Event or Project: April-August, 3rd Friday of the month - 5 events

Primary Location of Event or Project: Downtown Lockhart Square

Amount Requested: $20,000

How will the funds be used: The funds will be used to help with everything from paying talent, hiring professional sound and photography/video, expanding our reach to San Marcos radio and a bigger presence with Austin radio and print ad promo (KUTX, Austin Chronicle), paying production staff, feeding volunteers and talent, insuring ourselves for the year.

Primary Purpose of Funded Activity:

Our primary purpose of Courthouse Nights is to bring our community together on the Lockhart square to celebrate eachother! Our community is diverse and we purposely book talent to showcase that! We strive to book a line-up that reflects all of us and brings us all together. Another purpose of CN is to highlight our downtown businesses. We purposely do not allow vending in order to drive revenue into the hands of our local owners & operators.

Percentage of Hotel Tax Support of Related Costs

50 Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

50 Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 75 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☒ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $ 20,000

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city**. Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 5

2. Expected Attendance: 500+/month - 25,000/season

3. How many people attending the Event or Project will use City of Lockhart hotels? 1/3

   Number of the people many nights will they stay: 1 or 2

4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: N/A

5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
2025	$15,000	
2024	$10,000	

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? survey of hoteliers

7. Please list other organization, government entities, and grants that have offered financial support to your project:

   City of Austin Live Music Fund 2023, Every year we have financial sponsors in order for this to happen. We have a list of present & past sponsors I can provide, both private and commercial

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

It is a free event for the community. We do not net a profit.

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $_____
Radio: $_____
TV: $_____
Other Paid Advertising: $ 4k - print ads, poster art, content creation, banners, season lineup posters, ~~merchandise~~ (wearable adverts)

Number of Press Releases to Media _____
Number Direct Mailings to out-of-town recipients _____

Other Promotions We have never had enough raised to even begin to put towards media outlets. ~~This is where the city's grant money could really help us. We do spend hours upon hours~~ creating social media blasts. We were able to use money from last year's hotel tax to pay for paper and online ads in chronicle.

10. Will you include a link to local hotels on your website for booking during this event?

Yes, we will. Last year we linked Hello Lockhart's list of Airbnb's on our social media.

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

We will try.

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

When promoting shows, we will be sure to have a page that reflects overnight stay options (Best Western, etc.). We did this last year with Hello, Lockhart.

13. What geographic areas does your advertising and promotion reach: _____

Central Texas (Austin, San Marcos, San Antonio), Houston, we also have a band from Louisiana and from Dallas.

14. How many individuals will your proposed marketing reach who are located in another city or county? 50

15. If the funding requested is related to a permanent facility (e.g. museum, visitor

    center): Expected Attendance Monthly/Annually: N/A

    Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Courthouse Nights Marketing Plan

Application Name:	Courthouse Nights Corp.		
Project Name:	**Courthouse Nights**	**Contact:**	Rachel Lingvai
Project Location:	**Lockhart, TX - Downtown Square**	**Contact Cell:**	512-689-2726
Project Date:	**once/month April - August**	**Contact E-mail:**	rachel@rachandrhodespreser
BUDGET AMOUNT	**$10,000**		

ONLINE CAMPAIGNS

Vendor	Target Market	Local Audiences or Tourists?	Online Campaign Type	Qty	Online Run Dates	Online Rate / CPM	Total Cost
Content Creator - Contractor		**Both**					$ 2,000.00
Content Design - Contractor		**Both**					$ 2,000.00
							$ -
							$ -
							$ -
							$ -
						Total Online Campaigns	**$ 4,000.00**

PRINT ADS - *If Applicable*

Vendor	Target Market	Local Audiences or Tourists?	Print Placement Size	Qty	Print Run Dates	Rate	Total Cost
Austin Chronicle	**18-50**	**Austin**	varies				
							$ 1,000.00
						Total Print	**$ 1,000.00**

RADIO ADS - *If Applicable*

Station	Target Market	Local Audiences or Tourists?	Radio Spot Length (:15 or :30)	Qty	Radio Spot Time of Day	Rate	Total Cost
Sun Radio	**18-25**	**San Marcos**	varies				$ 1,000.00
							$ -
							$ -
						Total Radio	**$ 1,000.00**

PRODUCTION OF MARKETING ASSETS

Production Element	Vendor	Qty	Rate	Total Cost
Banners / Billboards / Signage	Printing Solutions + Custom Tent with Logo			$ 2,500.00
Contractors - Design (Admat, Poster, Stickers, etc)	Season Poster			$ 500.00
Contractors - Publicist				$ -
Contractors - Website	Website/email			$500
Contractors - Street Teams				$ -
Event Merch Item-1	season replenish			$500
Event Merch Item-2				$ -
Printing				$ -
			Total Production Costs	**$ 4,000.00**

Courthouse Nights Marketing Plan

	Total Costs	In-Kind & Unpaid Outreach Plan: $3000	
ONLINE	$ 4,000.00	Social Media Share by Event Artists:	
PRINT	$ 1,000.00	Social Media Share by Event Organizer Networks:	
RADIO	$ 1,000.00	Social Media Share by Event Venue:	
PROD/MISC	$ 4,000.00	Event Detail Web Listing by Event Venue & Ticketing Platform:	
TOTAL COSTS	$ 10,000.00	Event Detail Share via Organizational E-Blasts:	
MARKETING BUDGET	10,000.00	Radio PSAs:	
DIFFERENCE +/-	-	Press Release & Press Interviews:	
		Visit Austin Event Listings:	
		Community Event Listings:	

Courthouse Nights



LOCKHART, TX

APRIL 17TH
The Texas Gentlemen

MAY 15TH **Shinyribs**

JUNE 19TH **Soul Supporters**

JULY 17TH
Honey Island Swamp Band

AUGUST 21ST **Nightbird**
FLEETWOOD MAC & STEVIE NICKS TRIBUTE

Fridays • 7pm-10pm

South side of Courthouse Lawn

Application

Date: February 27, 2026

Organization Information

Name of Organization: Gaslight-Baker Theatre

Address: 216 S. Main

City, State, Zip: Lockhart, TX, 78644

Contact Name: Jason Jones Contact Phone Number: 512-563-6975

Web Site Address for Event or Sponsoring Entity www.mygbt.org

Non-Profit or For-Profit status: Non-profit Tax ID #:

Entity's Creation Date:

Purpose of your organization: Community Theatre

Event Information

Name of Event or Project: Restoration of Buildings

Date of Event or Project: 2025

Primary Location of Event or Project: Baker theatre. Main Auditorium

Amount Requested: $ $18,000

How will the funds be used:

The next project is to repair safety issues in the ceiling and the lighting grid and hopefully make room for some extra lighting. Also, as part of the project, we will be looking at floor repair and paint in the auditorium. The ceiling issue have to do with tile replacement. The grid (the apparatus that holds the theatre lighting) needs to be re-secured to the rafters. It may be possible to replace the current grid with something more lightweight that will still do the job. Some electrical work will be involved, but only replacement of old wires.

Primary Purpose of Funded Activity/Facility:

Safety and repair of existing structure with an eye to future expansion.

Percentage of Hotel Tax Support of Related Costs

_____ Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

80
_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities_____%

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☐ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and soundrecording,

and other arts related to the presentation, performance, execution, and exhibition ofthese major art forms : $_____

☒ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.** Amount requested under this category: $15,000

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under thiscategory: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or nearthe city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.** Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: _____

2. Expected Attendance: 7.986

3. How many people attending the Event or Project will use City of Lockhart hotels? ___

   Number of the people many nights will they stay: _____

4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: _____

5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
2023	15k some returned	
2024	15k	
2025	15k extended til ~~June~~	

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? _____

   We now have a tracking survey question built into our online ticketing and are advertising local hotels on the website and in our programs.

7. Please list other organization, government entities, and grants that have offered financial support to your project: None so far this year.

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?
N/A

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $_____
Radio: $_____
TV: $_____
Other Paid Advertising: $_____

Will bring these numbers to presentation

Number of Press Releases to Media _____
Number Direct Mailings to out-of-town recipients _____

Other Promotions _____

10. Will you include a link to local hotels on your website for booking during this event?
Already on our site but linking through Chamber of Commerce.

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?
Depends on shows and needs.

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

As listed above, we are trying out some new tracking and advertising models for our hotels.

13. What geographic areas does your advertising and promotion reach: All of Central Texas and a small percentage internationally

14. How many individuals will your proposed marketing reach who are located in another city or county? _____

Working through this currently. Will bring to presentation.

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):

Expected Attendance Monthly/Annually: 7,986 projected this year. We exceeded expectation by nearly 800 this year.

Percentage of those in attendance that are staying at area hotels/lodging facilities: Unknown %

Please Submit to:

City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Supplemental Information Required With Application: Along with the application, please submit the following:

_____ Proposed Marketing Plan for Funded Event

_____ Schedule of Activities or Events Relating to the Funded Project

Submit to: City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Application

Date: 27 FEB 2026

Organization Information

Name of Organization: GREATER CALDWELL COUNTY HISPANIC CHAMBER of COMMERCE

Address: 112 S MAIN ST, SUITE C

City, State, Zip: Lockhart, TX 78644

Contact Name: Rob Ozuna Contact Phone Number: 512-921-8000

Web Site Address for Event or Sponsoring Entity www.caldwellcountyhispanicchamber.com

Non-Profit or For-Profit status: VALID Tax ID #: 74-2811162 8

Entity's Creation Date: 1987

Purpose of your organization: Promote business within Caldwell County through community service, reinvestment in community, and the support economic development.

Event Information

Name of Event or Project: Cinco de Mayo 2026, Diez y Seis de Septiembre 2026
PROJECT: CARROZA del DESFILE

Date of Event or Project: MAY 1-2, 2026, SEP 11-12, 2026, 2026-27

Primary Location of Event or Project: Historic Downtown Lockhart

Amount Requested: $ 25,000 / 25000 / 15000

How will the funds be used: a) Funds will be used for the enhancement of our community events, which drive tourism to Lockhart. B) Investment in parade float to showcase our culture, Organization, and city in parades around the State of TEXAS.

Primary Purpose of Funded Activity/Facility:

Improve Quality of Events and Promotion of Industry

Percentage of Hotel Tax Support of Related Costs

30% Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

0 Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

0 Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 0 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☑ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $ 10,000

☑ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition ofthese major art forms : $ 40,000

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.** Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under thiscategory: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from anothercity or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or nearthe city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.** Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 30+ years
2. Expected Attendance: 2500 - 3000
3. How many people attending the Event or Project will use City of Lockhart hotels? 5%

   Number of the people many nights will they stay: 2
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: Yes 2-8
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
5/23 + 9/23	40,000	12
5/24 + 9/24	40,000	16
5/25 + 9/25	40,000	8

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? Reports from hotels
7. Please list other organization, government entities, and grants that have offered financial support to your project: n/a

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?
No admission Fee, Yes - Net Profit = $7000 - 10,000 each event

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $ ✓
Radio: $ ✓
TV: $
Other Paid Advertising: $ ✓

Number of Press Releases to Media 4
Number Direct Mailings to out-of-town recipients 0

Other Promotions Podcast, promotion & other events related

10. Will you include a link to local hotels on your website for booking during this event?
Yes

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?
No

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

None

13. What geographic areas does your advertising and promotion reach: Central Texas

14. How many individuals will your proposed marketing reach who are located in another city or county? 15,000

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):

    Expected Attendance Monthly/Annually: n/a

    Percentage of those in attendance that are staying at area hotels/lodging facilities: 5 %

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Application

Date: 2/27/2026

Organization Information

Name of Organization: Lockhart Chamber of Commerce

Address: 104 W. Market St.

City, State, Zip: Lockhart, Texas 78644

Contact Name: Megan Carvajal Contact Phone Number: 512-398-2818

Web Site Address for Event or Sponsoring Entity www.lockhartchamber.com

Non-Profit or For-Profit status: 501c6 Tax ID #: 74-0750055

Entity's Creation Date: 1935

Purpose of your organization: The mission of the Lockhart Chamber of Commerce is to promote a prosperous business environment for our members and enhance our community.

Event Information - Please see attached application event details including requested attachments

Name of Event or Project: Lockhart Hometown Spring Festival and Fair

Date of Event or Project: March 27, 2027

Primary Location of Event or Project:

Amount Requested: $

How will the funds be used:

Primary Purpose of Funded Activity/Facility:

_____

_____

_____

_____

Percentage of Hotel Tax Support of Related Costs

_____ Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities_____%

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐ **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $_____

☐ **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $_____

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city**. Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐ **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $_____

What tourist attractions will be the subject of the signs?

_____

_____

_____

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: _____
2. Expected Attendance: _____
3. How many people attending the Event or Project will use City of Lockhart hotels? ___

   Number of the people many nights will they stay: _____
4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: _____

   _____

   _____
5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	**Assistance Amount**	**Number of Hotel Rooms Used**
_____	_____	_____
_____	_____	_____
_____	_____	_____

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? _____

   _____

   _____
7. Please list other organization, government entities, and grants that have offered financial support to your project: _____

_____

_____

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

_____

_____

_____

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $_____
Radio: $_____
TV: $_____
Other Paid Advertising: $_____

Number of Press Releases to Media _____
Number Direct Mailings to out-of-town recipients _____

Other Promotions _____

10. Will you include a link to local hotels on your website for booking during this event?

_____

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

_____

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

_____

_____

_____

13. What geographic areas does your advertising and promotion reach: _____

_____

14. How many individuals will your proposed marketing reach who are located in another city or county? _____

15. If the funding requested is related to a permanent facility (e.g. museum, visitor

    center): Expected Attendance Monthly/Annually: _____

    Percentage of those in attendance that are staying at area hotels/lodging facilities:_____%

Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

HOT Application 2026

Lockhart Hometown Spring Festival & Fair — One-Day Event

Lockhart Hometown Spring Festival & Fair

Proposed Date: Last Saturday in March. March 27, 2027
Location: Downtown Square and adjacent downtown streets (Lockhart, TX)
Amount Requested (HOT): $15,000
Admission: Festival & Fair, FREE. Live Music Showcase, ticket price TBD

Event Summary

Lockhart Hometown Spring Festival (State Fair Edition) is a one-day celebration that brings the community together right in the heart of downtown—on the Historic Square and the surrounding streets—transforming it into a classic, small-town fair experience. Families and visitors can stroll through a lively "midway" of traditional state fair games hosted by local high school student groups, browse local makers and community booths, and enjoy the sights, sounds, and flavors that make Lockhart feel like home. At the center of it all, the Blue Ribbon Hall invites bakers of all ages to enter their best cookies, pies, cakes, and hometown favorites for friendly competition, complete with ribbons, community judging, and crowd-pleasing displays.

Throughout the day, the festival spotlights Lockhart pride with student performances, interactive activities, and a Living History Lane featuring short reenactments and storytelling moments inspired by the city's past. As the sun goes down, the energy shifts into an evening Live Music Showcase, inviting festivalgoers to stay downtown a little longer for a joyful night of hometown talent under the lights. With free admission and low-cost activities supported by local sponsorships, the Lockhart Hometown Spring Festival is designed to be welcoming, affordable, and unforgettable—a perfect weekend reason to visit, explore downtown, and experience Lockhart at its very best.

Primary Purpose of HOT-Funded Activity

To directly promote tourism and overnight visitation to Lockhart by marketing a signature, destination-worthy community festival that increases weekend travel demand, drives visitor spending, and supports local lodging through targeted regional advertising and hotel partner promotions.

Recommended HOT Funding Categories and Budget Allocation

HOT Category	Planned Use	Amount
(c) Advertising / solicitations / promotional programs	Paid ads, listings, creative production, visitor-facing materials	$9,000
(d) Promotion of the Arts	Student showcases + evening Live Music Showcase (promotion/production)	$5,000
(e) Historical preservation activities that promote tourism	Living History Lane interpretive materials and promotion	$1,000

How HOT Funds Will Be Used

- Geo-targeted paid social advertising (Austin/San Antonio/San Marcos corridor and surrounding counties) promoting the festival as a weekend destination.
- Paid event listings and calendar placements in regional tourism/event outlets to reach out-of-town audiences.
- Creative production for digital ads, event landing page graphics, and print-ready promotional assets.
- Visitor map, wayfinding, and welcome signage that improves downtown navigation and visitor experience.
- Promotion and production support tied to publicly accessible arts programming (such as student showcases and evening Live Music Showcase).
- Interpretive and promotional materials for Living History Lane (for example: program print, exhibit signage, ‘Then & Now’ photo display).
- Visitor survey tools (QR signage) and basic tracking for hotel impact measurement (lodging links, promo codes where applicable).

Required Form Responses (draft)

Years event has been held	0 (new event)
Expected attendance	3,500 (year-one estimate for free downtown event)
Estimated hotel users / average nights	180 visitors / 1 night average
Room block	Planned: 20–35 rooms Saturday night across participating local lodging partners (final hotels TBD)
Website includes hotel links	Yes — a ‘Stay in Lockhart’ page with direct lodging links
Hotel rate/package negotiation	Yes (planned) — request festival weekend rates or perks (late checkout, dining coupon, etc.)

How hotel impact will be measured	QR visitor survey + hotel partner feedback + tracking clicks to lodging links and any promo code usage
Geographic reach	Greater Austin, Greater San Antonio, San Marcos/New Braunfels/Seguin corridor, and nearby counties
Admission / profit use	Free admission; ticket price for evening concert. Any net proceeds reinvested into future community events, programming, and chamber operations.

Attachment 1: Proposed Marketing Plan (One-Day)

Objective:
Drive regional visitation and increase overnight stays by positioning the festival as a weekend destination experience (fair-style midway + downtown heritage + evening live music).

Target Markets:
- Austin metro
- San Antonio metro
- San Marcos/Kyle/Buda corridor
- New Braunfels/Seguin
- Nearby counties and regional travelers

Key Messages:
- Free entry on the historic square
- Blue Ribbon Baking Competition (State Fair-style)
- Student-run Midway games and prizes
- Lockhart Living History Lane reenactments
- Evening Live Music Showcase — 'stay the night in Lockhart'

Channel Strategy and Tactics:
- Paid social (FB/IG) geo-targeted to weekend travelers; creative emphasizes the evening music showcase to encourage overnight bookings.
- Search ads for weekend trip/event queries (Lockhart + nearby cities).
- Regional calendar/listing placements and partner distribution (tourism sites, community calendars).
- Press releases (Austin, San Antonio, regional) and outreach to lifestyle/event writers.
- Printed posters/rack cards placed in partner businesses in nearby cities and along the corridor.
- Hotel partner coordination: request festival weekend rates/perks, publish booking links, and promote 'Stay Saturday Night' callouts.

Measurement:

- QR-based visitor survey capturing origin + lodging behavior (staying overnight / where / nights).
- Hotel partner feedback after the event (occupancy notes; promo code usage if used).
- Website analytics: clicks to lodging links and page views for ‘Stay in Lockhart’.

Attachment 2: Schedule of Activities (One-Day)

Festival Hours:
10:00 AM – 10:00 PM (evening music showcase included)

Primary Location:
Downtown Square and adjacent downtown streets

Core Zones:
- Student Midway (classic state fair games + Prize Barn)
- Blue Ribbon Hall (baking/pantry/crafts exhibits + judging + awards)
- Living History Lane (short reenactments + ‘Then & Now’ displays + story stations)
- Main Stage (student showcases + evening Live Music Showcase)
- Local Vendor Market + Food Court
- Info/Welcome Booth + first aid/safety support

Sample Run of Show (draft):
- 10:00 AM — Festival opens; Midway and Market open
- 10:30 AM — Opening ceremony + featured student performance (band/choir)
- 11:00 AM — Living History Scene #1
- 12:00 PM — Blue Ribbon Hall judging begins; exhibits open to public viewing
- 1:00 PM — Student club spotlights + demonstrations (CTE, athletics challenges)
- 2:00 PM — Living History Scene #2 + downtown ‘Then & Now’ photo exhibit feature
- 3:30 PM — Blue Ribbon Awards announced on Main Stage
- 4:00 PM — Living History Scene #3 (final)
- 5:00 PM — Community recognition + sponsor thanks
- 6:30 PM–10:00 PM — Live Music Showcase (multiple sets; family-friendly; designed to support overnight visitation)
- 10:00 PM — Event closes; cleanup begins

Application

Date: 02/17/2026

Organization Information

Name of Organization: Lockhart Initiative for Tourism

Address: 102 S Commerce St

City, State, Zip: Lockhart, TX 78644

Contact Name: Tamara Carlisle and Christine Ohlendorf Contact Phone Number: 512-657-1850 / 512-940-4784

Web Site Address for Event or Sponsoring Entity hellolockhart.com

Non-Profit or For-Profit status: Non-profit Tax ID #: EIN 33-3128428

Entity's Creation Date: 01/29/2025

Purpose of your organization: The mission of the Lockhart Initiative for Tourism (LIT) is to attract visitors while preserving the unique character of our small-town community. We are dedicated to fostering a positive impact on our local economy and celebrating what makes our town exceptional. By promoting arts, culture, and heritage while providing resources, funding opportunities, and strategic partnerships; LIT seeks to advance Lockhart as a unique destination for events, exploration and enjoyment.

Event Information

Name of Event or Project: Lockhart Downtown Book Fair and Cemetery Tour

Date of Event or Project: October 2026

Primary Location of Event or Project: Downtown by Library and Lockhart Cemetery

Amount Requested: $ $15,000-25,000

How will the funds be used:

Grant funds will support essential event infrastructure, including tent and chair rentals, as well as necessary equipment and hardware required for safe and efficient event setup.

Funding will also be allocated to secure and compensate entertainment acts associated with the events, ensuring high-quality programming for attendees.

Any remaining funds will be directed toward strategic promotion and marketing efforts designed to increase attendance, encourage overnight stays, and expand regional economic impact. This may include hosting featured authors and special guests whose participation enhances the cultural and educational value of the events.

Primary Purpose of Funded Activity/Facility:

These funds are critical to both launching a new community event and sustaining heritage events that no longer receive support from their founding organizations.

Support will enable us to introduce new programming that strengthens community engagement while also preserving longstanding traditions that reflect our region's cultural identity.

Together, these efforts ensure continued vitality, accessibility, and long-term sustainability for both emerging and legacy events.

Percentage of Hotel Tax Support of Related Costs

75% Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

_____ Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax for the Funded Event

_____ Percentage of **Staff Costs** Covered by Hotel Occupancy Tax for the Funded Event

Staff is Volunteer, entertainment is paid by contract

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities 0 %

Which Category or Categories Apply to Funding Request, and Amount Requested Under Each Category:

☐ **a) Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: $_____

☐ **b) Registration of Convention Delegates**: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: $_____

☐X **c) Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: $ 5,000

☐X **d) Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording,

and other arts related to the presentation, performance, execution, and exhibition of these major art forms : $ $15,000-$20000

☐ **e) Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums**. Amount requested under this category: $_____

☐ **f) Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.** Amount requested under this category: $_____

How many individuals are expected to participate in the sporting related event? _____

How many of the participants at the sporting related event are expected to be from another city or county? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity?

_____

_____

_____

☐ **g) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city.** Amount requested under this category: $_____

What sites or attractions will tourists be taken to by this transportation?_____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

☐x **h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality**. Amount requested under this category: $ 5,000

What tourist attractions will be the subject of the signs?

Event signage will celebrate the many dimensions of our community—highlighting its vibrant arts and humanities, distinctive culinary traditions (including beloved local barbecue), thriving retail and vintage districts, and positioning Lockhart as an inviting home base for memorable day trips throughout the region. By showcasing these experiences, we aim to inspire visitors to explore more deeply, extend their stays, and invest in our local culture and economy. Whenever possible, we will prioritize engaging local professionals and vendors, ensuring that the economic and creative benefits of these events remain within the community.

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project: 1 and 2nd year

2. Expected Attendance: ~500+

3. How many people attending the Event or Project will use City of Lockhart hotels? ~20

   Number of the people many nights will they stay: 1+

4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: N/A

5. List other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
unknown		

6. How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc.)? We will survey short term rentals and hotels and report impact.

7. Please list other organization, government entities, and grants that have offered financial support to your project: We have not received any grant funding for 2026

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

Proceeds from these events will be reinvested to support future event planning and sustainability, while also providing financial benefit to valued community partners, including Friends of the Library (Book Fair) and the Caldwell County Museum (Cemetery Tour)

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper: $ 500
Radio: $ 500 (KLKT)
TV: $
Other Paid Advertising: $ 500

Number of Press Releases to Media n/a
Number Direct Mailings to out-of-town recipients

Other Promotions Social Media

10. Will you include a link to local hotels on your website for booking during this event?

Already included on our website

11. Will you negotiate a special rate or hotel/event package to attract overnight stays?

n/a

12. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

See attached marketing plan

13. What geographic areas does your advertising and promotion reach: Primarily Texas

14. How many individuals will your proposed marketing reach who are located in another city or county? 3,000

15. If the funding requested is related to a permanent facility (e.g. museum, visitor center):

    Expected Attendance Monthly/Annually: n/a

    Percentage of those in attendance that are staying at area hotels/lodging facilities: _____%

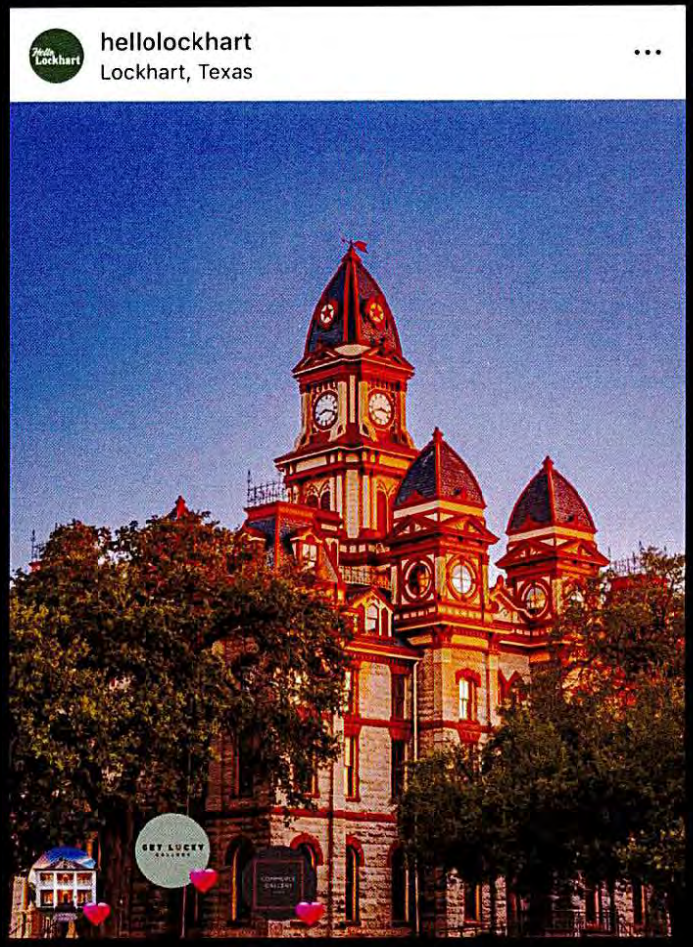
Please Submit to:
City of Lockhart HOT Advisory Board
c/o Finance Department
P.O. Box 239
Lockhart, TX 78644

Lockhart Cemetery Tour & Downtown Book Fair

A celebration of literacy, storytelling, and community in the heart of Texas

READ EXPLORE STAY

LOCKHART INITIATIVE FOR TOURISM



Marketing Overview & Timeline

A phased promotional campaign builds anticipation from early awareness through event day, leveraging digital content, community partnerships, and on-the-ground outreach.



1 — Save the Date

Initial post with sizzle reel from last year's event to generate early buzz

2 — New Content Drop

Fresh promotional content captured and released as event approaches

3 — Teaser & Tickets

Teaser posted when ticket link goes live — 5 weeks out from event

4 — On-the-Ground Push

Posters placed at local businesses starting mid-September

SPECIAL EVENT

Cemetery Spirit Tour — Schedule of Events



A unique immersive experience combining history, storytelling, and community spirit — all included in one ticket.

01

Arrive & Park at Mill Scale

Restrooms available on-site

02

Board Hay Ride Trailer

Tractor-pulled ride to the cemetery

03

Flow Through Spirit Locations

Experience all spirits at each stop along the route

04

Pavilion Gathering

Post-tour snacks & beverages included in ticket

05

Hay Ride Return

Total experience: approximately 1 hour 20 minutes

Marketing Objectives

The campaign is designed to grow the Book Fair's reach, deepen community pride, and position Lockhart as a cultural destination — with the historic library as the focal point.

Grow Attendance

Increase overall attendance year-over-year

Attract Regional Visitors

Encourage overnight stays from surrounding communities

Cultural Destination

Further Lockhart as a vibrant cultural hub

Drive Foot Traffic

Support local businesses, restaurants, and retail

Community Pride

Strengthen awareness of literary arts and heritage programming

CHAPTER 3

Target Audiences

Primary Audiences

- Families and readers within a 50–75 mile radius
- Book clubs and literary groups
- Educators, librarians, and students
- Cultural tourists seeking arts & humanities experiences

Secondary Audiences

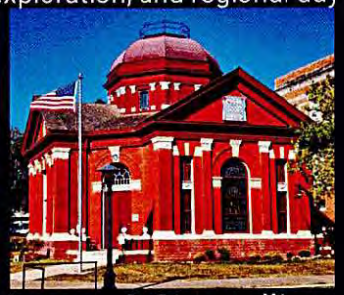
- Visitors drawn to Lockhart's culinary reputation (barbecue tourism)
- Regional day-trippers from Austin, San Antonio, and surrounding communities
- Heritage and history enthusiasts



CHAPTER 4

Branding & Messaging

All marketing materials will position the Book Fair as more than a literary event — it's a full weekend experience of shopping, dining, historic exploration, and regional day trips.



Literacy & Storytelling

A celebration of community through the power of stories



Cultural Hub

Lockhart as a vibrant destination beyond its culinary identity



Meet Local Authors

Opportunities to meet authors and engage in literary programming

> **Conceptual Taglines:** "Stories That Bring Us Together" · "Read. Explore. Stay."

CHAPTER 5

Digital Marketing Strategy

Website

Utilize hellolockhart with link to Book Fair landing page featuring event details, author lineup, and full schedule

Social Media

Coordinated content on Instagram with cross-posts to Facebook. Author spotlights, countdown reminders, and cross-promotion with community partners and local businesses — including tie-in activities, menu items, and signature drinks with literary references

Email Marketing

Segmented messaging to educators, book clubs, and attendees from regional events. Details shared to Lockhart Downtown Business Association for logistics and digital shares

CHAPTER 5 CONTINUED

Print, On-the-Ground Promotion & Media

→ Poster Distribution

Event posters distributed throughout Lockhart and neighboring cities

→ Promotional Signage

Highlighting arts, retail, dining, and lodging options

→ Community Outreach

Outreach to libraries, schools, and independent bookstores

→ Event Calendars & Print Ads

Inclusion in community and regional event calendars; purchase print ads with possible features from local publications

CHAPTER 6

Budget Allocation & Evaluation

Marketing Budget May Support

- Website maintenance & hosting
- Graphic design services
- Paid social media advertising
- Printing & distribution
- Media outreach & photography

Success Metrics

Attendance Numbers	Social Media Reach & Engagement
Website Traffic Analytics	Lodging & Partner Feedback
Post-Event Surveys	Economic Impact Observations

☆ EVENT DAY

Welcome & Library Experience

The historic library serves as the heart of the Book Fair, greeting visitors with curated window displays and interactive touches that set the tone for the day.

📚 Window Displays

Library windows showcase event highlights and list sponsors/supporters

🕮 Fun Book Signs

Playful signs around booths — e.g., "Books...the original hand held device!" and "Yay books!"

🏷️ Commemorative Stamps

Book stamps available at booths — a commemorative stamp to show purchases at the Book Fair



10:00 AM – 12:00 PM

Morning Programming

10:00 AM — All Booths Open

The fair kicks off! All vendor booths are live and ready for visitors.

10:00 AM — Reading Is Fundamental

Volunteers give away children's books to the first 200 kids at their booth (until supplies run out).

10:30 AM — KLKT Radio Remote

Live radio broadcast reporting from Downtown Lockhart.

10:45 AM — Spanish Storytime

Community member reads a book in Spanish for storytime.

11:00 AM — Local Author Spotlight

Meet & greet with signing featuring local Lockhart authors.

12:00 PM – 1:30 PM

Midday Highlights



12:00 PM — Live Fire Demo

Live fire demonstration with sampling at booth featuring cookbooks, grilling, and Texas books for purchase



12:15 PM — Dr. Seuss Promo

Cat in the Hat character mingling with attendees. The Foot Book paired with Fruit by the Foot samples!



1:00 PM — Author Book Signing

Featured author book signing with commentary



1:30 PM — State Park Booth

State Park staff promoting Book Walks at the park

Courthouse Nights

Lockhart TX

2026 HOT Applicant





What is Courthouse Nights?

Courthouse Nights brings the ENTIRE community together through music.

CN is a family-friendly, monthly concert series on the Caldwell County Courthouse lawn in Lockhart, TX. It is held from April to August every year. This series is a free concert which aims to bring a different genre of music each month in hopes to represent Lockhart's rich, diverse community. **CN is a non-profit organization.**

COURTHOUSE NIGHTS GOALS

01

Create a fun & safe atmosphere for connecting our entire community.

Located on our beautiful downtown square.

02

Foster a sense of unity through the arts.

Free concert so all can partake and enjoy.

03

Show off our beautiful downtown square.

By not allowing outside vendors, we encourage all to shop on our square for food, drink and other concert needs.

Why are grants so important for us?

And Why Do We Need You?



Each year, we reach out to our community to offer sponsorship opportunities. With Lockhart's continued growth, more businesses and individuals have the chance to support and give back to their community. While growth brings new opportunities, we also recognize that it has increased the level of competition within the sponsor pool.

We need you because:

- We want to keep CN free for the community!
- Each month costs roughly $6k to produce.
- We want to be able to advertise outside of town.
- We want to hire a professional production team.
- We want to pay artists what they should be paid.
- We would like to hire a staff.

WHERE DOES THE GRANT MONEY GO?

We've had 4 successful seasons of fun for the community thanks to our sponsors and grants.



Insurance

We need to keep all safe and sound.

$350/month



Talent

We hire popular bands from the central texas area who are fun for all.

$2500-5000/month



Staff

We hire a LOCAL and professional team every season.

$2100/month



Marketing

- Signage/Banners
- Content Creation
- On-line presence
- Wearable marketing
- Radio/print advertising (hopefully)

$1000/month

What Kind of Economic Impact Does the Series Have on Lockhart?

CN is 100% Vendor-Free!

We want to highlight our beautiful downtown square!

This translates to highlighting our local businesses! Each month we have an average of 500 people on our square both locals and out of town visitors.

2025 data pulled from several restaurants directly on the square showed an average of 60% sales increase on CN Fridays compared to non-CN Fridays from April-August, most of which even surpassed First Friday numbers.

Data off the square shows an increase in Airbnb sales and hotel stays on CN weekends. We are also told consistently by new residents that they moved here because of a CN experience. That’s powerful!



Courthouse Nights promotes tourism AND celebrates our community!

We would be honored to be awarded a 2026 HOT grant!

Our popularity is growing! We also now have a board to help with planning, operating and managing. We really hope to partner more with the City of Lockhart and the Economic Development Team to promote this series as a way to generate more economic growth for our businesses, tourism and hotel industries here in Lockhart.

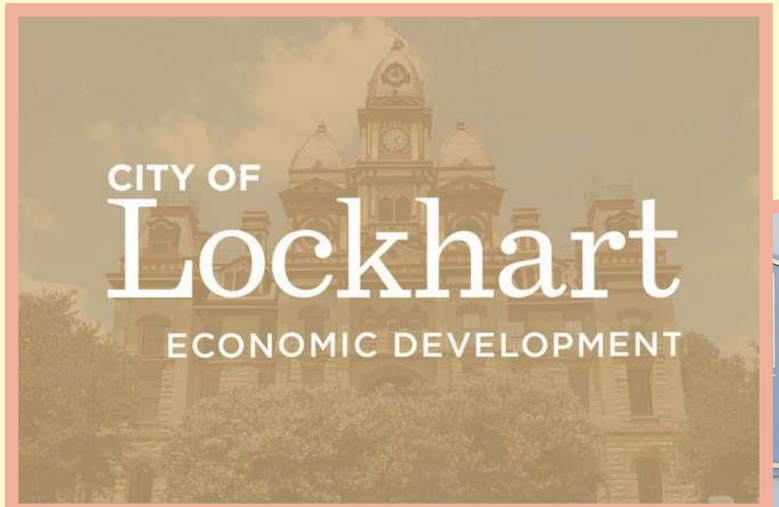


AWARDS & GRANTS

- 2023 City of Austin’s Live Music Fund Awardee

- 2024 & 2025 City of Lockhart Hotel Occupancy Tax (HOT) Awardee

- City of Lockhart “Best Of” Awardee
  - 2021-2024 Best Community Event
  - 2022-2024 Best Live Music Venue







Courthouse Nights

FREE EVENT • BYOB • FREE EVENT

LOCKHART, TX

APRIL 17TH **The Texas Gentlemen**

MAY 15TH **Shinyribs**

JUNE 19TH **Soul Supporters**

JULY 17TH NEW ORLEAN'S OWN
Honey Island Swamp Band

AUGUST 21ST FLEETWOOD MAC & STEVIE NICKS TRIBUTE
Nightbird

Fridays • 7pm-10pm

South Side of Courthouse Lawn

Courthouse Nights

Lockhart TX

Thank you!

See ya’ on the lawn
April 17th!



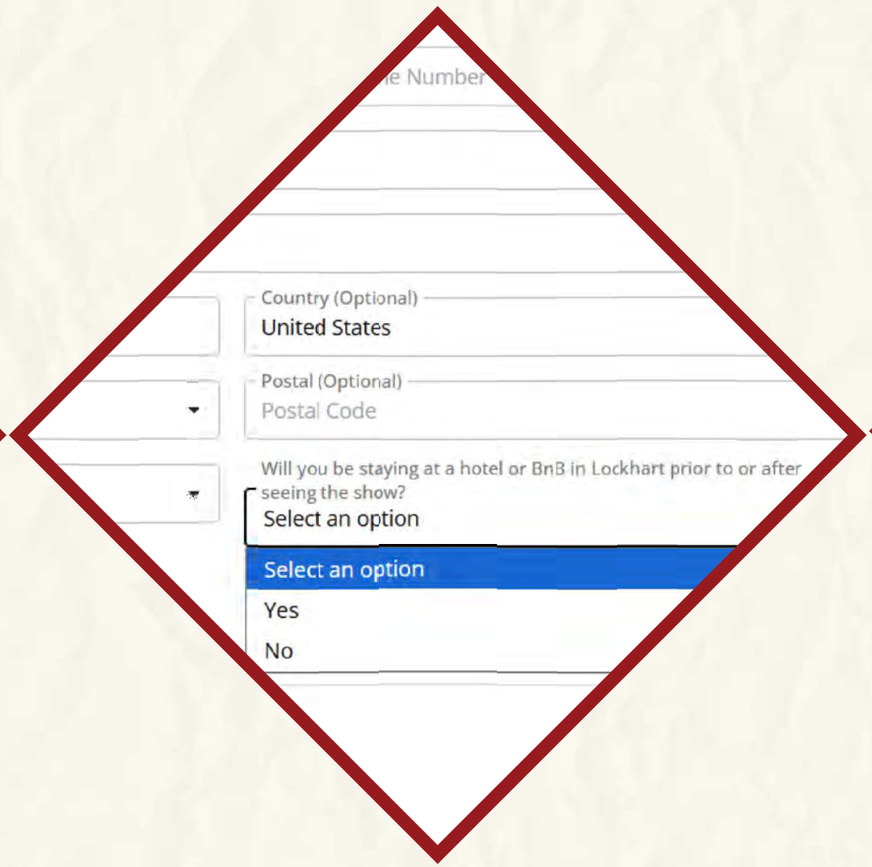
GASLIGHT-BAKER THEATRE HOT FUNDS

Invest in us to Invest in the Community

SEE A PLAY, THEN STAY INITIATIVE

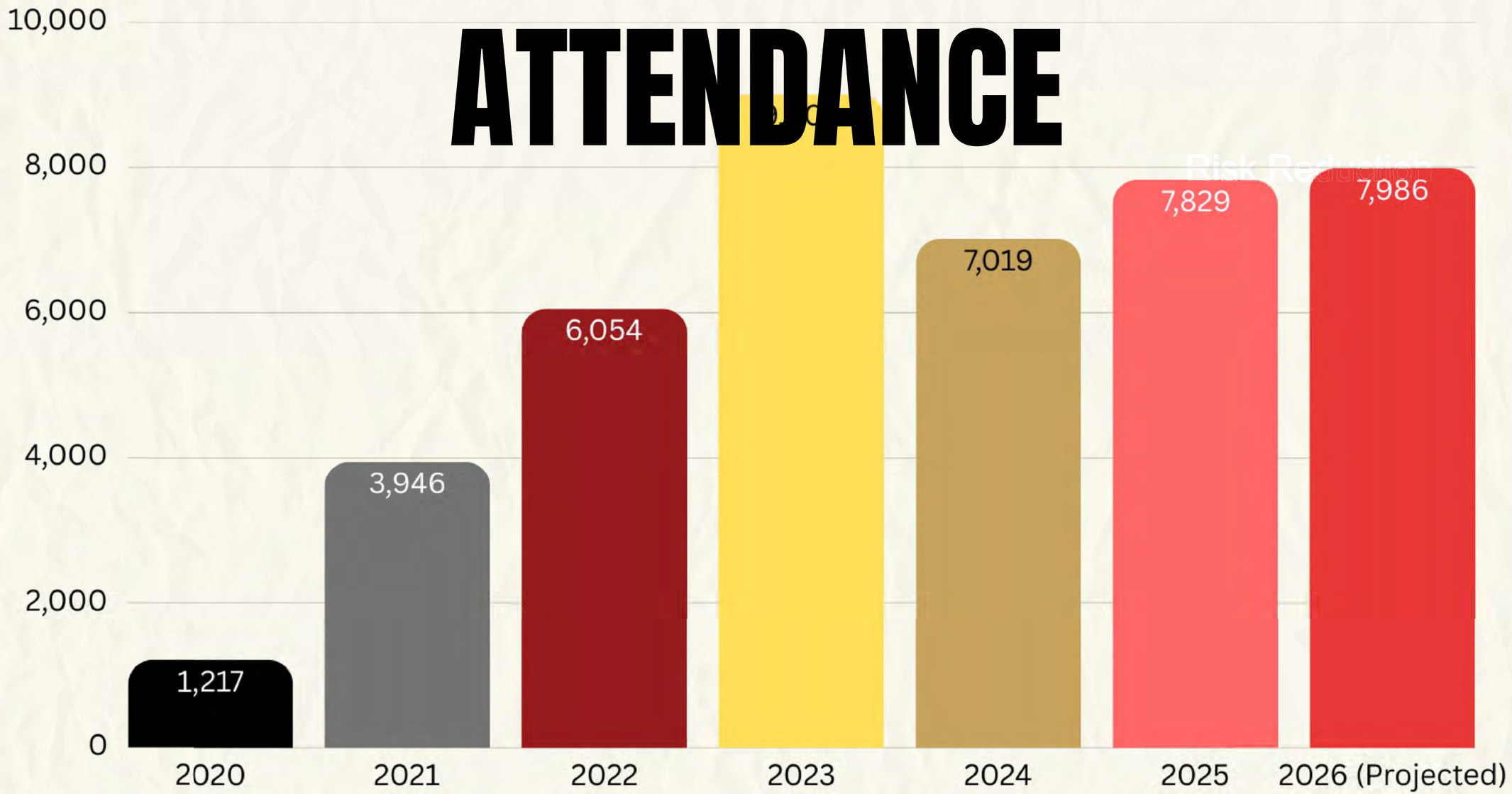
Through our “See a Play, Then Stay” initiative, Gaslight - Baker Theatre promotes local hotels on our ticketing platform, season programs, and website, encouraging visitors to turn a night at the theatre into an overnight stay in Lockhart.







YEARLY ATTENDANCE





VOLUNTEERISM ×××

Gaslight - Baker Theatre is 100% volunteer - run, with an estimated 500 volunteers each year contributing their time and talent on stage, backstage, and behind the scenes to bring live theatre to Lockhart and its visitors.

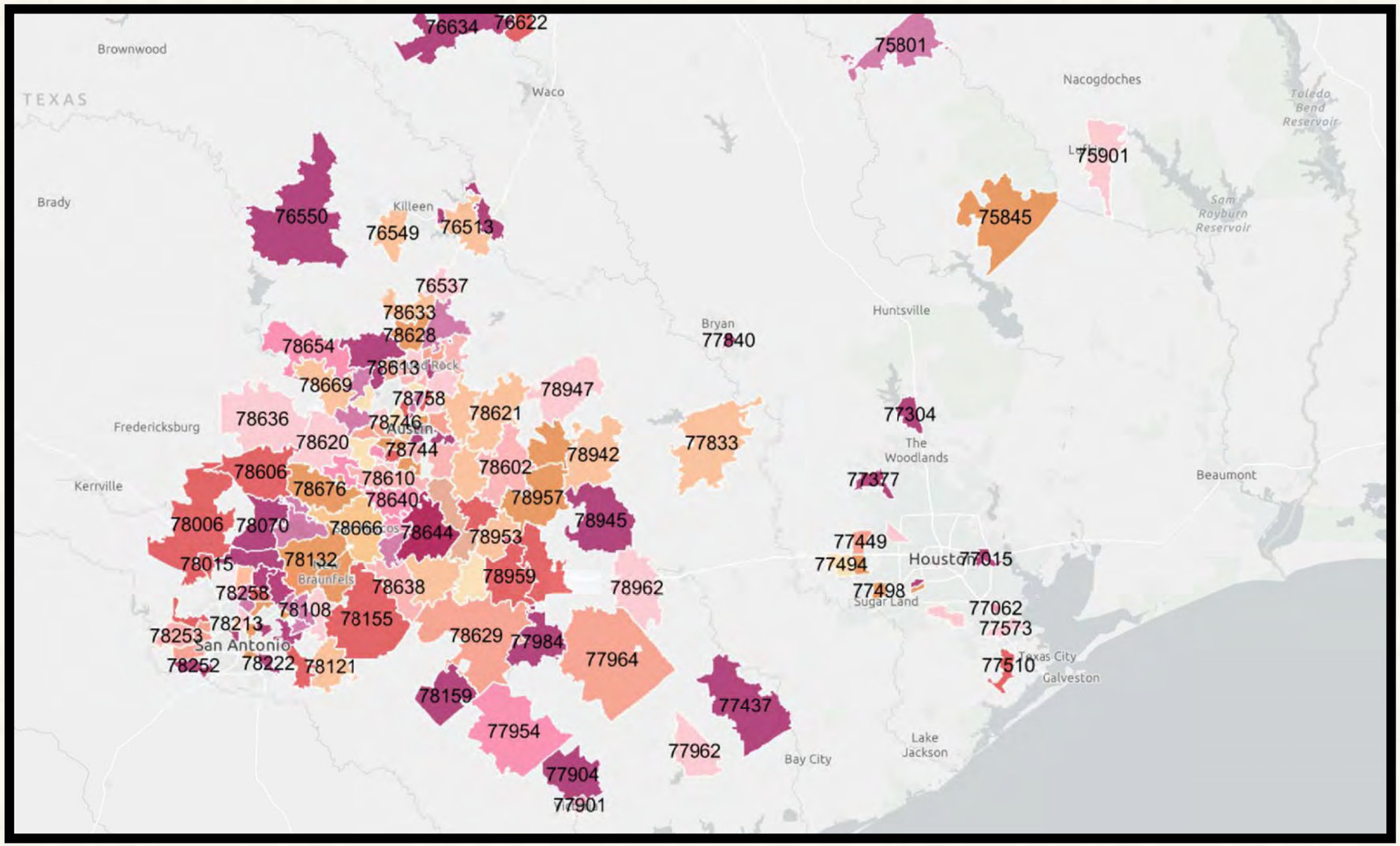
EDUCATION AND GROWING PROGRAMS

Gaslight - Baker Theatre continues expanding arts education with Spring Break Camp, five Improv Summer Camps, and Musical Theatre Camp, plus new programs like Homeschool Theatre, Singing for the Actor (Kids), Musical Theatre Dance, Tap Dancing, and an all - ages improv group for newcomers.

We are Growing! New Classes 2026: Adult Tap, Adult Musical Theatre Dance, and a Director's Apprenticeship Program

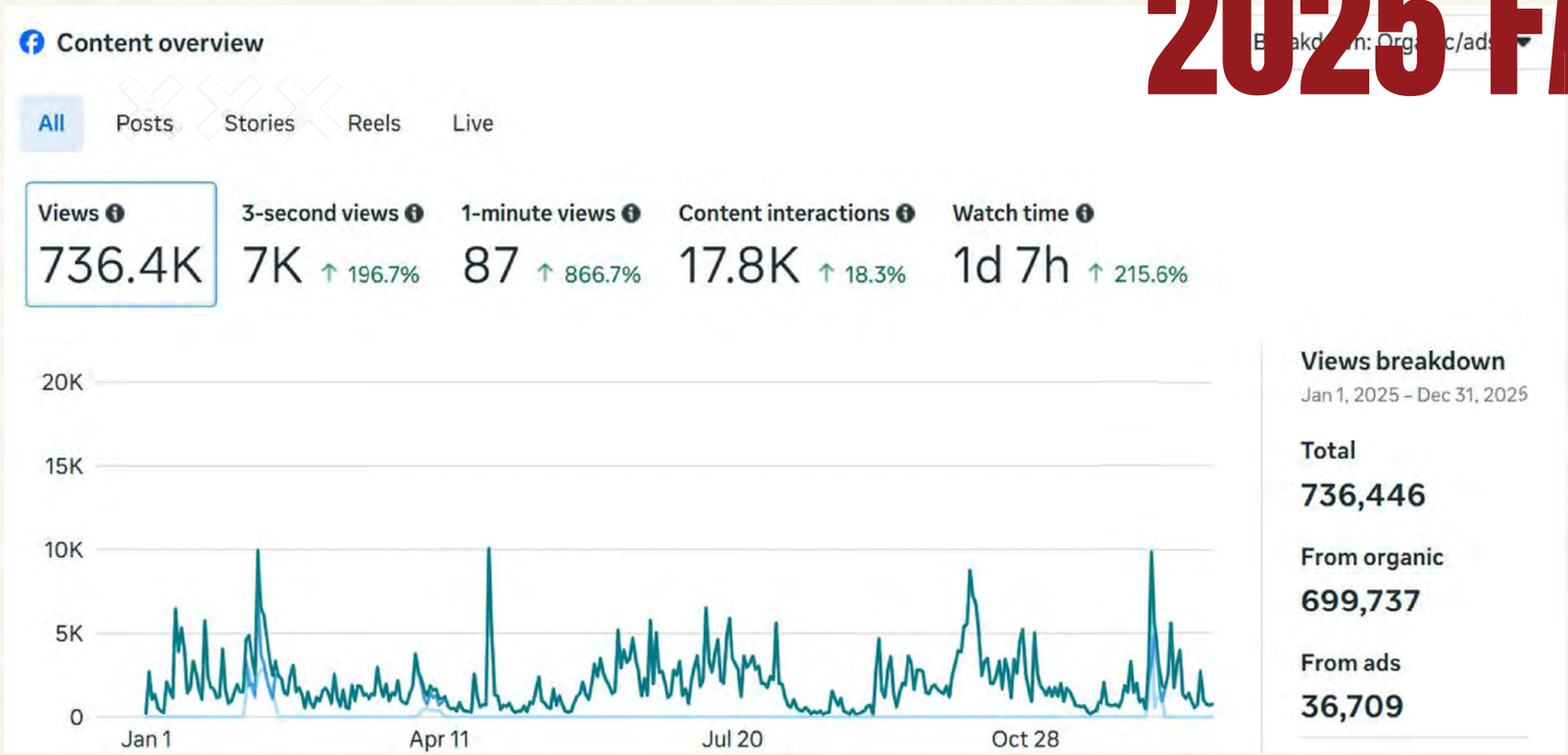


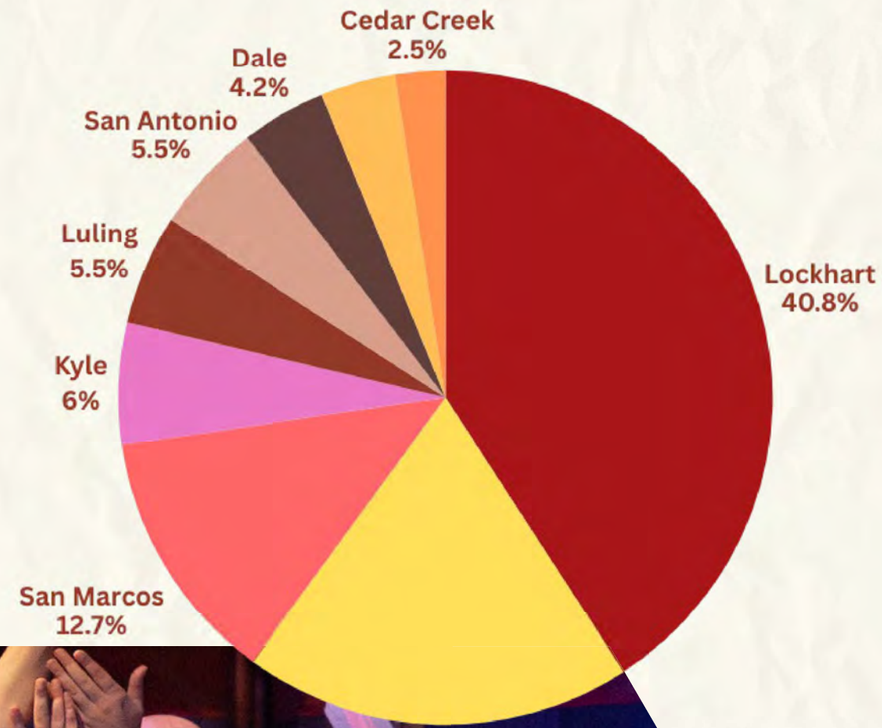
TICKETS BY ZIP CODE





2025 FACEBOOK REACH





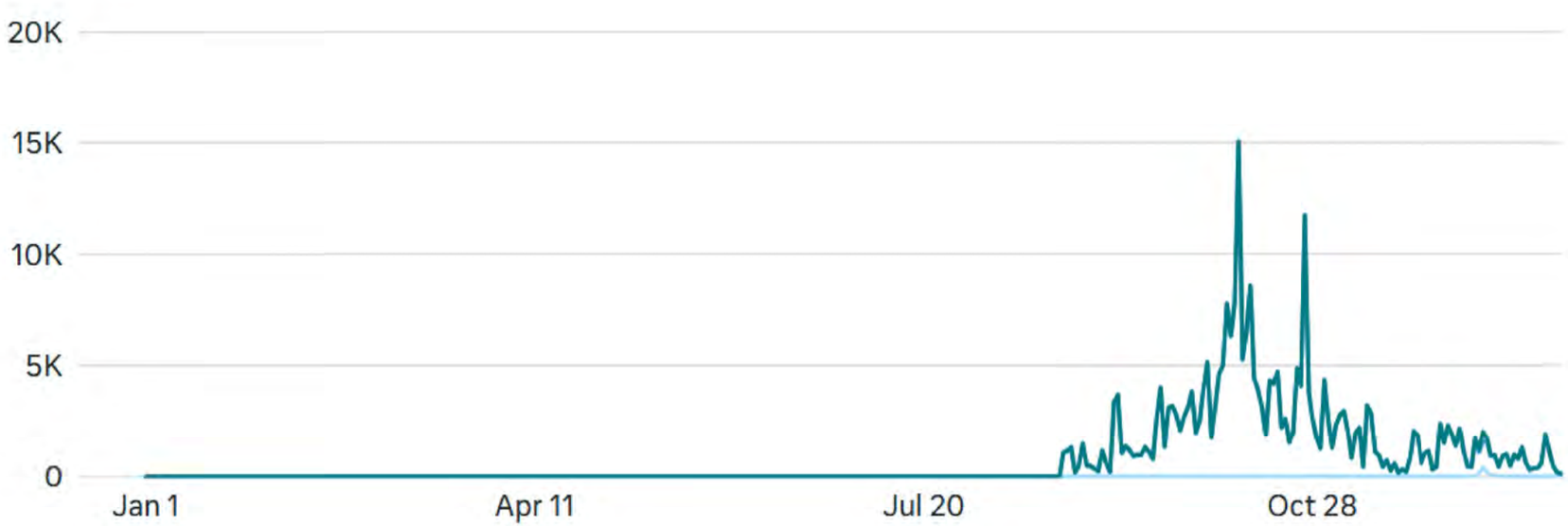


2025 INSTAGRAM REACH

Views 281.4K

Reach 23.4K ↑ 57.8%

Content interactions 5.7K ↑ 100%



Views breakdown

Jan 1, 2025 – Dec 31, 2025

Total
281,373

From organic
280,501

From ads
872




INTENDED HOT FUND APPLICATIONS
Gaslight Baker THEATRE
For 2026, Gaslight - Baker Theatre is requesting $18,000 to fund key restorative and safety improvements to our auditorium and building, including replacing the drop ceiling, reinforcing the lighting grid, and restoring the flooring, ensuring a safe, welcoming, and well - maintained space for audiences, volunteers, and visitors to Lockhart.



THANK YOU

Thank you for supporting Gaslight-Baker Theatre and our mission to bring live theatre, education, and visitors to Lockhart.

MyGBT .org

GREATER CALDWELL CO.

HISPANIC

CHAMBER OF COMMERCE

Supporting Culturally-Relevant Tourism in Lockhart through Hotel Occupancy Tax Funding for 2026.

Presented to HOT Funds Committee and Lockhart City Council, March 12, 2026.



Our Mission

Promote business and culture in Caldwell County

Our Network

Partnering with 65+ local businesses

Our Status

501(c)(3) non-profit organization since 1987

Our Funding Makes an Impact:

Scholarships

$15,000 provided to Caldwell County Graduating Seniors through a rigorous application process.

Community Engagement

This year, we hosted Cinco de Mayo and Dies Y Seis festivals, 5K and 10K races, and a Royal Court Competition for Young Women.

Supporting Businesses

Our ribbon cutting ceremonies and networking events support businesses throughout the county.

SCHOLARSHIPS & EDUCATION





SCHOLARSHIPS & EDUCATION





COMMUNITY EVENTS & ENGAGEMENT









COMMUNITY EVENTS & ENGAGEMENT









COMMUNITY EVENTS & ENGAGEMENT







SUPPORTING BUSINESSES





SUPPORTING BUSINESSES





BUSINESS RECOGNITION

Each year, we celebrate our local business and community leaders through our networking and awards gala.



HOT Funds & Economic Impact



Tourists

Come from outside Caldwell County to visit our festivals and events.



Attendees

On average per event weekend.



Annual Spending

Direct Revenue for Local Businesses & Hotels

PROPOSED USES OF HOT FUNDS



MARKETING

20% of Funds to target tourists in Austin and San Antonio



INFRASTRUCTURE

30% of Funds to apply to stage and sound equipment, as well as security and facilities for our annual events



PROGRAMMING

50% of our Funds to acquire performers and artists to headline our events; supporting the Cinco de Mayo 5K/10K races that draw visitors and athletes from surrounding areas

CONCLUSION

GCCHCC has a demonstrated ability to drive tourism through its annual cultural events. The availability of these funds to continue to enhance our presence in the Central Texas area is vital to driving up the attendance and local impact of these festivals. Please recognize this as an investment that helps keep Lockhart as a hotspot for tourism, culture, and fun. This will only benefit local hotels, businesses, and other attractions.



Spellerberg Projects

Lockhart HOT
March 2026



Update on the Lockhart Cultural District

Courthouse Nights

LOCKHART INITIATIVE FOR TOURISM

KL 107.9

Gaslight Baker THEATRE

78644

Spellerberg Projects

soundwavesart

Update on the Lockhart Cultural District

Complete:

Letter of Intent Submitted January 27

Upcoming:

Full application Due June 15

Also:

TCA Arts Respond Due July 15



What is Spellerberg Projects?

501(c)(3) artist-run center on the Lockhart square

10 years of operation

60+ exhibitions

Visiting artists from across the U.S. and internationally

Free and open to the public



Visiting Artist, 2023–27

Texas:

3 from Dallas
2 from San Antonio
1 from Abilene
1 from Corpus Christi

Out of State:

3 from Brooklyn, NY
2 from Chicago, IL
1 from Arkansas
1 from Cincinnati, OH
1 from Fairfield, Iowa
1 from Lincoln, NE
1 from Miami, FL
1 from Nashville, TN

International:

1 from Germany
1 from Denmark
1 from Canada

Our Audience

First Friday receptions average 170 visitors

62% from outside Lockhart

44% from Austin

65% first-time visitors



The Ask

$5,000 total

$2,800 for visiting artist lodging (Category D)

$2,200 for tourism marketing (Category C)

23% of total program cost



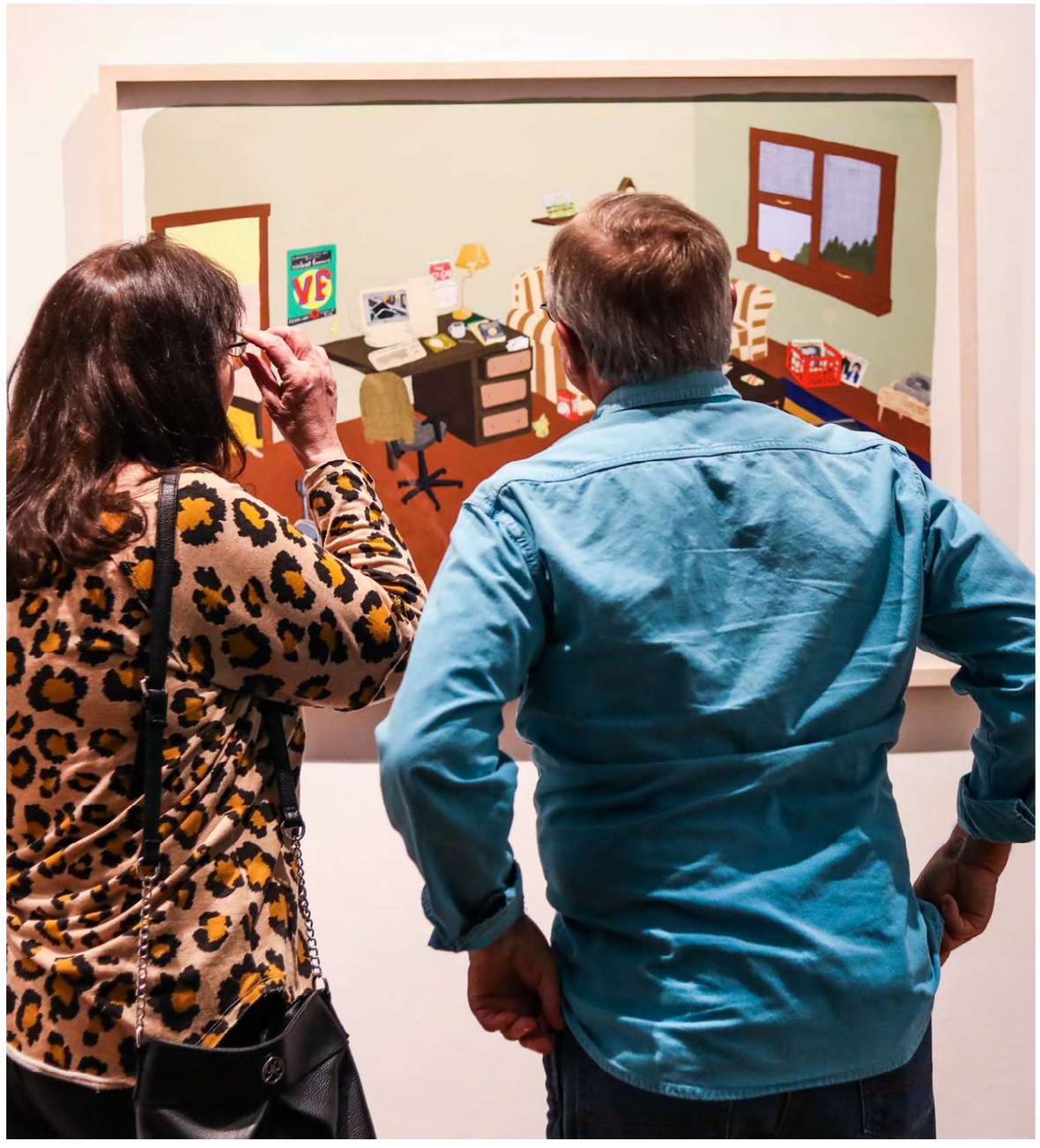
Lodging

Covers overnight stays for 10-12 visiting artists per year

Average: 2 nights at ~$118/night

HOT dollars go directly to Lockhart hotels

Without this support, we limit invitations to artists who can cover their own travel

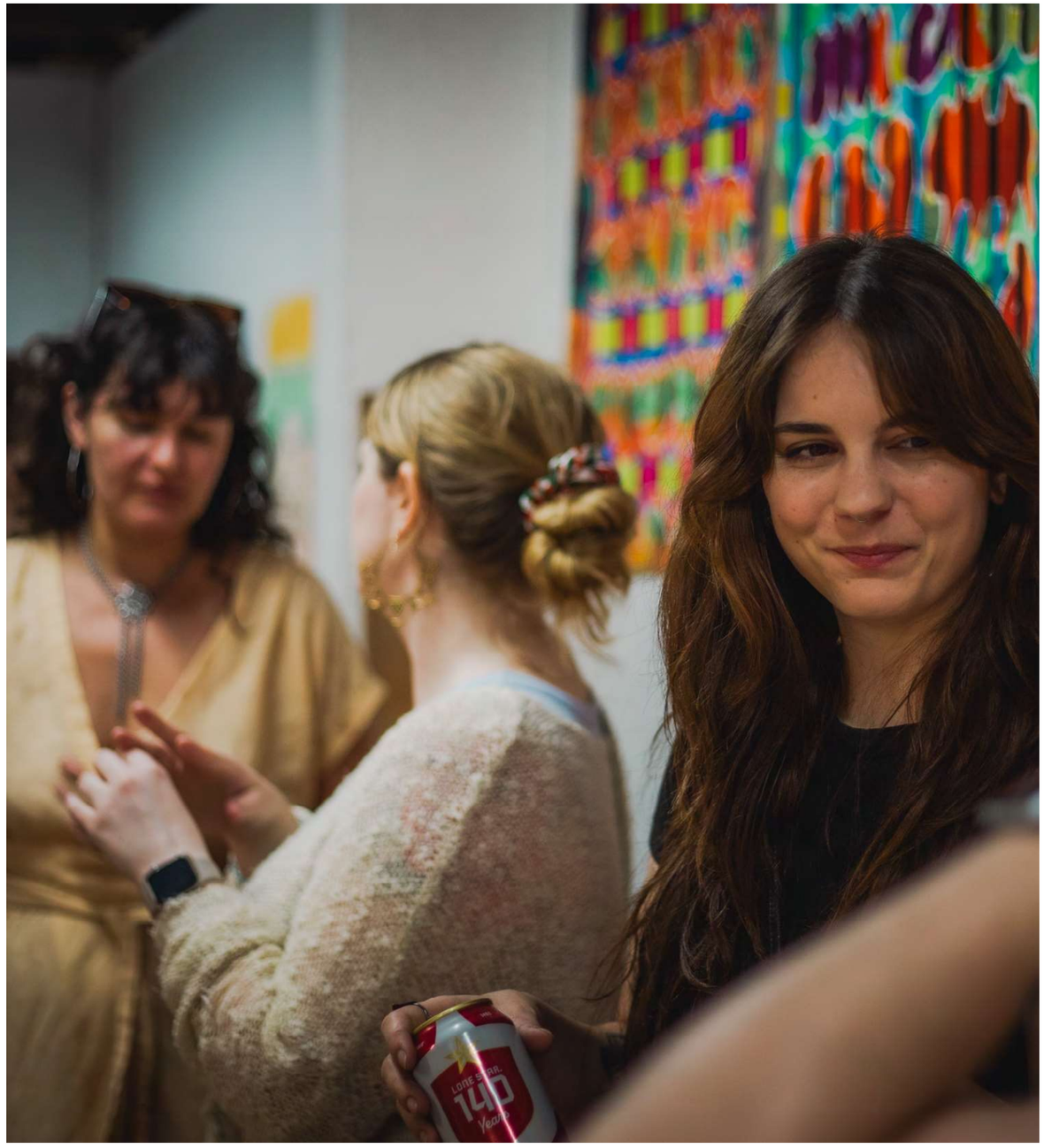


Marketing

Event calendar submissions (Visit Austin, Do512, 365 Things)

Digital ads targeting Austin, San Antonio

Email newsletter
Instagram promotion
Web analytics



How We Measure Impact

Direct documentation of every visiting artist hotel stay

Visitor surveys: geographic origin, first-time vs. return, overnight stays



What's Ahead

2026-27 season: 12 exhibitions, 10+ visiting artists

Andy Warhol Foundation grant pending ($30,000)

Our program is growing. This investment helps us expand tourism impact!



Thank You

Spellerberg Projects
103 S Main St, Lockhart

Marty Spellerberg
marty@spellerberg.org

spellerbergprojects.com



City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Presentation, discussion and/or action regarding the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2024-25 Annual Comprehensive Financial Report (annual financial audit) by BrooksWatson & Company, PLLC., an independent public accounting firm.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

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 fifth and last year for BrooksWatson & Company, PLLC to perform the City's annual audit.

BrooksWatson & Company, PLLC has issued an **unmodified (clean)** opinion. An unmodified 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 2025 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.

The City has been awarded a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for six consecutive years. The current Annual Comprehensive Financial Report for FYE 2025 will be submitted to the GFOA to determine eligibility for another certificate.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:
Funds Required:
Account Number:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

Funds Available:
Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends acceptance of the audited FY 2023-2024 Annual Comprehensive Financial Report.

LIST OF SUPPORTING DOCUMENTS: Final Audit 9.30.25



CITY OF LOCKHART, TX

2025

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2025


Lockhart
TEXAS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

of the

City of Lockhart, Texas

For the Year Ended
September 30, 2025

Prepared by

Finance Department


Lockhart
TEXAS

City of Lockhart, Texas

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September 30, 2025

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Lockhart
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INTRODUCTORY SECTION

Lockhart

March 17, 2026

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, 2025, 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, 2025. 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 are 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 most recent U.S. Census Bureau reporting, the estimated population of the City of Lockhart is 18,591, 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 18,591 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 populations of approximately 18,591 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 790 teachers, professionals, and support staff.

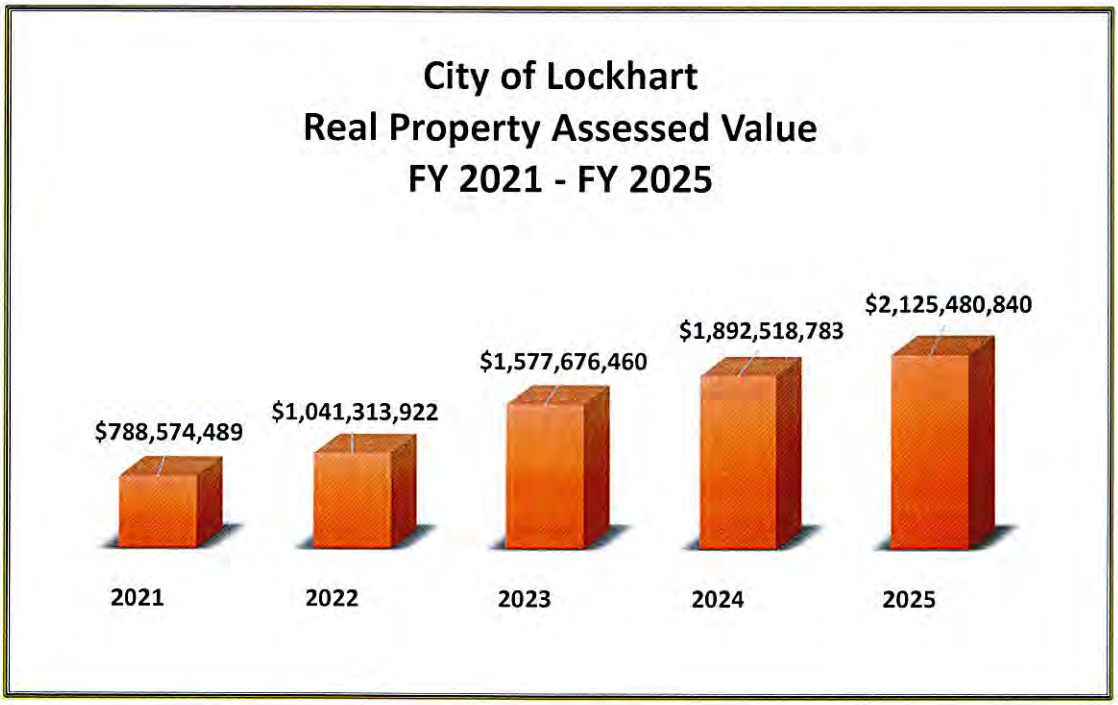
In 2020, the COVID-19 pandemic created an unprecedented situation for the City of Lockhart and for every municipality across the United States, but with it brought the passage of the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Coronavirus Response and Relief Supplemental Appropriations 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 to be used for further economic relief from the COVID-19

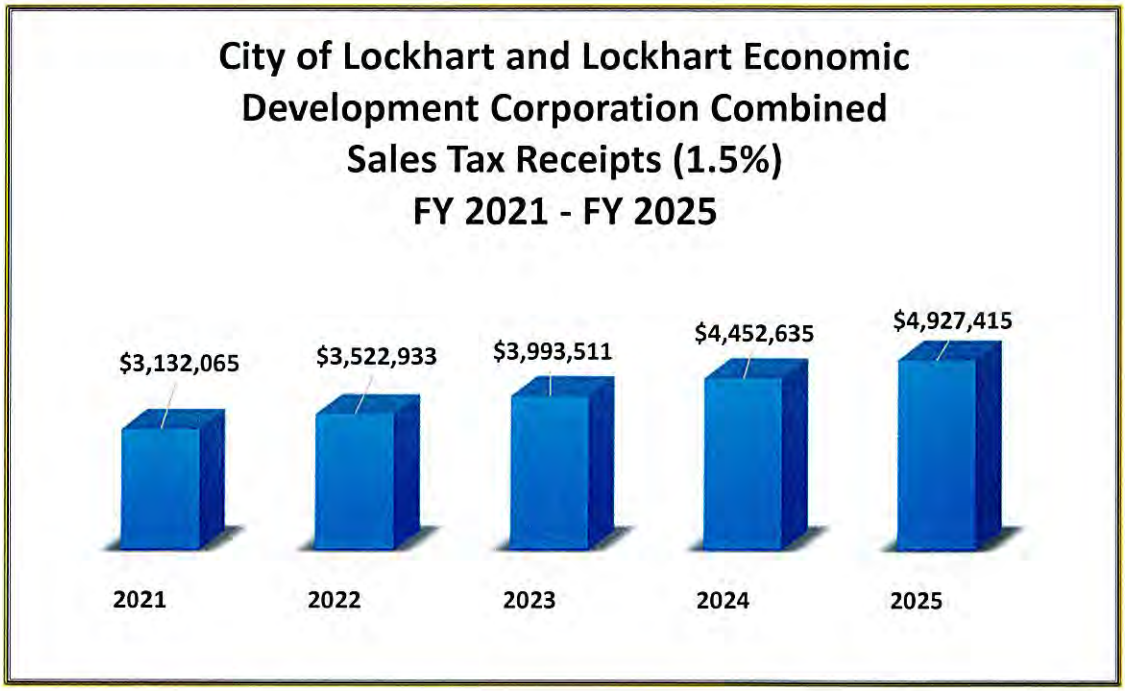
pandemic. The broad eligible uses for ARPA funds include COVID-related expenses (directly or indirectly), premium pay for essential workers, government service programs under certain circumstances, necessary improvements in water, sewer, or broadband infrastructure (whether related or not to COVID-19), and revenue replacement. The City Council approved the spending of ARPA funds in Fiscal Year 2022 for the much needed improvements to water and sewer infrastructure and revenue replacement. The City Council formally obligated the remaining ARPA funds in December 2024 to various projects associated with Animal Services, Library, Fire, Parks & Recreation, Police, and Public Works. The City must expend all remaining funds by December 31, 2026.

Due to the stable economy, the City of Lockhart has a credit rating of AA- from Standard and Poor's as of July 2025. Over the past 10 years, the City has experienced significant economic growth and investment. The City's population is growing at a steady rate, increasing at 29.3% over the last five years. The growth of Austin and San Antonio metro areas is spreading toward Lockhart but at a slower pace than neighboring counties.

The City experienced consistent growth in real property assessment values from Fiscal Year 2021 through 2025 (see chart below). The City anticipates this positive trend to continue due to the construction of multiple subdivisions and the increase in assessed values of current properties; both are attributable to an increase in local population and growth pressures of Central Texas on the regional housing market.



The last five years the City of Lockhart has seen a significant increase in collections of the total 1.5% tax rate on retail sales within the city due to new businesses and a healthy area economy. The 1.5% rate is comprised of 1% allocated to the City's General Fund and 0.5% allocated to the Lockhart Economic Development Corporation. Sales tax collections for 2025 were at an all-time high according to the City's revenue history.



Long-term Financial Planning

The City Council approved a budget that maintained the general fund balance at 36% for Fiscal Year 2025. This is above the 25% minimum reserve required by the Fund Balance – Stabilization and Excess of Reserves Policy. The City of Lockhart's maintains a sound financial position due to conservative budgeting practices and internal expenditure controls, as evident from its strong fund balances.

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 consistent 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. The Financial Policy is

also approved by the City Council which provides more comprehensive guidelines and internal accounting controls and procedures. The annual adoption of these policies reaffirm the City of Lockhart's commitment to strengthen our financial policies in alignment with current best practices in governmental accounting and incorporate recommendations from our annual audit review process.

Major Initiatives

The City started construction on the approved historic downtown revitalization project with an anticipated completion date in Fiscal Year 2026. The City issued Certificates of Obligation in the amount of $20,000,000 to fund various capital projects including: design and construction of the new aquatics facility, acquisition and renovation of an indoor recreation center, upgrades to the existing City Hall, land acquisition for a future police and/or fire facilities, and other improvements to existing City parks. In addition, the improvements to wastewater utility lines and street and sidewalk improvements also continued through the fiscal year.

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, 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 for Excellence in Financial Reporting

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 (ACFR) for the fiscal year ended September 30, 2024. 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. This is the sixth year in a row which the City has received this award. We ensure that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting the ACFR for fiscal year ended September 30, 2025 to the GFOA to determine its eligibility for another certificate.

Acknowledgements

We would like to express our sincere appreciation to the City's employees for their dedication and commitment to the City, especially those responsible for the maintenance of records upon which this report is based. The preparation of this report would not have been possible without the skill, effort, and dedication of the administrative staff and the finance department. Acknowledgement is given to representatives of BrooksWatson & Company, PLLC for their assistance in producing the final product.

Finally, appreciation is given 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,

Joseph Resendez, City Manager

Keeli Michna, Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Lockhart
Texas

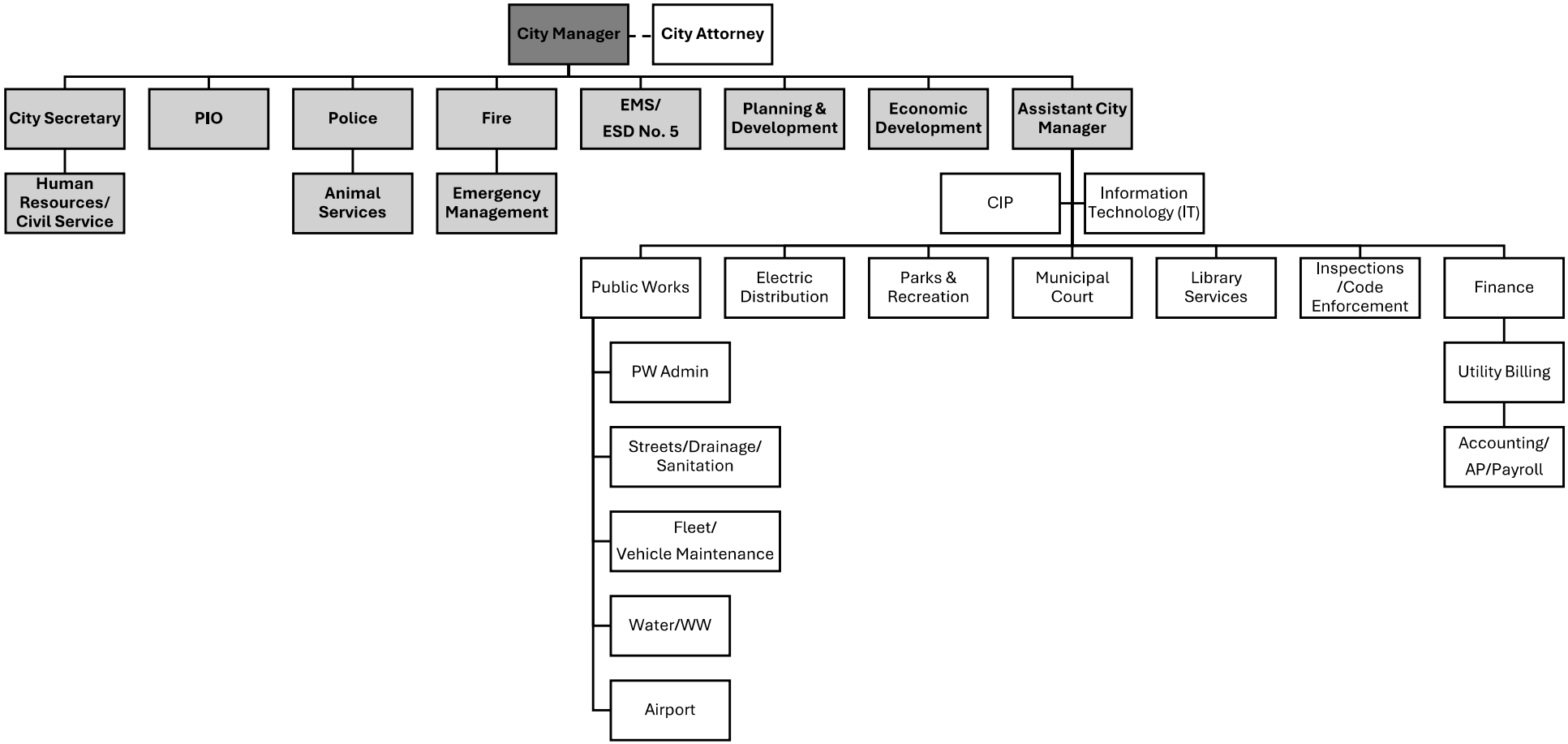
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024



Executive Director/CEO

City of Lockhart
Organizational Chart



City of Lockhart, Texas

ELECTED AND PRINCIPAL OFFICIALS

September 30, 2025

City Council

Lew White	Mayor
Angie Gonzales-Sanchez	At-Large
Brad Westmoreland	At-Large
Juan Mendoza	District 1
John Castillo	District 2
John Lairsen	District 3
Jeffry Michelson	District 4

Principal Officials

Steve Lewis	City Manager
Joseph Resendez	Assistant City Manager
Keeli Michna	Finance Director
Julie Bowermon	City Secretary/Human Resources Director
Gary Williamson	Police Chief
Randy Jenkins	Fire Chief
Sean Kelley	Director of Public Works


Lockhart
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FINANCIAL SECTION


Lockhart
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BROOKSWATSON & CO.
CERTIFIED PUBLIC ACCOUNTANTS

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, 2025, 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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, the City restated beginning net position for the business-type activities and EMS fund to correct prior year accounting errors. In addition, the City restated beginning net position for governmental activities due to the implementation of GASB 101-Compensated Absences. Our opinion was not modified with respect to these matters.

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.

BrooksWatson & Co.
Certified Public Accountants
Houston, Texas
March 17, 2026


Lockhart
TEXAS

City of Lockhart, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2025

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, 2025. 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, 2025 by $71,828,755. Of this amount, $9,458,366 (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 $2,231,199. Approximately 61% 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 $37,128,521 at September 30, 2025, an increase of $14,882,821 from the prior fiscal year; this includes a decrease of $5,497,038 in the general fund, an increase of $20,002,853 in the 2025 CO fund, and an increase of $377,006 in the nonmajor governmental funds.

- At the end of the fiscal year, unassigned fund balance for the general fund was $6,843,781 or 30% 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 details 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.

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, of 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 30-35 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.*

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 and 2025 CO fund which are considered to be major funds. 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 and debt service 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 36-39 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 electric, water and wastewater utilities, sanitation, EMS, and airport 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 40-49 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 53-103 of this report.

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 $71,828,755 as of September 30, 2025, in the primary government.

A portion of the City's net position, $43,972,261 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 $18,398,128 represents resources that are subject to external restrictions on how they may be used. The remaining balance of $9,458,366 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.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2025			2024		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	$ 40,334,455	$ 22,001,344	$ 62,335,799	$ 24,274,785	$ 24,844,338	$ 49,119,123
Capital assets, net	33,616,666	67,247,447	100,864,113	27,585,771	65,094,607	92,680,378
Total Assets	73,951,121	89,248,791	163,199,912	51,860,556	89,938,945	141,799,501
Deferred Outflows of	1,057,019	321,187	1,378,206	1,381,277	641,125	2,022,402
Other liabilities	3,321,743	4,970,268	8,292,011	1,778,647	3,759,228	5,537,875
Long-term liabilities	33,464,554	50,317,728	83,782,282	14,731,018	53,257,447	67,988,465
Total Liabilities	36,786,297	55,287,996	92,074,293	16,509,665	57,016,675	73,526,340
Deferred Inflows of Resources	484,363	190,707	675,070	313,732	216,818	530,550
Net Position:						
Net investment in capital assets	24,274,707	19,697,554	43,972,261	18,662,311	18,379,583	37,041,894
Restricted	8,857,884	9,540,244	18,398,128	7,465,102	8,202,139	15,667,241
Unrestricted	4,604,889	4,853,477	9,458,366	10,291,023	6,764,855	17,055,878
Total Net Position	$ 37,737,480	$ 34,091,275	$ 71,828,755	$ 36,418,436	$ 33,346,577	$ 69,765,013

Current and other assets of the governmental activities increased by $16,059,670, or 66%, primarily due to greater cash on hand resulting proceeds received from new debt issuance in the current year. Current and other assets of the business-type activities decreased by $2,842,994, or 11%, primarily due to less cash on hand resulting from capital improvement expenditures exceeding revenues during the year. Capital assets for the primary government increased $8,183,735, or 9%, due to capital improvements during the year. Other liabilities for the primary government increased $2,754,136, or 50%, primarily attributable to greater payables due at the end of the current year and timing of payments. Long-term liabilities for governmental activities increased by $18,733,536, or over 100%, which is primarily related to debt issuances in the current year. Long-term liabilities for business-type activities decreased by $2,939,719, or 6%, primarily due to principal payments made towards debt in the current year. Total deferred outflows of the primary government decreased and total deferred inflows of the primary government increased by $644,196 and $144,520, respectively. These changes are strictly due to actuarial changes in the City's pension inputs over the course of the year.

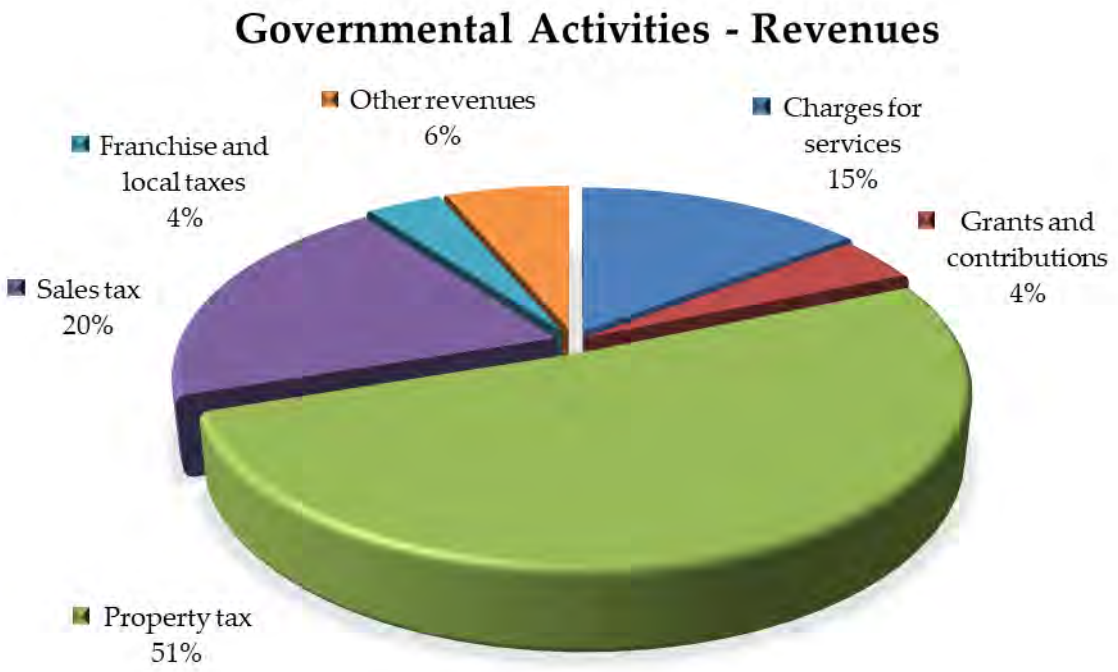
Statement of Activities:

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

	For the Year Ended September 30, 2025			For the Year Ended September 30, 2024		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	$ 2,381,935	$ 29,148,395	$ 31,530,330	$ 3,749,190	$ 27,803,120	$ 31,552,310
Operating grants	532,505	-	532,505	475,639	-	475,639
Capital contributions	128,235	462,408	590,643	171,997	53,111	225,108
General revenues:						
Property tax	8,390,241	-	8,390,241	7,610,224	-	7,610,224
Sales tax	3,284,944	-	3,284,944	3,009,942	-	3,009,942
Franchise & local taxes	616,953	-	616,953	625,958	-	625,958
Investment income	937,800	1,000,060	1,937,860	1,083,776	1,131,268	2,215,044
Other revenues	93,911	112,688	206,599	86,124	106,454	192,578
Total Revenues	16,366,524	30,723,551	47,090,075	16,812,850	29,093,953	45,906,803
Expenses						
General government	2,945,892	-	2,945,892	2,383,519	-	2,383,519
Public safety	8,309,527	-	8,309,527	6,628,423	-	6,628,423
Public works	4,018,383	-	4,018,383	2,826,765	-	2,826,765
Health and welfare	38,098	-	38,098	42,956	-	42,956
Culture and recreation	1,727,577	-	1,727,577	1,632,347	-	1,632,347
Comm. development	1,257,404	-	1,257,404	1,963,799	-	1,963,799
Interest on long-term debt	745,842	1,429,409	2,175,251	348,098	1,442,071	1,790,169
Electric	-	12,559,940	12,559,940	-	11,150,785	11,150,785
Water	-	6,904,661	6,904,661	-	5,626,174	5,626,174
Wastewater	-	2,075,377	2,075,377	-	1,667,732	1,667,732
Nonmajor enterprise	-	2,846,766	2,846,766	-	4,433,842	4,433,842
Total Expenses	19,042,723	25,816,153	44,858,876	15,825,907	24,320,604	40,146,511
Change in Net Position Before Transfers	(2,676,199)	4,907,398	2,231,199	986,943	4,773,349	5,760,292
Transfers	4,162,700	(4,162,700)	-	4,044,759	(4,044,759)	-
Total	4,162,700	(4,162,700)	-	4,044,759	(4,044,759)	-
Change in Net Position	1,486,501	744,698	2,231,199	5,031,702	728,590	5,760,292
Beginning Net Position (restated)	* 36,250,979	33,346,577	* 69,597,556	31,386,734	32,617,987	64,004,721
Ending Net Position	$ 37,737,480	$ 34,091,275	$ 71,828,755	$ 36,418,436	$ 33,346,577	$ 69,765,013

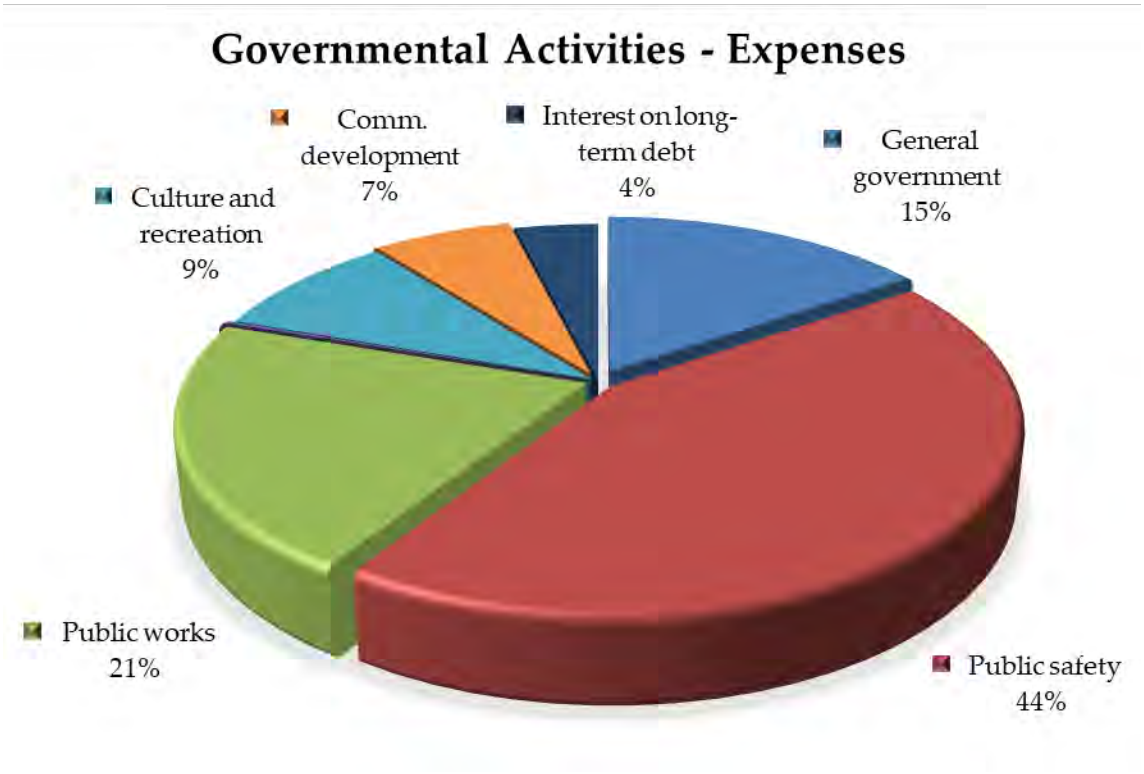
* Includes restatement for New Acct. Standard GASB 101

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



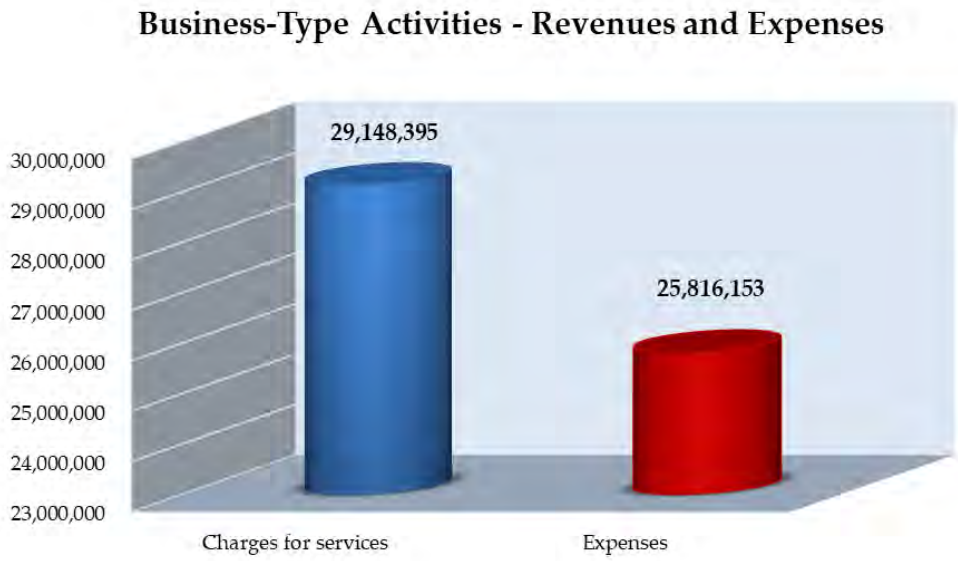
For the year ended September 30, 2025, revenues from governmental activities totaled $16,366,524. Property tax, charges for services, and sales tax are the City's largest general revenue sources. Overall revenue decreased $446,326, or 3%, from the prior year. Charges for services decreased by $1,367,255, or 36%, due to a decline in building and zoning permit revenue, resulting from the completion of two subdivisions in the prior year. Property taxes increased by $780,017, or 10%, primarily due to greater appraised values and an increase in property tax rates. Sales taxes increased by $275,002, or 9%, due to economic growth fueled by local purchases. Investment income decreased by $145,976, or 13%, primarily due to the realization of lower interest rates during the year. All other revenues remained relatively stable when compared to the previous year.

This graph shows the governmental function expenses of the City:



For the year ended September 30, 2025, expenses for governmental activities totaled $19,042,723. This represents an increase of $3,216,816, or 20%, from the prior year. The City's largest functional expense is public safety totaling $8,309,527. Public safety increased $1,681,104, or 25%, due to greater personnel costs resulting from vacancies being filled in the current year, greater architectural/engineering expense, and nonrecurring changes in the City's pension valuation inputs in the current year. General government expenses increased by $562,373, or 24%, primarily due to greater personnel costs related to a full year's salary and benefits being paid in the current year to the Public Information Officer and Finance Director that was hired late in the prior year. In addition, there were greater downtown promotion expenses and architectural/engineering costs in the current year. Public works expenses increased $1,191,618, or 42%, primarily due to nonrecurring TXDOT grant related expenses. Culture and recreation expenses increased by $95,230, or 6%, primarily due to greater personnel costs due to new hires and market retention adjustments and nonrecurring employee benefit costs resulting from changes in the City's pension valuation inputs in the current year. Community development expenses decreased by $706,395, or 36%, due primarily to outsourcing building and health inspection services in the current year. Interest and fiscal charges increased by $397,744, or over 100%, primarily due to nonrecurring bond issuance costs in the current year. All other governmental activities expenses remained relatively consistent with the prior year.

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



For the year ended September 30, 2025, charges for services by business-type activities totaled $29,148,395. This represents an increase of $1,345,275, or 5%, from the previous year, which is a direct result of greater water service rates and increased utility service consumption in the current year. Capital contributions increased by $409,297, or over 100%, as a result of nonrecurring capital grant contributions received in the current year. Investment income decreased $131,208, or 12%, due to the realization of lower interest rates during the year. All other revenues remained relatively consistent with the prior year.

Total business-type activity expenses increased by $1,495,549, or 6%, to a total of $25,816,153. Electric expenses totaled $12,559,940, while water and wastewater operations totaled $6,904,661 and $2,075,377, respectively. Electric expenses increased $1,409,155, or 13%, due to greater personnel costs, resulting from filling prior year vacancies in the current year. In addition, greater demand consumption resulted in higher wholesale power costs and credit card usage fees. Water expenses increased by $1,278,487, or 23%, due to higher consumption and related treatment plant and GBRA costs. Wastewater expenses increased by $407,645, or 24%, due to greater personnel costs, resulting from filling prior year vacancies in the current year. In addition, higher consumption resulted in greater treatment plant costs. Nonmajor enterprise expenses decreased by $1,587,076, or 36%, primarily due to the sale of EMS services to Caldwell County at the end of January 2025.

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.

At September 30, 2025, the City's governmental funds reported combined fund balances of $37,128,521, an increase of $14,882,821 in comparison with the prior year. Approximately 18% of this amount, $6,653,293, 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 $95,894 2) committed for particular purposes $366,675 or 3) restricted for particular purposes $30,012,659.

As of the end of the year the general fund reflected a total fund balance of $8,929,057. Of this, $438,280 is considered not in spendable form and committed. Restricted fund balance totaled $1,646,996 and $6,843,781 is unassigned. General fund balance decreased by $5,497,038 during the current year as compared to a final budgeted increase of $69,794. The decrease in fund balance was primarily a result of higher than expected capital expenditures and public works expenses.

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 $6,843,781 is 30% of total general fund expenditures. Overall revenue in the general fund decreased by $190,847 when compared to the prior year. Property tax, sales tax, and charges for services showed the largest increase due to a growing local economy, greater appraisal values, and an increase in the property tax rates. General fund expenditures increased by $7,448,148 when compared to the prior year. The largest increases were in public works and capital outlay of $3,236,066, and $2,979,583, respectively.

As of the end of the year the 2025 CO fund reflected a total fund balance of $20,002,853. This fund was added in fiscal year 2025. The increase is a direct result of bond issuance proceeds recognized in the current year. There have been no expenditures recorded 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 $4,853,477, a decrease of $1,911,378 from the previous year. Total investment in capital assets, net of related debt was $19,697,554, and capital assets, net of depreciation totaled $67,206,994.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted revenues of $11,551,015 were less than actual revenues of $12,278,437, resulting in a total positive revenue variance of $727,422. All actual revenues were greater than the budgeted amounts, with the exception of franchise and local taxes, intergovernmental and license and permits.

Total budgeted expenditures of $15,901,212, were less than actual expenditures of $22,503,763, resulting in a total negative expenditure variance of $6,602,551. Actual expenditures for the current year

exceeded appropriations at the legal level of control by $6,595,998, including transfers out. No budget amendments were made during the year.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested $33,616,666 in a variety of capital assets and infrastructure, net of accumulated depreciation. The City's business-type activities funds had invested $67,206,994 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.

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

- Purchased land at 120 W MLK Jr Industrial Blvd for $236,483
- Purchased building at 120 W MLK Jr Industrial Blvd for $1,503,430.
- Purchased Dell Powerstore 500T with touchscreen for city wide IT storage totaling $92,850.
- Concrete slab at fire station for $29,400.
- Purchased two 2024 Ford F150 police vehicles totaling $108,562.
- Purchased two 2025 Ford Explorer police vehicles totaling $110,180.
- Purchased laptops and mobile radio units for police totaling $188,963.
- Purchased Fire Apparatus Spartan Truck for $1,229,670.
- Purchased a 2025 Ford F-550 Super Cab 4x4 police vehicle for $59,840.
- Purchased SCBA fill station with SCBA cylinders for $23,125.
- Purchased two 2025 Ford F-250 for parks totaling $100,905.
- Purchased four police vehicles totaling $289,771 through lease financing.
- Continued Lockhart Downtown revitalization for $3,900,737.
- Continued Fire Station 1 project for $129,308.
- Continued animal shelter upgrade project for $96,207.
- Began Aquatics Center project for $143,999.
- Purchased five electrical easements totaling $159,516.
- Continued LK 30 Ash St. copper replacement for $324,001.
- Began Project 7 – electric system improvements totaling $67,500.
- Continued CF 100 Clear Fork copper replacement for $83,705.
- County Wide Alley project electric utility for $150,000.
- Terex Hi-Ranger bucket truck for electric utility for $271,154.
- DTK 300 (ES-12) with Kubota D1105 engine for electric utility for $49,000.
- Purchased four water easements totaling $113,371.
- Continued water meter replacement project for $224,240.
- Continued Lockhart Downtown revitalization utility project for $3,740,328.
- Began Lockhart COG-MOD waterline engineering for $68,480.
- Purchased six wastewater easements totaling $151,928.

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 $16,711,129 from the prior year. The total bonds, leases and certificates of obligation payable at the close of the fiscal year was $79,110,680, net of all premiums.

There is no direct limit on debt in the City Charter. Statutes of the State of Texas do not provide any limitations on the dollar amount of debt cities issue, however, Article XI, Section 5 of the Texas Constitution, applicable to cities with a population of more than 5,000, limits the ad valorem tax rate to $2.50 per $100 assessed valuation. The City's current tax rate is well below the maximum allowable tax rate and poses no impact on financing of planned facilities or services.

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 57% since 2021 and property tax revenue has increased by 45%. Even with the 57% increase, the City continues to forecast sales tax in a conservative position. The total sales tax payments received in 2025 fiscal year equaled $4,927,415. The City anticipates a continued increase for 2026.

Property valuations have increased due to new additions and property on the tax roll, along with the appraisal district reassessing valuations. The certified assessed taxable property valuations for the 2026 fiscal year (2025 tax roll) total $1,659,352,251 with a tax rate of $0.4113 per $100 valuation for maintenance and operations and $0.1428 per $100 valuation for the interest and sinking fund. The total tax rate of $0.5541.

The City's capital plan for 2025-2026 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, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 34,554,898	$ 19,909,714	$ 54,464,612
Receivables, net	1,625,698	5,336,629	6,962,327
Lease receivable, current	-	21,830	21,830
Internal balances	3,978,745	(3,978,745)	-
Due from component unit	79,220	-	79,220
Inventories	13,998	711,916	725,914
Prepaid and other assets	81,896	-	81,896
Total Current Assets	40,334,455	22,001,344	62,335,799
Noncurrent assets:			
Lease receivable, noncurrent	-	40,453	40,453
Capital assets:			
Non-depreciable	7,415,559	5,881,504	13,297,063
Net depreciable capital assets	26,201,107	61,325,490	87,526,597
Total Noncurrent Assets	33,616,666	67,247,447	100,864,113
Total Assets	73,951,121	89,248,791	163,199,912
Deferred Outflows of Resources			
Pension outflows-TMRS	948,796	251,562	1,200,358
OPEB outflows-TMRS	14,454	3,833	18,287
Deferred charge on refunding	93,769	65,792	159,561
Total Deferred Outflows of Resources	1,057,019	321,187	1,378,206

	Component Unit
	Lockhart EDC
$	8,496,020
	263,968
	-
	-
	-
	-
	10,364
	8,770,352
	-
	1,049,431
	4,212,886
	5,262,317
	14,032,669
	19,643
	299
	-
	19,942

City of Lockhart, Texas

STATEMENT OF NET POSITION (Page 2 of 2)

September 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities			
Accounts payable	$ 1,568,432	$ 3,190,552	$ 4,758,984
Accrued liabilities	732,724	206,688	939,412
Due to primary government	-	-	-
Due to other governments	41,037	-	41,037
Customer deposits	-	766,176	766,176
Compensated absences, current	783,340	143,249	926,589
Accrued interest payable	196,210	663,603	859,813
Long-term debt due in one year	1,649,355	2,303,426	3,952,781
Total Current Liabilities	4,971,098	7,273,694	12,244,792
Noncurrent liabilities:			
Net pension liability	2,980,090	790,134	3,770,224
OPEB liability-TMRS	356,269	94,464	450,733
OPEB liability-Retiree healthcare	274,824	72,866	347,690
Compensated absences	87,038	15,917	102,955
Long-term debt due in more than one year	28,116,978	47,040,921	75,157,899
Total Noncurrent Liabilities	31,815,199	48,014,302	79,829,501
Total Liabilities	36,786,297	55,287,996	92,074,293
Deferred Inflows of Resources			
Pension inflows	395,710	104,917	500,627
OPEB inflows-TMRS	65,063	17,252	82,315
OPEB inflows-Retiree Healthcare	23,590	6,255	29,845
Deferred inflows -lease related	-	62,283	62,283
Total Deferred Inflows of Resources	484,363	190,707	675,070
Net Position			
Net investment in capital assets	24,274,707	19,697,554	43,972,261
Restricted for:			
General government	679,019	-	679,019
Public safety	25,392	-	25,392
Municipal court	181,650	-	181,650
Tourism	87,496	-	87,496
Capital projects	6,119,415	9,540,244	15,659,659
Debt service	1,764,912	-	1,764,912
Economic development	-	-	-
Unrestricted	4,604,889	4,853,477	9,458,366
Total Net Position	$ 37,737,480	$ 34,091,275	$ 71,828,755

See Notes to Financial Statements.

Component Unit
Lockhart EDC
$ 1,275,111
-
79,220
-
-
3,021
8,708
117,172
1,483,232
61,697
7,376
-
336
1,123,943
1,193,352
2,676,584
8,193
1,347
-
-
9,540
4,021,202
-
-
-
-
-
-
7,345,285
-
$ 11,366,487

City of Lockhart, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	$ 2,945,892	$ -	$ 138,662	$ -
Public safety	8,309,527	428,207	393,843	128,235
Public works	4,018,383	758,836	-	-
Health and welfare	38,098	-	-	-
Culture and recreation	1,727,577	130,306	-	-
Community development	1,257,404	1,064,586	-	-
Interest on long-term debt	745,842	-	-	-
Total Governmental Activities	19,042,723	2,381,935	532,505	128,235
Business-Type Activities				
Electric	12,559,940	14,062,850	-	-
Water	6,904,661	8,146,651	-	438,511
Wastewater	2,075,377	4,191,724	-	-
* Nonmajor enterprise	2,846,766	2,747,170	-	23,897
Interest on long-term debt	1,429,409	-	-	-
Total Business-Type Activities	25,816,153	29,148,395	-	462,408
Total Primary Government	$ 44,858,876	$ 31,530,330	$ 532,505	$ 590,643
Component Units				
Lockhart EDC	1,891,621	-	-	-
Total Component Units	$ 1,891,621	$ -	$ -	$ -

General Revenues:	
Taxes	
Property taxes	
Sales taxes	
Franchise and local taxes	
Investment income	
Gain on sale of capital assets	
Other revenues	
Transfers	
Total General Revenues and Transfers	
Change in Net Position	
Beginning Net Position, as previously reported	
New Acct. Standard - GASB 101	
Error correction	
Beginning Net Position, as adjusted	
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
$ (2,807,230)	$ -	$ (2,807,230)	$ -
(7,359,242)	-	(7,359,242)	-
(3,259,547)	-	(3,259,547)	-
(38,098)	-	(38,098)	-
(1,597,271)	-	(1,597,271)	-
(192,818)	-	(192,818)	-
(745,842)	-	(745,842)	-
(16,000,048)	-	(16,000,048)	-
-	1,502,910	1,502,910	-
-	1,680,501	1,680,501	-
-	2,116,347	2,116,347	-
-	(75,699)	(75,699)	-
-	(1,429,409)	(1,429,409)	-
-	3,794,650	3,794,650	-
(16,000,048)	3,794,650	(12,205,398)	-
			(1,891,621)
			(1,891,621)
8,390,241	-	8,390,241	-
3,284,944	-	3,284,944	1,642,472
616,953	-	616,953	-
937,800	1,000,060	1,937,860	314,177
201	-	201	-
93,710	112,688	206,398	10,100
4,162,700	(4,162,700)	-	-
17,486,549	(3,049,952)	14,436,597	1,966,749
1,486,501	744,698	2,231,199	75,128
36,418,436	33,404,189	69,822,625	11,291,359
(167,457)		(167,457)	-
-	(57,612)	(57,612)	-
36,250,979	33,346,577	69,597,556	11,291,359
$ 37,737,480	$ 34,091,275	$ 71,828,755	$ 11,366,487

City of Lockhart, Texas

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2025

	General	2025 CO's	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 5,991,250	$ 20,002,853	$ 8,560,795	$ 34,554,898
Accounts receivable, net	1,282,642	-	343,056	1,625,698
Due from other funds	4,216,873	-	-	4,216,873
Due fom component unit	79,220	-	-	79,220
Inventories	13,998	-	-	13,998
Prepaids	57,607	-	24,289	81,896
Total Assets	$ 11,641,590	$ 20,002,853	$ 8,928,140	$ 40,572,583
Liabilities				
Accounts payable	$ 1,266,042	$ -	$ 302,390	$ 1,568,432
Accrued liabilities	692,171	-	40,553	732,724
Due to other governments	41,037	-	-	41,037
Due to other funds	-	-	238,128	238,128
Total Liabilities	1,999,250	-	581,071	2,580,321
Deferred Inflows of Resources				
Unavailable revenue - property taxes	500,852	-	141,979	642,831
Unavailable revenue-fines	186,039	-	8,479	194,518
Unavailable revenue - notes receivable	26,392	-	-	26,392
Total Deferred Inflows of Resources	713,283	-	150,458	863,741
Fund Balances				
Nonspendable:				
Inventories	13,998	-	-	13,998
Prepaid items	57,607	-	24,289	81,896
Committed for:				
Sidewalks	62,266	-	-	62,266
Industrial park	304,409	-	-	304,409
Restricted for:				
Debt service	-		1,764,912	1,764,912
General government	583,330	-	95,689	679,019
Public safety	-	-	25,392	25,392
Municipal court	-	-	181,650	181,650
Tourism	-	-	87,496	87,496
Capital projects	1,063,666	20,002,853	6,207,671	27,274,190
Unassigned	6,843,781	-	(190,488)	6,653,293
Total Fund Balances	8,929,057	20,002,853	8,196,611	37,128,521
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,641,590	$ 20,002,853	$ 8,928,140	$ 40,572,583

See Notes to Financial Statements.

City of Lockhart, Texas

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

September 30, 2025

Fund Balances - Total Governmental Funds	$	37,128,521
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		7,415,559
Capital assets - net depreciable		26,201,107
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Property tax		642,831
Fines and fees		194,518
Other receivables		26,392
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 (revenues) until that time		
Pension inflows		(395,710)
OPEB inflows-TMRS		(65,063)
OPEB inflows-Retiree Healthcare		(23,590)
Deferred outflows of resources, represent a consumption of net assets that applies to a future period(s) and is not recognized as an outflow of resources (expense/ expenditures) until then		
Pension outflows		948,796
OPEB outflows-TMRS		14,454
Deferred charge on refunding		93,769
Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.		
Accrued interest		(196,210)
Deferred charges:		
Bond premium		(1,602,589)
Net pension liability		(2,980,090)
OPEB liability-TMRS		(356,269)
OPEB liability-Retiree healthcare		(274,824)
Compensated absences		(870,378)
Non-current liabilities due in one year		(1,649,355)
Non-current liabilities due in more than one year		(26,514,389)
Net Position of Governmental Activities	$	37,737,480

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, 2025

	General	2025 CO's	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property tax	$ 6,279,835	$ -	$ 2,160,480	$ 8,440,315
Sales tax	3,284,944	-	-	3,284,944
Franchise and local taxes	396,051	-	220,902	616,953
Fines and forfeitures	308,495	-	32,718	341,213
License and permits	695,752	-	368,834	1,064,586
Charges for services	130,306	-	758,836	889,142
Intergovernmental	503,642	-	157,098	660,740
Investment income	585,702	-	352,098	937,800
Other revenue	93,710	-	-	93,710
Total Revenues	12,278,437	-	4,050,966	16,329,403
Expenditures				
Current:				
General government	2,511,288	-	303,532	2,814,820
Public safety	8,229,238	-	246,188	8,475,426
Public works	5,552,959	-	2,687	5,555,646
Health and welfare	28,920	-	-	28,920
Culture and recreation	1,678,071	-	1,262	1,679,333
Community development	1,238,878	-	-	1,238,878
Debt Service:				
Principal	245,900	-	1,332,622	1,578,522
Interest and fiscal charges	38,926	-	332,560	371,486
Bond issuance costs	-	278,056	-	278,056
Capital outlay	2,979,583	-	1,210,076	4,189,659
Total Expenditures	22,503,763	278,056	3,428,927	26,210,746
Revenues Over (Under) Expenditures	(10,225,326)	(278,056)	622,039	(9,881,343)
Other Financing Sources (Uses)				
Bond issuance	-	18,955,000	-	18,955,000
Bond premium	-	1,325,909	-	1,325,909
Lease issuance	320,354	-	-	320,354
Sale of capital assets	201	-	-	201
Transfers in	4,466,180	-	437,110	4,903,290
Transfers (out)	(58,447)	-	(682,143)	(740,590)
Total Other Financing Sources	4,728,288	20,280,909	(245,033)	24,764,164
Net Change in Fund Balances	(5,497,038)	20,002,853	377,006	14,882,821
Beg. fund balances	14,426,095	-	7,819,605	22,245,700
Ending Fund Balances	$ 8,929,057	$ 20,002,853	$ 8,196,611	$ 37,128,521

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, 2025

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

Net changes in fund balances - total governmental funds	$	14,882,821
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		8,362,466
Depreciation expense		(2,331,571)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property tax		(50,074)
Fines and fees		86,994
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		(125,069)
Accrued interest		(139,894)
Pension expense		(191,000)
OPEB expense-TMRS		(39,584)
OPEB expense-retiree healthcare		10,559
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		(18,955,000)
Debt premium		(1,325,909)
Lease issuance		(320,354)
Amortization of deferred charge on refunding		(23,442)
Amortization of premium		67,036
Principal payments		1,578,522
Change in Net Position of Governmental Activities	$	1,486,501

See Notes to Financial Statements.

City of Lockhart, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUNDS (Page 1 of 2)

September 30, 2025

	Business-Type Activities		
	Electric	**Water**	**Wastewater**
Assets			
Current Assets			
Cash and cash equivalents	$ 3,480,320	$ 6,850,583	$ 8,280,474
Accounts receivable, net	2,835,794	1,437,336	651,538
Lease recivable	-	21,830	-
Due from other funds	-	-	400,251
Inventories	711,916	-	-
Total Current Assets	7,028,030	8,309,749	9,332,263
Noncurrent Assets			
Lease receivable	-	40,453	-
Capital assets:			
Non-depreciable	696,449	4,498,573	493,912
Net depreciable capital assets	5,913,963	47,460,210	6,848,881
Total Noncurrent Assets	6,610,412	51,999,236	7,342,793
Total Assets	13,638,442	60,308,985	16,675,056
Deferred Outflows of Resources			
Pension outflows-TMRS	154,257	38,861	34,395
OPEB outflows-TMRS	2,350	592	524
Deferred loss on refunding	-	57,035	8,757
Total Deferred Outflows of Resources	156,607	96,488	43,676

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ 1,298,337	$ 19,909,714
411,961	5,336,629
-	21,830
-	400,251
-	711,916
1,710,298	26,380,340
-	40,453
192,570	5,881,504
1,102,436	61,325,490
1,295,006	67,247,447
3,005,304	93,627,787
24,049	251,562
367	3,833
-	65,792
24,416	321,187

City of Lockhart, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUNDS (Page 2 of 2)

September 30, 2025

	Business-Type Activities		
	Electric	**Water**	**Wastewater**
Liabilities			
Current Liabilities			
Accounts payable	$ 1,262,753	$ 1,571,871	$ 190,988
Accrued liabilities	177,043	-	18,668
Customer deposits	526,540	234,536	-
Compensated absences, current	61,554	44,041	17,610
Lease liabilities, current	9,125	6,642	6,651
Long-term debt, current	117,874	1,842,134	317,594
Due to other funds	2,754,165	1,609,537	15,294
Accrued interest	5,504	650,746	7,353
Total Current Liabilities	4,914,558	5,959,507	574,158
Noncurrent Liabilities			
Compensated absences, noncurrent	6,839	4,893	1,957
Long-term debt, noncurrent	632,556	44,809,807	1,598,558
Net pension liability	484,511	122,057	108,030
OPEB liability-TMRS	57,923	14,592	12,915
OPEB liability-retiree healthcare	44,681	11,256	9,963
Total Noncurrent Liabilities	1,226,510	44,962,605	1,731,423
Total Liabilities	6,141,068	50,922,112	2,305,581
Deferred Inflows of Resources			
Pension inflows-TMRS	64,335	16,208	14,345
OPEB inflows-TMRS	10,578	2,665	2,359
OPEB inflows-retiree healthcare	3,836	966	855
Deferred inflows -lease related	-	62,283	-
Total Deferred Inflows of Resources	78,749	82,122	17,559
Net Position			
Net investment in capital assets	5,850,862	7,244,430	5,310,662
Restricted for:			
Capital projects	167,997	4,690,826	4,681,421
Unrestricted	1,556,373	(2,534,017)	4,403,509
Total Net Position	$ 7,575,232	$ 9,401,239	$ 14,395,592

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ 164,940	$ 3,190,552
10,977	206,688
5,100	766,176
20,045	143,249
3,406	25,824
-	2,277,602
-	4,378,996
-	663,603
204,468	11,652,690
2,227	15,917
-	47,040,921
75,536	790,134
9,034	94,464
6,966	72,866
93,763	48,014,302
298,231	59,666,992
10,029	104,917
1,650	17,252
598	6,255
-	62,283
12,277	190,707
1,291,600	19,697,554
-	9,540,244
1,427,612	4,853,477
$ 2,719,212	$ 34,091,275

City of Lockhart, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2025

	Business-Type Activities		
	Electric	**Water**	**Wastewater**
Operating Revenues			
Charges for services	$ 14,062,850	$ 8,146,651	$ 4,191,724
Other revenue	8,019	-	15
Total Operating Revenues	14,070,869	8,146,651	4,191,739
Operating Expenses			
Personnel services	1,639,271	487,555	414,514
Supplies	102,095	48,329	108,198
Maintenance and repairs	168,640	641,822	60,968
Contractual services	461,042	2,610,659	69,537
Power, water, and water treatment	8,620,092	1,094,347	1,096,587
Non-departmental	-	-	61,660
Miscellaneous	1,025,654	5,408	-
Depreciation and amortization	543,146	2,016,541	263,913
Total Operating Expenses	12,559,940	6,904,661	2,075,377
Operating Income (Loss)	1,510,929	1,241,990	2,116,362
Nonoperating Revenues (Expenses)			
Gain(loss) on sale of assets	-	-	-
Investment earnings	147,777	396,822	400,221
Interest expense	(16,691)	(1,350,667)	(61,603)
Total Nonoperating Revenues (Expenses)	131,086	(953,845)	338,618
Income (Loss) Before Capital Contributions and Transfers	1,642,015	288,145	2,454,980
Capital Contributions and Transfers			
Capital grants	-	438,511	-
Transfers in	-	532,787	-
Transfers (out)	(2,390,930)	(298,136)	(1,534,912)
Total Capital Contributions and Transfers	(2,390,930)	673,162	(1,534,912)
Change in Net Position	(748,915)	961,307	920,068
Beg. net position, as previously presented	8,324,147	8,439,932	13,475,524
Error correction	-	-	-
Beg. net position, as adjusted	8,324,147	8,439,932	13,475,524
Ending Net Position	$ 7,575,232	$ 9,401,239	$ 14,395,592

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ 2,747,170	$ 29,148,395
104,654	112,688
2,851,824	29,261,083
436,729	2,978,069
10,057	268,679
2,008,139	2,879,569
106,251	3,247,489
-	10,811,026
-	61,660
10,117	1,041,179
105,732	2,929,332
2,677,025	24,217,003
174,799	5,044,080
(169,741)	(169,741)
55,240	1,000,060
(448)	(1,429,409)
(114,949)	(599,090)
59,850	4,444,990
23,897	462,408
-	532,787
(471,509)	(4,695,487)
(447,612)	(3,700,292)
(387,762)	744,698
3,164,586	33,404,189
(57,612)	(57,612)
3,106,974	33,346,577
$ 2,719,212	$ 34,091,275

City of Lockhart, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 1 of 2)

For the Year Ended September 30, 2025

	Business-Type Activities		
	Electric	**Water**	**Wastewater**
Cash Flows from Operating Activities			
Payments to employees	$ (1,605,206)	$ (454,015)	$ (373,083)
Payments to suppliers	(8,016,875)	(3,571,935)	(1,891,788)
Receipts from customers	13,592,575	7,634,493	4,035,773
Net Cash Provided (Used) by Operating Activities	3,970,494	3,608,543	1,770,902
Cash Flows from Noncapital Financing Activities			
Transfers in	-	532,787	-
Transfers (out)	(2,390,930)	(298,136)	(1,534,912)
Net Cash Provided (Used) by Noncapital Financing	(2,390,930)	234,651	(1,534,912)
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	(1,172,016)	(3,692,874)	(165,243)
Sale of capital assets	-	-	-
Capital grants	-	438,511	-
Principal paid on capital debt	(135,822)	(1,803,601)	(321,286)
Interest paid on capital debt	(16,928)	(1,384,781)	(65,335)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,324,766)	(6,442,745)	(551,864)
Cash Flows from Investing Activities			
Interest on investments	147,777	396,822	400,221
Net Cash Provided by Investing Activities	147,777	396,822	400,221
Net Increase (Decrease) in Cash and Cash Equivalents	402,575	(2,202,729)	84,347
Beginning cash and cash equivalents	3,077,745	9,053,312	8,196,127
Ending Cash and Cash Equivalents	$ 3,480,320	$ 6,850,583	$ 8,280,474

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ (909,162)	$ (3,341,466)
(2,316,186)	(15,796,784)
3,618,619	28,881,460
393,271	9,743,210
-	532,787
(471,509)	(4,695,487)
(471,509)	(4,162,700)
-	(5,030,133)
341,018	341,018
23,897	462,408
(5,733)	(2,266,442)
(448)	(1,467,492)
358,734	(7,960,641)
55,240	1,000,060
55,240	1,000,060
335,736	(1,380,071)
962,601	21,289,785
$ 1,298,337	$ 19,909,714

City of Lockhart, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 2 of 2)

For the Year Ended September 30, 2025

	Business-Type Activities		
	Electric	**Water**	**Wastewater**
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	$ 1,510,929	$ 1,241,990	$ 2,116,362
Adjustments to reconcile operating income (loss) to net cash provided (used):			
Depreciation	543,146	2,016,541	263,913
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	(412,794)	(569,021)	(155,966)
Inventory	(24,692)	-	-
Deferred outflows:			
Pension	53,071	16,787	759
OPEB	(1,002)	(230)	(295)
Increase (Decrease) in:			
Accounts payable and accrued liabilities	290,258	706,934	(144,838)
Accrued interest	-	-	-
Customer deposits	(65,500)	56,863	-
Compensated absences	5,575	34,290	9,400
Due to other funds	2,095,082	121,696	(350,000)
Deferred inflows:			
Pension	27,885	6,425	8,165
OPEB	(929)	(487)	613
Net pension liability	(55,492)	(22,884)	16,468
OPEB Liability	4,957	(361)	6,321
Net Cash Provided (Used) by Operating Activities	$ 3,970,494	$ 3,608,543	$ 1,770,902
Schedule of Non-Cash Capital and Related Financing Activities			
Lease issuance	$ 19,275	$ 14,485	$ 14,503
Capital related accounts payable	$ -	$ (266,048)	$ (223,146)

See Notes to Financial Statements.

Business-Type Activities	
Nonmajor Funds	Total
$ 174,799	$ 5,044,080
105,732	2,929,332
766,695	(371,086)
-	(24,692)
233,095	303,712
1,306	(221)
(123,078)	729,276
(10,013)	(10,013)
100	(8,537)
(12,164)	37,101
(48,531)	1,818,247
(35,179)	7,296
(11,628)	(12,431)
(594,218)	(656,126)
(53,645)	(42,728)
$ 393,271	$ 9,743,210
$ 5,863	$ 54,126
$ -	$ (489,194)

City of Lockhart, Texas

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

September 30, 2025

	Private Purpose Trusts	Custodial Funds
Assets		
Cash and cash equivalents	$ 653	$ 63,413
Prepaids	-	1,211
Total Assets	$ 653	$ 64,624
Liabilities		
Due to others	-	30,535
Total Liabilities	-	30,535
Net Position		
Restricted for various purposes:	$ 653	$ 34,089
Total Net Position	$ 653	$ 34,089

See Notes to Financial Statements.

City of Lockhart, Texas

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

For the Year Ended September 30, 2025

	Private Purpose Trusts	Custodial Funds
Additions		
Investment income	$ 30	$ 2,940
Other revenue	-	741
Total Additions	30	3,681
Net Change in Net Position	30	3,681
Beginning Net Position	623	30,408
Ending Net Position	$ 653	$ 34,089

See Notes to Financial Statements.

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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.

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, 2025.

This component unit is discretely presented in the financial statements. Complete financial statements of the individual component unit can be obtained from Keelie Michna, 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;

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.

2025 CO Fund

The 2025 CO fund is used to account for paying contractual obligations incurred in connection with improving, constructing, equipping, acquiring, or designing the City's: (1) parks and recreation facilities, to include an aquatics center, recreation center and improving Lions Park; (2) public safety facilities, including the acquisition of land for police and fire facilities; (3) existing administration building; and (4) the payment of professional services and bond issuances costs.

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, 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, 2025, 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. Custodial funds use the economic

resources 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 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 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, custodial and other postemployment benefit trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

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

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 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	5 to 40 years
Right-to-use lease assets	3 to 7 years
Right-to-use SBITA assets	10 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 form 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 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.

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.

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.

Lessor: The City is a lessor for a noncancellable lease of a cell tower. The City recognizes a lease receivable and a deferred inflow of resources in the governmentwide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease

receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.
Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

12. Subscription Based Information Technology Arrangements ("SBITA")

The City has adopted the provision of Governmental Accounting Standard Board (GASB) Statement No. 96, entitled Subscription-Based Information Technology Arrangements ("SBITA"). The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of $5,000 or more.

At the commencement of an SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

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

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.

- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

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

13. 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.

14. 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.

15. 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 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.

16. 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

The City accounts for vacation and sick leave in accordance with the provisions of GASB Statement No. 101, Compensated Absences. Under GASB Statement No. 101, the City recognizes a liability for compensated absences for vacation leave that is attributable to services already rendered and for which the City has a present obligation to provide compensation through paid time off or cash settlement. Vacation leave is reported as a liability regardless of whether it is expected to be paid within one year. The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Vested or accumulated vacation leave and compensated leave of government-wide and proprietary funds are recognized as an expense and liability of those funds as the benefits accrue to employees.

Sick leave is considered a non-separation benefit and is recognized as a liability only to the extent it is probable that the leave will be used for qualifying absences and the amount can be reasonably estimated. Because unused sick leave is not paid upon separation from employment, the City does not record a liability for sick leave beyond amounts expected to be taken as paid absences in the future.

It is the City's policy to liquidate compensated absences with future revenues rather than with currently available expendable resources. Accordingly, the City's governmental funds recognize accrued compensated absences when it is paid.

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."

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, debt service, hotel/motel tax, and the enterprise funds. 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. The following funds exceeded appropriations at the level of control:

General Fund	$6,595,998
Debt Service Fund	$5,245

No other funds 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 $30,379,334, of which, $207,042 is restricted by enabling legislation.

B. Deficit Fund Equity

As of September 30, 2025, three nonmajor governmental funds, court technology, radio system maintenance, and drainage, reported deficit fund balances of $16,179, 74,105, and $75,915, respectively. The deficits will be replenished through interfund transfers and future operating surpluses.

C. Public Funds Investment & Collateral Acts

State statues 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, 2025, 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.

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, 2025.

As of September 30, 2025, the primary government had the following investments:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	$ 53,806,973	0.12
Total value	$ 53,806,973	
Portfolio weighted average maturity		0.12

As of September 30, 2025, the component unit had the following investments:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	$ 8,098,957	0.12
Total value	$ 8,098,957	
Portfolio weighted average maturity		0.12

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 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, 2025, 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, 2025.

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, 2025, 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-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.

B. Receivables

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

	Governmental Activities		
	General	Nonmajor Governmental	Total
Property taxes	$ 563,956	$ 141,978	$ 705,934
Sales tax	527,937	-	527,937
Other taxes	29,564	25,613	55,177
Fines & fees	602,486	131,815	734,301
Accounts	-	43,650	43,650
GBRA funds	302,455		302,455
Property liens	180,138		180,138
Other	(262,587)	-	(262,587)
Allowance	(661,307)	-	(661,307)
	$ 1,282,642	$ 343,056	$ 1,625,698

	Business-Type Activities				
	Electric	Water	Wastewater	Nonmajor	Total
Accounts	$ 3,063,733	$ 1,520,382	$ 704,803	$ 431,744	$ 5,720,662
Lease	-	62,283	-	-	62,283
EMS	-	-	-	192,008	192,008
Allowance	(227,939)	(83,046)	(53,265)	(211,791)	(576,041)
	$ 2,835,794	$ 1,499,619	$ 651,538	$ 411,961	$ 5,398,912

The component unit receivables balance consisted entirely of sales tax.

Lease Receivable

The City is a lessor of a contract in which the City receive lease payments from AT&T for the use of an existing cell tower. The lease commenced on August 1, 2023, with a term of months. Monthly lease payments of $2,000 will be paid through July 31, 2028. As of September 30, 2025, the lease receivable and offsetting deferred inflows amounted to $62,283 and $62,283, respectively. The below is the future amortization schedule for the receivable:

Year ending	Lease Receivable	
September 30,	Principal	Interest
2026	$ 21,830	$ 2,170
2027	22,719	1,281
2028	17,734	362
	$ 62,283	$ 3,813

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	$ 246,483	$ -	$ 1,833,877
Construction in progress	1,311,430	4,270,252	-	5,581,682
Total capital assets not being depreciated	2,898,824	4,516,735	-	7,415,559
Capital assets, being depreciated:				
Machinery and equipment	8,550,578	1,992,547	(6,824)	10,536,301
Buildings and improvements	14,464,576	1,532,830	-	15,997,406
Infrastructure	87,111,679	-	-	87,111,679
Right to use assets-leases	1,074,899	320,354	-	1,395,253
Right to use assets-SBITA	151,988	-	-	151,988
Total capital assets being depreciated	111,353,720	3,845,731	(6,824)	115,192,627
Less accumulated depreciation				
Machinery and equipment	7,046,152	493,023	(6,824)	7,532,351
Buildings and improvements	6,242,285	412,084	-	6,654,369
Infrastructure	72,801,316	1,141,933	-	73,943,249
Right to use assets-leases	546,622	269,332	-	815,954
Right to use assets-SBITA	30,398	15,199	-	45,597
Total accumulated depreciation	86,666,773	2,331,571	(6,824)	88,991,520
Net capital assets being depreciated	24,686,947	1,514,160	-	26,201,107
Total Capital Assets	$ 27,585,771	$ 6,030,895	$ -	$ 33,616,666

Depreciation was charged to governmental functions as follows:

General government	$ 252,595
Public safety	664,207
Public works	1,153,459
Health and welfare	9,178
Culture and recreation	252,132
Total Governmental Activities Depreciation Expense	$ 2,331,571

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	$ 424,815	$ -	$ 999,525
Construction in progress	1,378,115	4,518,394	(1,014,530)	4,881,979
Total capital assets not being depreciated	1,952,825	4,943,209	(1,014,530)	5,881,504
Capital assets, being depreciated:				
Machinery and equipment	8,314,651	327,349	(1,391,886)	7,250,114
Buildings and improvements	4,151,722	-	-	4,151,722
Infrastructure	50,736,165	248,769	1,014,530	51,999,464
Right to use assets-leases	348,816	54,126	-	402,942
Intangibles	44,455,000	-	-	44,455,000
Total capital assets being depreciated	108,006,354	630,244	(377,356)	108,259,242
Less accumulated depreciation				
Machinery and equipment	6,821,203	216,021	(881,127)	6,156,097
Buildings and improvements	3,329,399	14,223	-	3,343,622
Infrastructure	25,771,045	1,142,630	-	26,913,675
Right to use assets-leases	282,332	56,240	-	338,572
Intangibles	8,681,568	1,500,218	-	10,181,786
Total accumulated depreciation	44,885,547	2,929,332	(881,127)	46,933,752
Net capital assets being depreciated	63,120,807	(2,299,088)	503,771	61,325,490
Total Capital Assets	$ 65,073,632	$ 2,644,121	$ (510,759)	$ 67,206,994

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

Electric	$ 543,146
Water	2,016,541
Wastewater	263,913
EMS	31,512
Sanitation	18,371
Airport	55,849
Total Business-type Activities Depreciation Expense	$ 2,929,332

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	$ 821,888	$ -	$ -	$ 821,888
Construction in progress	186,194	41,349	-	227,543
Total capital assets not being depreciated	1,008,082	41,349	-	1,049,431
Capital assets, being depreciated:				
Buildings	4,477,872	27,250	-	4,505,122
Right to use assets	56,020	96,656	(56,020)	96,656
Total capital assets being depreciated	4,533,892	123,906	(56,020)	4,601,778
Less accumulated depreciation				
Buildings	292,345	90,102	-	382,447
Right to use assets	48,018	14,447	(56,020)	6,445
Total accumulated depreciation	340,363	104,549	(56,020)	388,892
Net capital assets being depreciated	4,193,529	19,357	-	4,212,886
Total Capital Assets	$ 5,201,611	$ 60,706	$ -	$ 5,262,317

Depreciation was charged to the following activities as follows:

Lockhart EDC	$ 104,549
Total Depreciation Expense	$ 104,549

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, 2025. 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	$ 2,548,302	$ -	$ (594,978)	$ 1,953,324	$ 624,914
Certificates of Obligation	5,548,135	18,955,000	(412,595)	24,090,540	433,340
Tax notes	1,708,666	-	(325,049)	1,383,617	333,679
Less deferred amounts:					
For premiums	343,716	1,325,909	(67,036)	1,602,589	-
Total Bonds Payable	10,148,819	20,280,909	(1,399,658)	29,030,070	1,391,933
SBITA liabilities	127,202	-	(14,099)	113,103	15,328
Lease liabilities	534,607	320,354	(231,801)	623,160	242,094
Total Governmental Activities	$ 10,810,628	$ 20,601,263	$ (1,645,558)	$ 29,766,333	$ 1,649,355
		Long-term liabilities due in more than one year		$ 28,116,978	
Business-Type Activities:					
General Obligation Bonds	$ 856,696	$ -	$ (200,022)	$ 656,674	$ 210,086
Certificates of Obligation	6,486,867	-	(482,405)	6,004,462	506,660
Tax Notes	1,261,334	-	(239,950)	1,021,384	246,321
Less deferred amounts:					
For premiums	242,466	-	(32,260)	210,206	-
Total Bonds Payable	8,847,363	-	(954,637)	7,892,726	963,067
Lease liabilities	25,850	54,126	(54,152)	25,824	25,824
Notes payable	1,840,710	-	(184,913)	1,655,797	189,535
GBRA Obligations	40,875,000	-	(1,105,000)	39,770,000	1,125,000
Total Business-Type Activities	$ 51,588,923	$ 54,126	$ (2,298,702)	$ 49,344,347	$ 2,303,426
		Long-term liabilities due in more than one year		$ 47,040,921	
Component Unit Activities (LEDC):					
Lease liabilities	$ 8,754	$ 96,656	$ (14,295)	$ 91,115	$ 17,172
Revenue bonds	1,250,000	-	(100,000)	1,150,000	100,000
Total Component Unit Activities	$ 1,258,754	$ 96,656	$ (114,295)	$ 1,241,115	$ 117,172
		Long-term liabilities due in more than one year		$ 1,123,943	

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, 2025, there was $1,845,000 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, 2025, there was $37,925,000 of obligations outstanding.

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%	$ 1,953,324	$ 656,674	$ 2,609,998
Total General Obligation Bonds	$ 1,953,324	$ 656,674	$ 2,609,998
Certificates of Obligation:			
$16,685,000 Certificates of Obligation, Series 2015, due in annual installments through August 2035 interest at 3.39%	$ 5,135,540	$ 6,004,462	$ 11,140,002
$18,955,000 Certificates of Obligation, Series 2025, due in annual installments through 2045, interest at 5%	18,955,000	-	18,955,000
Total Certificates of Obligation	$ 24,090,540	$ 6,004,462	$ 30,095,002
Notes Payable:			
$3,600,000 2013 State Infrastructure Bank Loan due in annual installments through June 2033, interest at 2.50%	$ -	$ 1,655,797	$ 1,655,797
Total Notes Payable	$ -	$ 1,655,797	$ 1,655,797
Tax Notes:			
$4,050,000 Limited Tax Note, Series 2022, due in annual installments through 2029, interest at 2.61%	$ 1,383,617	$ 1,021,384	$ 2,405,001
Total Tax Notes	$ 1,383,617	$ 1,021,384	$ 2,405,001
GBRA Obligations:			
$4,950,000 GBRA Revenue Bond, Series 2014, due in installments through 2030, interest at 3.45%	$ -	$ 1,845,000	$ 1,845,000
$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%	-	2,285,000	2,285,000
$2,095,000 Contract Revenue Bond, Series 2018B, due in installments through 2048, interest at 3.23%	-	1,730,000	1,730,000
$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%	-	1,470,000	1,470,000
$8,250,000 Contract Revenue Bond, Series 2020, due in installments through 2050, interest at 2.08%	-	6,920,000	6,920,000
$14,485,000 Contract Revenue Bond, Series 2021, due in installments through 2050, interest at 2.75%	-	12,165,000	12,165,000
Total GBRA Obligations	$ -	$ 39,770,000	$ 39,770,000

	Governmental Activities	Business - Type Activities	Total
Lease Liabilities:			
$322,861 lease payable for building, due in monthly installments of $5,315 to $6,218 through 2027, interest at 2.61%	$ 131,781	$ -	$ 131,781
$610,998 lease payable to Enterprise Fleet, due in monthly installments of $13,106 through 2025, interest at 1.5%	491,379	25,824	517,203
Total Lease Liabilities	$ 623,160	$ 25,824	$ 648,984
SBITA Liabilities:			
$64,352 SBITA payable to Eforce Records Management, due in annual installments of $6,862 through 2031, interest at 4.5%	$ 42,781	$ -	$ 42,781
$105,777 SBITA payable to Eforce Records License, due in annual installments of $11,966-$14,717 through 2031, interest at 4.5%	70,322	-	70,322
Total SBITA Liabilities	$ 113,103	$ -	$ 113,103
Premiums	1,602,589	210,206	1,812,795
Total Debt	$ 29,766,333	$ 49,344,347	$ 79,110,680

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%	$ 1,150,000
Total Sales Tax Reveue Bonds	$ 1,150,000
Lease liabilities:	
$96,656 lease payable for building, due in monthly installments of $5,978-$6,218 through March 2027, interest at 2.61%	$ 91,115
Total Lease Liabilities	$ 91,115
Total Debt	$ 1,241,115

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

Year ending	2015 Tax & Rev CO		2025 Tax & Rev CO		2016 GO Refunding	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 433,340	$ 164,594	$ -	$ 913,526	$ 624,914	$ 78,133
2027	447,170	151,594	95,000	947,750	647,366	53,136
2028	461,000	138,179	225,000	943,000	681,044	27,242
2029	493,270	124,349	720,000	931,750	-	-
2030	507,100	109,551	755,000	895,750	-	-
2031-2035	2,793,660	290,810	4,390,000	3,872,250	-	-
2036-2040	-	-	5,610,000	2,659,000	-	-
2041-2045	-	-	7,160,000	1,109,000	-	-
	$ 5,135,540	$ 979,077	$ 18,955,000	$ 12,272,026	$ 1,953,324	$ 158,511

Year ending	2022 Tax Note		Leases	
September 30,	Principal	Interest	Principal	Interest
2026	$ 333,679	$ 31,758	$ 242,094	$ 42,655
2027	339,432	22,974	198,861	25,340
2028	350,938	13,964	53,251	15,813
2029	359,568	4,692	58,920	9,602
2030	-	-	70,034	2,782
	$ 1,383,617	$ 73,389	$ 623,160	$ 96,192

Year ending	SBITA		
September 30,	Principal	Interest	Total
2026	$ 15,328	$ 5,090	$ 20,418
2027	16,630	4,400	21,030
2028	18,010	3,652	21,662
2029	19,470	2,841	22,311
2030	21,015	1,965	22,980
2031	22,650	1,019	23,669
Total	$ 113,103	$ 18,967	$ 132,070

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 $106,391.

The City entered into IT based subscription agreements for records management. The present value of the subscription payments is classified as right to use asset with a total carrying value as of yearend for governmental activities of $106,391.

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

Year ending	2015 Tax & Rev CO		2016 GO Refunding		2022 Tax Note	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest
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	539,000	161,559	228,954	9,158	259,062	10,309
2029	576,730	145,389	-	-	265,433	3,464
2030	592,900	128,087	-	-	-	-
2031	611,765	109,558	-	-	-	-
2032	630,630	89,676	-	-	-	-
2033	652,190	69,181	-	-	-	-
2034	673,750	47,169	-	-	-	-
2035	698,007	24,430	-	-	-	-
	$ 6,004,462	$ 1,144,735	$ 656,674	$ 53,289	$ 1,021,384	$ 54,176

Year ending	State Infrastructure Loan		Leases	
September 30,	Principal	Interest	Principal	Interest
2026	$ 189,535	$ 41,395	$ 25,824	$ 365
2027	194,273	36,657	-	-
2028	199,130	31,800	-	-
2029	204,108	26,821	-	-
2030	209,211	21,719	-	-
2031	214,441	16,489	-	-
2032	219,802	11,127	-	-
2033	225,297	5,632	-	-
	$ 1,655,797	$ 191,640	$ 25,824	$ 365

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 $64,370.

Year ending September 30,	Guadelupa-Blanco River Authority		
	Principal	Interest	Total
2026	$ 1,125,000	$ 1,121,587	$ 1,676,666
2027	1,140,000	1,102,995	1,680,790
2028	1,165,000	1,082,839	1,678,995
2029	1,185,000	1,061,242	1,681,122
2030	1,205,000	1,038,043	1,682,354
2031-2035	4,280,000	4,958,459	1,677,396
2036-2040	5,825,000	4,473,644	1,273,454
2041-2045	9,245,000	3,401,223	1,280,093
2046-2050	10,200,000	1,823,633	1,275,529
2051-2054	4,400,000	351,721	1,280,100
	$ 39,770,000	$ 20,415,385	$ 15,186,498

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

Year ending September 30,	Leases	
	Principal	Interest
2026	$ 17,172	$ 2,176
2027	18,411	1,713
2028	19,711	1,217
2029	21,078	686
2030	14,743	145
	$ 91,115	$ 5,937

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 $90,211.

Year ending September 30,	2020 Sales Tax and Revenue Bonds	
	Principal	Interest
2026	$ 100,000	$ 28,405
2027	105,000	25,935
2028	110,000	23,342
2029	110,000	20,625
2030	115,000	17,908
2031-2035	610,000	46,067
	$ 1,150,000	$ 162,282

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	$ 745,309	$ 795,847	$ (670,778)	$ 870,378	$ 783,340
Total Governmental Activities	$ 745,309	$ 795,847	$ (670,778)	$ 870,378	$ 783,340
Other long-term liabilities due in more than one year				$ 87,038	
Business-Type Activities:					
Compensated absences	$ 122,065	$ 146,959	$ (109,859)	$ 159,166	$ 143,249
Total Business-Type Activities	$ 122,065	$ 146,959	$ (109,859)	$ 159,166	$ 143,249
Other long-term liabilities due in more than one year				$ 15,917	
EDC Activities:					
Compensated absences	$ 1,587	$ 3,198	$ (1,428)	$ 3,357	$ 3,021
Total Business-Type Activities	$ 1,587	$ 3,198	$ (1,428)	$ 3,357	$ 3,021
Other long-term liabilities due in more than one year				$ 336	

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 $93,769 and $65,792, respectively. Current year amortization expense for governmental and business-type activities totaled $23,442 and $16,448, respectively.

I. Interfund Transactions

The compositions of interfund advances to/from balances as of the year ended September 30, 2025 were as follows:

	Due from:		
Due to:	**General Fund**	**Wastewater Fund**	**Total**
Electric	$ 2,727,972	$ 26,193	$ 2,754,165
Water	1,235,479	374,058	1,609,537
Wastewater	15,294	-	15,294
Nonmajor govt.	238,128	-	238,128
Total	$ 4,216,873	$ 400,251	$ 4,617,124

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.

The LEDC recorded a total payable of $79,220 to the general fund during the year.

Transfers between the primary government during the 2025 year were as follows:

	Transfers Out:						
Transfers In:	**General**	**Electric**	**Water**	**Wastewater**	**Nonmajor governmental**	**Nonmajor bus.-type**	**Total**
General	$ -	$ 2,390,930	$ 298,136	$ 755,605	$ 550,000	$ 471,509	$ 4,466,180
Nonmajor govt	58,447	-	-	246,520	132,143	-	437,110
Water	-	-	-	532,787	-	-	532,787
Total	$ 58,447	$ 2,390,930	$ 298,136	$ 1,534,912	$ 682,143	$ 471,509	$ 5,436,077

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.

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 938 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.

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 three payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

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:

	Plan Year 2024	Plan Year 2023
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 Retroactive Repeating	70% of CPI Repeating

Employees covered by benefit terms

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	114
Inactive employees entitled to but not yet receiving benefits	160
Active employees	151
Total	425

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 13.06% and 14.17% in calendar years 2024 and 2025, respectively. The City's contributions to TMRS for the year ended September 30, 2025, were $1,337,697, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2024, 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, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.60% to 11.85% 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 110% of the Public Safety table used for males and 100% of 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 the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the 3.5% and 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS as of December 31, 2022. They were adopted in 2023 and first used in the December 31, 2023 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, Gabriel, Roeder, Smith & Company (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 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35.0%	6.7%
Core Fixed Income	6.0%	4.7%
Non-Core Fixed Income	20.0%	8.0%
Other Public/Private Markets	12.0%	8.0%
Real Estate	12.0%	7.6%
Hedge Funds	5.0%	6.4%
Private Equity	10.0%	11.6%
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 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, $3,770,224 is related to the primary government, and $61,697 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 12/31/23	$ 43,107,349	$ 38,291,146	$ 4,816,203	$ 4,738,659	$ 77,544
Changes for the year:					
Service cost	1,370,951	-	1,370,951	1,348,877	22,074
Interest	2,881,842	-	2,881,842	2,835,442	46,400
Change in benefit terms	-	-	-	-	-
Difference between expected and actual experience	500,647	-	500,647	492,586	8,061
Changes of assumptions	-	-	-	-	-
Contributions – employer	-	1,228,027	(1,228,027)	(1,208,255)	(19,772)
Contributions – employee	-	564,178	(564,178)	(555,094)	(9,084)
Net investment income(loss)	-	3,971,631	(3,971,631)	(3,907,684)	(63,947)
Benefit payments, including refunds of emp. contributions	(2,197,725)	(2,197,725)	-	-	-
Administrative expense	-	(25,516)	25,516	25,105	411
Other changes	-	(598)	598	587	11
Net changes	2,555,715	3,539,997	(984,282)	(968,435)	(15,847)
Balance at 12/31/24	$ 45,663,064	$ 41,831,143	$ 3,831,921	$ 3,770,224	$ 61,697

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

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

1% Decrease 5.75%	Current Single Rate 6.75%	1% Increase 7.75%
$ 9,902,176	$ 3,770,224	$ (1,237,174)

Component Unit

1% Decrease 5.75%	Current Single Rate 6.75%	1% Increase 7.75%
$ 162,043	$ 61,697	$ (20,246)

Total

1% Decrease 5.75%	Current Single Rate 6.75%	1% Increase 7.75%
$ 10,064,219	$ 3,831,921	$ (1,257,420)

Pension Plan Fiduciary Net Position:

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

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

For the year ended September 30, 2025, the City recognized pension expense of $1,166,262. Of this amount, $1,147,484 is related to the primary government and $18,778 is attributable to the discretely presented component unit.

At September 30, 2025, 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	$ -	$ (372,985)
Change in assumptions	-	(127,642)
Differences between expected and actual economic experience	251,681	-
Contributions subsequent to the measurement date	948,677	-
Component Units:		
Difference between projected and actual investment earnings	-	(6,104)
Change in assumptions	-	(2,089)
Differences between expected and actual economic experience	4,119	-
Contributions subsequent to the measurement date	15,524	-
Total	$ 1,220,001	$ (508,820)

The primary government and component units reported $948,677 and $15,524, 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, 2026.

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

Year ended December 31:	Primary Government	Discretely Presented Component Units	Total
2025	$ 40,377	$ 661	$ 41,038
2026	588,060	9,623	597,683
2027	(604,451)	(9,891)	(614,342)
2028	(272,933)	(4,466)	(277,399)
2029	-	-	-
Thereafter	-	-	-
	$ (248,946)	$ (4,074)	$ (253,020)

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, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	**78**
Inactive employees entitled to but not yet receiving benefits	27
Active employees	151
Total	256

The City's contributions to the TMRS SDBF for the years ended 2025, 2024, and 2023 were $16,715, $15,319, and $10,839, respectively, which equaled the required contributions each year.

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
2023	0.15%	0.15%	100.0%
2024	0.18%	0.18%	100.0%
2025	0.17%	0.17%	100.0%

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2024, 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, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.60% to 11.85%, including inflation per year
Discount rate	4.08%
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 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements. For disabled annuitants, the mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females. The rates are projected on a fully generational basis by the most recent Scale MP=2021 (with immediate convergence) to account for future mortality improvements subject to the 3.5% and 3% floor.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 4.08%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2024.

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 4.08%, 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 (3.08%) or 1-percentage-point higher (5.08%) than the current rate:

1% Decrease	Current Single Rate	1% Increase
3.08%	4.08%	5.08%
$ 538,906	$ 458,109	$ 394,210

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/23	$ 448,005
Changes for the year:	
Service Cost	18,809
Interest	16,925
Difference between expected and actual experience	14,161
Changes of assumptions	(22,866)
Benefit payments	(16,925)
Net changes	10,104
Balance at 12/31/24	$ 458,109

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

For the year ended September 30, 2025, the City recognized OPEB expense for the SDBF of $10,205. Total aggregate OPEB expense was $24,333 including the healthcare benefit OPEB discussed in the subsequent section.

At September 30, 2025, the City reported deferred outflows and 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	$ 7,017	$ -
Changes in assumptions and other inputs	-	(83,662)
Contributions subsequent to measurement date	11,569	-
Total	$ 18,586	$ (83,662)

The City reported $11,569 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, 2026.

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

Year ended December 31:	
2026	$ (34,567)
2027	(35,186)
2028	(5,807)
2029	(1,085)
2030	-
Thereafter	-
	$ (76,645)

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.

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.

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, 2024 and measured as of September 30, 2025 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 2024 actuarial valuation for the development of the GASB 75 disclosures related to OPEB benefits for the year ended September 30, 2025.

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.

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	4.06%
Inflation Rate	2.50%
Salary Growth	3.50%
Healthcare Cost Trend Rate (Initial/Ultimate)	4.50% for medical

At the September 30, 2024 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, 2024 valuation date, the following employees were covered by the benefit terms:

Status	**Employee**	**Employee & Spouse**
Inactive employees or beneficiaries currently receiving benefits	4	0
Active employees	30	6
Total	**34**	**6**

Discount Rate

The discount rate used to measure the Total OPEB Liability was 4.06%. The discount rate was based on the Bond Buyer GO Bond 20 Year Index rate as of September 30, 2024, 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 4.06%, 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 (3.06%) or 1-percentage-point higher (5.06%) than the current rate:

1% Decrease 3.06%	Current Single Rate 4.06%	1% Increase 5.06%
$ 325,545	$ 347,690	$ 371,682

Healthcare Cost Trend

1% Decrease 3.50%	Current Healthcare Cost Trend 4.50%	1% Increase 5.50%
$ 322,091	$ 347,690	$ 376,659

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2023	$ 353,551
Changes for the year:	
Service Cost	5,631
Interest	14,064
Benefit payments	(25,557)
Net changes	(5,861)
Balance at 9/30/2024	$ 347,690

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

For the year ended September 30, 2025, the City recognized OPEB expense for the health benefit plan of $14,128.

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Inflows of Resources
Difference between expected and actual experience	$ (14,723)
Change in assumptions	(15,122)
Total	$ (29,845)

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

Year ended September 30:	
2026	$ (8,156)
2027	(12,208)
2028	(7,759)
2029	(1,722)
2030	-
Thereafter	-
	$ (29,845)

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, 2025:

$13,885 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.

G. Restatement

The City restated beginning net position for the EMS fund and business-type activities to adjust prior year accrued payables. In addition, the City restated beginning net position for the governmental activities to account for the new acct. standard – GASB 101, *Compensated Absences*. The restatements are as follows:

	Governmental Activities	Buisness-Type Activities	Business-Type Nonmajor
Prior year ending net position, as reported	$ 36,418,436	$ 33,404,189	3,164,586
Restatements for accrued payables	-	(57,612)	(57,612)
Restatements for new acct. standard-GASB 101, *Compensated Absences*	(167,457)	-	-
Restated beginning net position	$ 36,250,979	$ 33,346,577	$ 3,106,974

H. New Accounting Pronouncements

The City adopted GASB 101, *Compensated Absences* during the year. The goal of the standard is to create a more consistent model for accounting for compensated absences that can be applied to all types of compensated absence arrangements.

The new guidance introduces three criteria for recording a liability in financial statements prepared using the economic resources measurement focus (often referred to as a "full accrual" basis). A liability should be recognized for leave that has not been used if all of the following are true:

- The leave is attributable to services already rendered.
- The leave accumulates.
- The leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means (likelihood of more than 50 percent).

This standard was applied retroactively and resulted in a sick leave liability of $129,883 as of September 30, 2025.

I. Related Party Transactions

During the year ended September 30, 2025, the City had the following transactions with related parties of the City:

- Council member Jeffery Michelson is a member of the Board of Directors of First Lockhart National Bank, depository for the City. Mr. Michelson abstains from voting on all matters involving the banking institution.

J. Sale of EMS Assets

In January 2025, the City entered into an Asset Purchase and Sale Agreement with Caldwell County Emergency Services District No. 5 to transfer ownership of Emergency Medical Services (EMS) operational assets.

Under the agreement, the City agreed to sell specified EMS-related personal property, including ambulances, vehicles, and medical equipment, for a total purchase price of $381,018, payable at closing on January 31, 2025.

In addition to the purchase price, the buyer will assume and pay directly to the vendor the remaining balance of $217,975 related to one ambulance (Medic 6). Medicine and consumable supplies on hand as of February 1, 2025 will be purchased separately at a price to be determined at that time.

The transaction represents a sale of assets only. The ESD did not assume any other liabilities of the City related to EMS operations. Both parties provided customary representations and warranties, and indemnification provisions are included in the agreement.

K. Subsequent Events

There were no subsequent events through March 17, 2026, the date the financial statements were issued.

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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, 2025

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	
Revenues				
Property tax	$ 5,885,600	$ 6,279,835	$ 394,235	
Sales tax	3,006,935	3,284,944	278,009	
Franchise and local taxes	401,631	396,051	(5,580)	
License and permits	891,630	308,495	(583,135)	
Charges for services	91,800	695,752	603,952	
Intergovernmental	617,969	130,306	(487,663)	
Fines and forfeitures	251,500	503,642	252,142	
Investment income	350,000	585,702	235,702	
Other revenue	53,950	93,710	39,760	
Total Revenues	11,551,015	12,278,437	727,422	
Expenditures				
Current:				
General government	2,057,344	2,511,288	(453,944)	
Public safety	8,201,757	8,229,238	(27,481)	
Public works	2,211,318	5,552,959	(3,341,641)	
Health and welfare	15,894	28,920	(13,026)	
Culture and recreation	1,518,803	1,678,071	(159,268)	
Community development	1,896,096	1,238,878	657,218	
Debt Service:				
Principal	-	245,900	(245,900)	
Interest and fiscal charges	-	38,926	(38,926)	
Capital outlay	-	2,979,583	(2,979,583)	
Total Expenditures	15,901,212	22,503,763	(6,602,551)	*
Revenues Over (Under) Expenditures	(4,350,197)	(10,225,326)	(5,875,129)	

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, 2025

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)	
Other Financing Sources (Uses)				
Lease issuance	$ -	$ 320,354	$ 320,354	
Sale of assets	25,000	201	(24,799)	
Transfers in	4,459,991	4,466,180	6,189	
Transfers (out)	(65,000)	(58,447)	6,553	
Total Other Financing Sources (Uses)	4,419,991	4,728,288	308,297	*
Net Change in Fund Balance	$ 69,794	(5,497,038)	$ (5,566,832)	
Beginning fund balance		14,426,095		
Ending Fund Balance		$ 8,929,057		

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.
2. Total expenditures (including transfers out) exceeded appropriations at the legal level of control

City of Lockhart, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Years Ended:

	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Total pension liability				
Service cost	$ 1,370,951	$ 1,003,200	$ 1,019,640	$ 1,005,010
Interest	2,881,842	2,800,841	2,695,766	2,527,075
Differences between expected and actual experience	500,647	(193,699)	57,152	850,154
Changes of assumptions	-	(414,853)	-	-
Benefit payments, including refunds of participant contributions	(2,197,725)	(2,160,970)	(2,254,366)	(1,526,480)
Net change in total pension liability	2,555,715	1,034,519	1,518,192	2,855,759
Total pension liability - beginning	43,107,349	42,072,830	40,554,638	37,698,879
Total pension liability - ending (a)	$ 45,663,064	$ 43,107,349	$ 42,072,830	$ 40,554,638
Plan fiduciary net position				
Contributions - employer	$ 1,228,027	$ 958,429	$ 953,882	$ 950,147
Contributions - members	564,178	455,310	464,176	457,169
Net investment income	3,971,631	4,048,327	(2,821,822)	4,474,872
Benefit payments, including refunds of participant contributions	(2,197,725)	(2,160,970)	(2,254,366)	(1,526,480)
Administrative expenses	(25,516)	(25,782)	(24,426)	(20,710)
Other	(598)	(180)	29,148	142
Net change in plan fiduciary net position	3,539,997	3,275,134	(3,653,408)	4,335,140
Plan fiduciary net position - beginning	38,291,146	35,016,012	38,669,420	34,334,280
Plan fiduciary net position - ending (b)	$ 41,831,143	$ 38,291,146	$ 35,016,012	$ 38,669,420
Fund's net pension liability - ending (a) - (b)	$ 3,831,921	$ 4,816,203	$ 7,056,818	$ 1,885,218
Plan fiduciary net position as a percentage of the total pension liability	91.61%	88.83%	83.23%	95.35%
Covered payroll	$ 9,402,959	$ 7,588,505	$ 7,736,270	$ 7,619,481
Fund's pension liability as a percentage of covered payroll	40.75%	63.47%	91.22%	24.74%

12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
$ 961,008	$ 908,475	$ 861,176	$ 803,650	$ 809,909	$ 755,292
2,392,058	2,267,377	2,158,275	2,050,665	1,924,544	1,840,606
193,047	(28,525)	(144,312)	(95,374)	213,804	541,546
-	94,975	-	-	-	143,888
(1,609,242)	(1,233,643)	(1,331,302)	(1,055,658)	(1,097,681)	(1,084,811)
1,936,871	2,008,659	1,543,837	1,703,283	1,850,576	2,196,521
35,762,008	33,753,349	32,209,512	30,506,229	28,655,653	26,459,132
$ 37,698,879	$ 35,762,008	$ 33,753,349	$ 32,209,512	$ 30,506,229	$ 28,655,653
$ 933,321	$ 884,655	$ 848,460	$ 779,767	$ 708,591	$ 721,903
437,153	408,304	385,314	358,239	358,731	352,824
2,439,599	4,299,655	(862,453)	3,497,425	1,599,743	34,935
(1,609,242)	(1,233,643)	(1,331,302)	(1,055,658)	(1,097,681)	(1,084,811)
(15,791)	(24,299)	(16,669)	(18,124)	(18,076)	(21,283)
(616)	(730)	(872)	(918)	(974)	(1,051)
2,184,424	4,333,942	(977,522)	3,560,731	1,550,334	2,517
32,149,856	27,815,914	28,793,436	25,232,705	23,682,371	23,679,854
$ 34,334,280	$ 32,149,856	$ 27,815,914	$ 28,793,436	$ 25,232,705	$ 23,682,371
$ 3,364,599	$ 3,612,152	$ 5,937,435	$ 3,416,076	$ 5,273,524	$ 4,973,282
91.08%	89.90%	82.41%	89.39%	82.71%	82.64%
$ 7,285,883	$ 6,805,058	$ 6,421,896	$ 5,970,653	$ 5,937,749	$ 5,730,595
46.18%	53.08%	92.46%	57.21%	88.81%	86.78%

City of Lockhart, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended:

	9/30/2025	9/30/2024	9/30/2023	9/30/2022
Actuarially determined employer contributions	$ 1,337,697	$ 1,152,717	$ 944,606	$ 946,174
Contributions in relation to the actuarially determined contribution	$ 1,337,697	$ 1,152,717	$ 944,606	$ 946,174
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Annual covered payroll	$ 9,664,369	$ 8,904,053	$ 7,533,848	$ 7,648,561
Employer contributions as a percentage of covered payroll	13.84%	12.95%	12.54%	12.37%

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	21 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed fair value; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% 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 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are bultiplied by 103% and femaile rates are multiplied by 105%. The rates are projected on a fully generational basis with the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence)

Other Information:

Notes	There were no benefit changes during the year.

	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
	$ 941,155	$ 896,545	$ 872,807	$ 829,948	$ 754,327	$ 734,637
	$ 941,155	$ 896,545	$ 872,807	$ 829,948	$ 754,327	$ 734,637
	$ -	$ -	$ -	$ -	$ -	$ -
	$ 7,490,384	$ 6,972,445	$ 6,687,118	$ 6,300,160	$ 5,911,532	$ 6,129,529
	12.56%	12.86%	13.05%	13.17%	12.76%	11.99%

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] 12/31/2024	12/31/2023	12/31/2022	12/31/2021
Total OPEB liability				
Service cost	$ 18,809	$ 13,659	$ 29,398	$ 28,954
Interest	16,925	16,846	10,714	10,983
Differences between expected and actual experience	14,161	(7,404)	7,532	(13,022)
Changes of assumptions	(22,866)	21,476	(195,401)	16,765
Benefit payments	(16,925)	(11,382)	(10,057)	(11,429)
Net changes	10,104	33,195	(157,814)	32,251
Total OPEB liability - beginning	448,005	414,810	572,624	540,373
Total OPEB liability - ending	[2] $ 458,109	$ 448,005	$ 414,810	$ 572,624
Covered employee payroll	$ 9,402,959	$ 7,588,505	$ 7,736,270	$ 7,619,481
Fund's net position as a percentage of covered employee payroll	4.87%	5.90%	5.36%	7.52%

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.

12/31/2020	12/31/2019	12/31/2018	12/31/2017
$ 23,315	$ 17,693	$ 19,266	$ 15,524
13,308	14,621	13,571	13,276
(36,363)	(18,892)	(17,158)	-
70,035	77,468	(27,464)	31,482
(4,372)	(3,403)	(3,211)	(3,582)
65,923	87,487	(14,996)	56,700
474,450	386,963	401,959	345,259
$ 540,373	$ 474,450	$ 386,963	$ 401,959
$ 7,285,883	$ 6,805,058	$ 6,421,896	$ 5,970,653
7.42%	6.97%	6.03%	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] 9/30/2025	9/30/2024	9/30/2023	9/30/2022
Total OPEB liability				
Service cost	$ 5,632	$ 6,779	$ 6,779	$ 13,045
Interest	14,064	17,980	17,980	9,628
Differences between expected and actual experience	-	(44,768)	-	38,165
Changes of assumptions	-	16,180	-	(81,547)
Benefit payments	(25,557)	(25,558)	(23,980)	(23,980)
Net changes	(5,861)	(29,387)	779	(44,689)
Total OPEB liability - beginning	353,551	382,938	382,159	426,848
Total OPEB liability - ending	[2] $ 347,690	$ 353,551	$ 382,938	$ 382,159
Covered employee payroll	$ 2,067,177	$ 2,067,177	$ 2,950,019	$ 2,950,019
Fund's net position as a percentage of covered employee payroll	16.82%	17.10%	12.98%	12.95%

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.

9/30/2021	9/30/2020	9/30/2019	9/30/2018
$ 13,045	$ 11,786	$ 11,786	$ 11,326
9,754	15,971	15,460	15,641
-	(9,846)	-	-
-	53,744	-	-
(32,804)	(32,804)	(20,086)	(20,086)
(10,005)	38,851	7,160	6,881
436,853	398,002	390,842	383,961
$ 426,848	$ 436,853 [2]	$ 398,002 [2]	$ 390,842
$ 3,307,156	$ 3,307,156	$ 3,778,438	$ 3,778,438
12.91%	13.21%	10.53%	10.34%

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUND

This fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds.

RADIO TOWER EQUIPMENT REPLACEMENT

This fund is used to account for funding received and expenditures used for the replacement of radio tower equipment.

FORFIETED PROPERTY

This fund is used to account for forfeitures for use in the Police Department.

HOTEL/MOTEL TAX

This fund is used to account for revenues and expenditures of the hotel/motel tax receipts as specified by state statute.

LEOSE FUND

This fund is used to account for LEOSE grants received for use in the Police Department.

ROAD IMPACT FEES #1

This fund is used to account for road impact fees collected and expenditures used on roadway construction impacted by development.

ROAD IMPACT FEES #2

This fund is used to account for road impact fees collected and expenditures used on roadway construction impacted by development.

COURT TECHNOLOGY

This fund is used to account for funds collected in association with the portion of the court fees which are restricted for use on court technology.

RADIO SYSTEM MAINTENANCE

This fund is used to account for funding received and expenditures used for the radio system maintenance.

COURT SECURITY

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on court security.

CHILD SAFETY

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use in child safety.

COURT EFFICIENCY

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on court efficiency.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

JUVENILE CASE MANAGER

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on costs associated with juvenile case manager.

TRUANCY COURT

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on truancy court.

LOCAL MUNICIPAL JURY

This fund is used to account for funds collected in association with the portion of the fees which are restricted for use on local municipal jury.

CABLE EDUCATION

This fund is used to account for funds collected Public, Educational, and Governmental (PEG) fees for use for capital expenditures related to the operation of public, educational, and governmental television channels.

TRANSPORTATION

This fund is used to account for transportation fees collected and expenditures used on roads impacted by commercial activities.

CARES RELIEF ACT

This fund is used to account for funds received from U.S. Department of Treasury for various qualified expenditures associated with the American Relief and Recovery Act Grant.

CLEARFORK SECTION 1 SIDEWALK

This fund is used to track funds related to the Clearfork Section 1 Sidewalk project.

MAPLE 2201 TRAIL PROJECT

This fund is used to track funds related to the Maple 2201 Trail Project.

2015 CERTIFICATES OF OBLIGATION

This fund is used to track funds related to the series 2015 Certificates of Obligation.

MAPLE STREET PARK IMPROVEMENTS

This fund is used to track funds related to the Maple Street Park Improvements.

City of Lockhart, Texas

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

September 30, 2025

	Debt Service Fund	Special Revenue Funds	Capital Project Funds	Total
Assets				
Cash and cash equivalents	$ 1,764,913	$ 6,367,761	$ 428,121	$ 8,560,795
Accounts receivable	141,978	201,078	-	343,056
Prepaid	-	24,289	-	24,289
Total Assets	$ 1,906,891	$ 6,593,128	$ 428,121	$ 8,928,140
Liabilities				
Accounts payable	$ -	$ 72,569	$ 229,821	$ 302,390
Accrued liabilities	-	-	40,553	40,553
Due to other funds	-	238,128	-	238,128
Total Liabilities	-	310,697	270,374	581,071
Deferred Inflows/Outflows				
Unavailable revenue-tax	141,979	-	-	141,979
Unavailable revenue-fines	-	8,479	-	8,479
Total Deferred Inflows	141,979	8,479	-	150,458
Fund Balances				
Nonspendable:				
Prepaids	-	24,289	-	24,289
Restricted for:				
Debt service	1,764,912	-	-	1,764,912
General government	-	95,689	-	95,689
Public safety	-	25,392	-	25,392
Municipal court	-	181,650	-	181,650
Tourism	-	87,496	-	87,496
Capital projects	-	6,049,924	157,747	6,207,671
Unassigned	-	(190,488)	-	(190,488)
Total Fund Balances	1,764,912	6,273,952	157,747	8,196,611
Total Liabilities, Deferred Inflows and Fund Balances	$ 1,906,891	$ 6,593,128	$ 428,121	$ 8,928,140

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, 2025

	Debt Service Fund	Special Revenue Funds	Capital Project Funds	Total
Revenues				
Property tax	$ 2,160,480	$ -	$ -	$ 2,160,480
Hotel occupancy tax	-	220,902	-	220,902
Fines and forfeitures	-	32,718	-	32,718
License and permits	-	368,834	-	368,834
Charges for services	-	758,836	-	758,836
Intergovernmental	24,255	132,843	-	157,098
Investment income	78,815	238,999	34,284	352,098
Total Revenues	2,263,550	1,753,132	34,284	4,050,966
Expenditures				
General government	-	303,532	-	303,532
Public safety	-	246,188	-	246,188
Public works	-	2,687	-	2,687
Culture and recreation	-	1,262	-	1,262
Debt service:				
Principal	1,332,622	-	-	1,332,622
Interest	332,560	-	-	332,560
Capital outlay	-	283,093	926,983	1,210,076
Total Expenditures	1,665,182	836,762	926,983	3,428,927
Revenues Over (Under) Expenditures	598,368	916,370	(892,699)	622,039
Other Financing Sources (Uses)				
Transfers in	378,663	58,447	-	437,110
Transfers (out)	-	(682,143)	-	(682,143)
Total Other Financing Sources (Uses)	378,663	(623,696)	-	(245,033)
Net Change in Fund Balances	977,031	292,674	(892,699)	377,006
Beginning fund balances	787,881	5,981,278	1,050,446	7,819,605
Ending Fund Balances	$ 1,764,912	$ 6,273,952	$ 157,747	$ 8,196,611

See Notes to Financial Statements.

City of Lockhart, Texas

COMBINING BALANCE SHEET (Page 1 of 2)

NONMAJOR SPECIAL REVENUE FUNDS

September 30, 2025

	Radio Tower Equipment Replacement	Forfeited Property	Hotel/ Motel Tax	LEOSE Fund
Assets				
Cash and cash equivalents	$ 3,287	$ 12,273	$ 69,462	$ 13,119
Accounts receivable	-	-	25,613	-
Prepaid	-	-	-	-
Total Assets	$ 3,287	$ 12,273	$ 95,075	$ 13,119
Liabilities				
Accounts payable and accrued liab.	$ -	$ -	$ -	$ -
Due to other funds	-	-	7,579	-
Total Liabilities	-	-	7,579	-
Deferred Inflows				
Unavailable revenue-fines and fees	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balances				
Nonspendable:				
Prepaids	-	-	-	-
Restricted for:				
General government	-	-	-	-
Public safety	-	12,273	-	13,119
Municipal court	-	-	-	-
Tourism	-	-	87,496	-
Capital projects	3,287	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3,287	12,273	87,496	13,119
Total Liabilities, Deferred Inflows, and Fund Balances	$ 3,287	$ 12,273	$ 95,075	$ 13,119

See Notes to Financial Statements.

Road Impact Fees #1	Road Impact Fees #2	Court Technology	Radio System Maintenance	Court Security
$ 2,635,027	$ 1,882,703	$ -	$ -	$ 7,081
-	-	1,708	-	1,947
-	-	13,116	11,173	-
$ 2,635,027	$ 1,882,703	$ 14,824	$ 11,173	$ 9,028
$ -	$ -	$ 2,775	$ 814	$ -
-	-	26,520	84,464	-
-	-	29,295	85,278	-
-	-	1,708	-	1,947
-	-	1,708	-	1,947
-	-	13,116	11,173	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	7,081
-	-	-	-	-
2,635,027	1,882,703	-	-	-
-	-	(29,295)	(85,278)	-
2,635,027	1,882,703	(16,179)	(74,105)	7,081
$ 2,635,027	$ 1,882,703	$ 14,824	$ 11,173	$ 9,028

City of Lockhart, Texas

COMBINING BALANCE SHEET (Page 2 of 2)

NONMAJOR SPECIAL REVENUE FUNDS

September 30, 2025

	Child Safety	Court Efficiency	Juvenile Case Manager	Truancy Court
Assets				
Cash and cash equivalents	$ 55,754	$ 23,520	$ 81,435	$ 13,214
Accounts receivable	810	1,726	2,132	121
Prepaid	-	-	-	-
Total Assets	$ 56,564	$ 25,246	$ 83,567	$ 13,335
Liabilities				
Accounts payable and accrued liab.	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows				
Unavailable revenue-fines and fees	810	1,726	2,132	121
Total Deferred Inflows	810	1,726	2,132	121
Fund Balances				
Nonspendable:				
Prepaids	-	-	-	-
Restricted for:				
General government	-	-	-	-
Public safety	-	-	-	-
Municipal court	55,754	23,520	81,435	13,214
Tourism	-	-	-	-
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	55,754	23,520	81,435	13,214
Total Liabilities, Deferred Inflows, and Fund Balances	$ 56,564	$ 25,246	$ 83,567	$ 13,335

See Notes to Financial Statements.

Local Municipal Jury	Cable Education	Transportation	Drainage	CARES Relief Act	Total Special Revenue Funds
$ 646	$ 88,030	$ 539,496	$ -	$ 942,714	$ 6,367,761
35	25,314	98,022	43,650	-	201,078
-	-	-	-	-	24,289
$ 681	$ 113,344	$ 637,518	$ 43,650	$ 942,714	$ 6,593,128
$ -	$ 17,655	$ -	$ -	$ 51,325	$ 72,569
-	-	-	119,565	-	238,128
-	17,655	-	119,565	51,325	310,697
35	-	-	-	-	8,479
35	-	-	-	-	8,479
-	-	-	-	-	24,289
-	95,689	-	-	-	95,689
-	-	-	-	-	25,392
646	-	-	-	-	181,650
-	-	-	-	-	87,496
-	-	637,518	-	891,389	6,049,924
-	-	-	(75,915)	-	(190,488)
646	95,689	637,518	(75,915)	891,389	6,273,952
$ 681	$ 113,344	$ 637,518	$ 43,650	$ 942,714	$ 6,593,128

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, 2025

	Radio Tower Equipment Replacement	Forfeited Property	Hotel/ Motel Tax	LEOSE Fund
Revenues				
Hotel occupancy tax	$ -	$ -	$ 178,817	$ -
Fines and forfeitures	-	-	-	-
License and permits	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	4,608
Investment income	155	566	6,618	796
Total Revenues	155	566	185,435	5,404
Expenditures				
General government	-	-	248,750	-
Public safety	117	-	-	11,247
Public works	-	-	-	-
Culture and recreation	-	-	1,262	-
Capital outlay	-	-	-	-
Total Expenditures	117	-	250,012	11,247
Revenues Over (Under) Expenditures	38	566	(64,577)	(5,843)
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	38	566	(64,577)	(5,843)
Beginning fund balances	3,249	11,707	152,073	18,962
Ending Fund Balances	$ 3,287	$ 12,273	$ 87,496	$ 13,119

See Notes to Financial Statements.

Road Impact Fees #1	Road Impact Fees #2	Court Technology	Radio System Maintenance	Court Security
$ -	$ -	$ -	$ -	$ -
-	-	4,872	-	10,726
154,814	214,020	-	-	-
-	-	-	-	-
-	-	-	128,235	-
118,012	79,882	-	-	2
272,826	293,902	4,872	128,235	10,728
-	-	12,180	-	-
-	-	-	234,212	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	12,180	234,212	-
272,826	293,902	(7,308)	(105,977)	10,728
-	-		58,447	-
-	-	-	-	-
-	-	-	58,447	-
272,826	293,902	(7,308)	(47,530)	10,728
2,362,201	1,588,801	(8,871)	(26,575)	(3,647)
$ 2,635,027	$ 1,882,703	$ (16,179)	$ (74,105)	$ 7,081

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, 2025

	Child Safety	Court Efficiency	Juvenile Case Manager	Truancy Court
Revenues				
Franchise and local taxes	$ -	$ -	$ -	$ -
Fines and forfeitures	1,530	4,478	9,513	1,421
License and permits	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	2,528	979	3,546	577
Total Revenues	4,058	5,457	13,059	1,998
Expenditures				
General government	-	-	-	-
Public safety	-	-	612	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	612	-
Revenues Over (Under) Expenditures	4,058	5,457	12,447	1,998
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	4,058	5,457	12,447	1,998
Beginning fund balances	51,696	18,063	68,988	11,216
Ending Fund Balances	$ 55,754	$ 23,520	$ 81,435	$ 13,214

See Notes to Financial Statements.

Local Municipal Jury	Cable Education	Transportation	Drainage	CARES Relief Act	Total Special Revenue Funds
$ -	$ 42,085	$ -	$ -	$ -	$ 220,902
178	-	-	-	-	32,718
-	-	-	-	-	368,834
-	-	525,273	233,563	-	758,836
-	-	-	-	-	132,843
-	3,674	21,664	-	-	238,999
178	45,759	546,937	233,563	-	1,753,132
-	42,602	-	-	-	303,532
-	-	-	-	-	246,188
-	-	-	2,687	-	2,687
-	-	-	-	-	1,262
-	-	-	-	283,093	283,093
-	42,602	-	2,687	283,093	836,762
178	3,157	546,937	230,876	(283,093)	916,370
-	-	-	-	-	58,447
-	-	(400,000)	(282,143)	-	(682,143)
-	-	(400,000)	(282,143)	-	(623,696)
178	3,157	146,937	(51,267)	(283,093)	292,674
468	92,532	490,581	(24,648)	1,174,482	5,981,278
$ 646	$ 95,689	$ 637,518	$ (75,915)	$ 891,389	$ 6,273,952

City of Lockhart, Texas

COMBINING BALANCE SHEET

NONMAJOR CAPITAL PROJECT FUNDS

September 30, 2025

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2015 Certificates of Obligation
Assets			
Cash and cash equivalents	$ 34,491	$ 15,000	$ 358,630
Total Assets	$ 34,491	$ 15,000	$ 358,630
Liabilities			
Accounts payable	$ -	$ -	$ 229,821
Accrued liabilities	-	-	40,553
Total Liabilities	-	-	270,374
Fund Balances			
Restricted for:			
Capital projects	34,491	15,000	88,256
Total Fund Balances	34,491	15,000	88,256
Total Liabilities and Fund Balances	$ 34,491	$ 15,000	$ 358,630

See Notes to Financial Statements.

Maple Street Park Improvements	Total
$ 20,000	$ 428,121
$ 20,000	$ 428,121
$ -	$ 229,821
-	40,553
-	270,374
20,000	157,747
20,000	157,747
$ 20,000	$ 428,121

City of Lockhart, Texas

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

For the Year Ended September 30, 2025

	Clearfork Section 1 Sidewalk	Maple 2201 Trail Project	2015 Certificates of Obligation
Revenues			
Investment income	$ -	$ -	$ 34,284
Total Revenues	-	-	34,284
Expenditures			
Capital outlay	-	-	926,983
Total Expenditures	-	-	926,983
Net Change in Fund Balances	-	-	(892,699)
Beginning fund balances	34,491	15,000	980,955
Ending Fund Balances	$ 34,491	$ 15,000	$ 88,256

See Notes to Financial Statements.

Maple Street Park Improvements	Total
$ -	$ 34,284
-	34,284
-	926,983
-	926,983
-	(892,699)
20,000	1,050,446
$ 20,000	$ 157,747

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City of Lockhart, Texas

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

DEBT SERVICE FUND

For the Year Ended September 30, 2025

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property tax	$ 1,488,709	$ 2,160,480	$ 671,771
Intergovernmental revenue	24,300	24,255	(45)
Investment income	7,500	78,815	71,315
Total Revenues	1,520,509	2,263,550	743,041
Expenditures			
Debt service:			
Principal	1,062,118	1,332,622	(270,504)
Interest	597,819	332,560	265,259
Total Expenditures	1,659,937	1,665,182	(5,245) *
Revenues Over (Under) Expenditures	(139,428)	598,368	737,796
Other Financing Sources (Uses)			
Transfers in	378,663	378,663	-
Total Other Financing Sources (Uses)	378,663	378,663	-
Net Change in Fund Balances	$ 239,235	977,031	$ 737,796
Beginning fund balances		787,881	
Ending Fund Balances		$ 1,764,912	

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.

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COMBINING NONMAJOR ENTERPRISE FUNDS

City of Lockhart, Texas

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (Page 1 of 2)
September 30, 2025

	Business-Type Activities		
	Sanitation	**Airport**	**EMS**
Assets			
Current Assets			
Cash and cash equivalents	$ 285,581	$ 412,743	$ 600,013
Accounts receivable, net	395,540	500	15,921
Total Current Assets	681,121	413,243	615,934
Noncurrent Assets			
Capital assets:			
Non-depreciable	120,409	72,161	-
Net depreciable capital assets	49,475	1,052,961	-
Total Noncurrent Assets	169,884	1,125,122	-
Total Assets	851,005	1,538,365	615,934
Deferred Outflows of Resources			
Pension outflows-TMRS	24,049	-	-
OPEB outflows-TMRS	367	-	-
Total Deferred Outflows of Resources	24,416	-	-

See Notes to Financial Statements.

Business-Type Activities	
Total	
$	1,298,337
	411,961
	1,710,298
	192,570
	1,102,436
	1,295,006
	3,005,304
	24,049
	367
	24,416

City of Lockhart, Texas

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (Page 2 of 2)
September 30, 2025

	Business-Type Activities		
	Sanitation	Airport	EMS
Liabilities			
Current Liabilities			
Accounts payable	$ 162,431	$ 1,007	$ 1,502
Accrued liabilities	10,511	466	-
Customer deposits	150	4,950	-
Compensated absences, current	9,326	1,004	9,716
Lease payable, current	3,406	-	-
Total Current Liabilities	185,824	7,427	11,218
Noncurrent Liabilities			
Compensated absences, noncurrent	1,036	112	1,080
Net pension liability	75,536	-	-
OPEB liability-TMRS	9,034	-	-
OPEB liability-Retiree healthcare	6,966	-	-
Total Noncurrent Liabilities	92,572	112	1,080
Total Liabilities	278,396	7,538	12,297
Deferred Inflows of Resources			
Pension inflows-TMRS	10,029	-	-
OPEB inflows-TMRS	1,650	-	-
OPEB inflows-retiree healthcare	598	-	-
Total Deferred Inflows of Resources	12,277	-	-
Net Position			
Net investment in capital assets	166,478	1,125,122	-
Unrestricted	418,270	405,705	603,637
Total Net Position	$ 584,748	$ 1,530,827	$ 603,637

See Notes to Financial Statements.

Business-Type Activities Total
$ 164,940
10,977
5,100
20,045
3,406
204,468
2,227
75,536
9,034
6,966
93,763
298,231
10,029
1,650
598
12,277
1,291,600
1,427,612
$ 2,719,212

City of Lockhart, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the Year Ended September 30, 2025

	Business-Type Activities		
	Sanitation	**Airport**	**EMS**
Operating Revenues			
Charges for services	$ 2,161,692	$ 140,645	$ 444,833
Other revenue	28,290	-	76,364
Total Operating Revenues	2,189,982	140,645	521,197
Operating Expenses			
Personnel services	288,110	13,641	134,978
Supplies	10,057	-	-
Maintenance and repairs	1,923,257	66,688	18,194
Contractual services	10,512	20,112	75,627
Depreciation	18,371	55,849	31,512
Total Operating Expenses	2,260,424	156,290	260,311
Operating Income (Loss)	(70,442)	(15,645)	260,886
Nonoperating Revenues (Expenses)			
Gain(loss) on sale of assets	-	-	(169,741)
Investment earnings	24,245	17,730	13,265
Interest expense	(448)	-	-
Total Nonoperating Revenues (Expenses)	23,797	17,730	(156,476)
Income (Loss) Before Capital Contributions and Transfers	(46,645)	2,085	104,410
Capital Contributions and Transfers			
Capital grants	23,897	-	-
Transfers (out)	(321,509)	-	(150,000)
Total Capital Contributions and Transfers	(297,612)	-	(150,000)
Change in Net Position	(344,257)	2,085	(45,590)
Beg. net position, as previously reported	929,005	1,528,742	706,839
Error correction	-	-	(57,612)
Beginning net position, as adjusted	929,005	1,528,742	649,227
Ending Net Position	$ 584,748	$ 1,530,827	$ 603,637

See Notes to Financial Statements.

Business-Type Activities	
	Total
$	2,747,170
	104,654
	2,851,824
	436,729
	10,057
	2,008,139
	106,251
	105,732
	2,677,025
	174,799
	(169,741)
	55,240
	(448)
	(114,949)
	59,850
	23,897
	(471,509)
	(447,612)
	(387,762)
	3,164,586
	(57,612)
	3,106,974
$	2,719,212

City of Lockhart, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 1 of 2)

For the Year Ended September 30, 2025

	Business-Type Activities		
	Sanitation	**Airport**	**EMS**
Cash Flows from Operating Activities			
Payments to employees	$ (267,392)	$ (13,317)	$ (628,453)
Payments to suppliers	(1,933,685)	(86,558)	(295,943)
Receipts from customers	2,157,848	140,645	1,320,126
Net Cash Provided (Used) by Operating Activities	(43,229)	40,770	395,730
Cash Flows from Noncapital Financing Activities			
Transfers (out)	(321,509)	-	(150,000)
Net Cash Provided (Used) by Noncapital Financing	(321,509)	-	(150,000)
Cash Flows from Capital and Related Financing Activities			
Capital contributions	23,897	-	-
Principal paid on capital debt	(5,733)	-	-
Interest paid on capital debt	(448)	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	17,716	-	341,018
Cash Flows from Investing Activities			
Interest on investments	24,245	17,730	13,265
Net Cash Provided by Investing Activities	24,245	17,730	13,265
Net Increase (Decrease) in Cash and Cash	(322,777)	58,500	600,013
Beginning cash and cash equivalents	608,358	354,243	-
Ending Cash and Cash Equivalents	$ 285,581	$ 412,743	$ 600,013

See Notes to Financial Statements.

Business-Type Activities Total
$ (909,162)
(2,316,186)
3,618,619
393,271
(471,509)
(471,509)
23,897
(5,733)
(448)
358,734
55,240
55,240
335,736
962,601
$ 1,298,337

City of Lockhart, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 2 of 2)

For the Year Ended September 30, 2025

	Business-Type Activities		
	Sanitation	**Airport**	**EMS**
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	$ (70,442)	$ (15,645)	$ 260,886
Adjustments to reconcile operating income (loss) to net cash provided (used):			
Depreciation	18,371	55,849	31,512
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	(32,234)	-	798,929
Deferred outflows:			
Pension	2,949	-	230,146
OPEB	(191)	-	1,497
Increase (Decrease) in:			
Accounts payable and accrued liabilities	30,271	242	(153,591)
Accrued interest	(10,013)	-	-
Due to other funds	-	-	(48,531)
Compensated absences	3,929	324	(16,417)
Deferred inflows:			
Pension	5,282	-	(40,461)
OPEB	249	-	(11,877)
Net pension liability	5,217	-	(599,435)
OPEB liability	3,283	-	(56,928)
Net Cash Provided (Used) by Operating Activities	$ (43,229)	$ 40,770	$ 395,730
Schedule of Non-Cash Capital and Related Financing Activities			
Lease issuance	$ 5,863	$ -	$ -

See Notes to Financial Statements.

Business-Type Activities
Total
$ 174,799
105,732
766,695
233,095
1,306
(123,078)
(10,013)
(48,531)
(12,164)
(35,179)
(11,628)
(594,218)
(53,645)
$ 393,271

$ 5,863

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COMBINING STATEMENTS
FIDUCIARY FUNDS

City of Lockhart, Texas

COMBINING STATEMENT OF FIDUCIARY NET POSITION

PRIVATE-PURPOSE TRUSTS

September 30, 2025

	Glosserman Trust	Brock Cabin Trust	Total
Assets			
Cash and cash equivalents	$ 641	$ 12	$ 653
Total Assets	$ 641	$ 12	$ 653
Net Position			
Restricted for:			
Various purposes	641	12	653
Total Net Position	$ 641	$ 12	$ 653

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, 2025

	Glosserman Trust	Brock Cabin Trust	Total
Additions			
Investment income	$ 30	$ -	$ 30
Total Additions	30	-	30
Net Change in Net Position	30	-	30
Beginning Net Position	611	12	623
Ending Net Position	$ 641	$ 12	$ 653

See Notes to Financial Statements.

City of Lockhart, Texas

COMBINING STATEMENT OF FIDUCIARY NET POSITION

CUSTODIAL FUNDS

September 30, 2025

	Confiscated Property	Unclaimed Property	Bicycle Helmet	Total
Assets				
Cash and cash equivalents	$ 49,183	$ 11,920	$ 2,310	$ 63,413
Prepaids	-	1,211	-	1,211
Total Assets	$ 49,183	$ 13,131	$ 2,310	$ 64,624
Liabilities				
Due to other funds	17,447	11,971	1,117	30,535
Total Liabilities	17,447	11,971	1,117	30,535
Net Position				
Restricted for:				
Various purposes	31,736	1,160	1,193	34,089
Total Net Position	$ 31,736	$ 1,160	$ 1,193	$ 34,089

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, 2025

	Confiscated Property	Unclaimed Property	Bicycle Helmet	Total
Additions				
Investment income	$ 2,243	$ -	$ 697	$ 2,940
Other revenue	720	21	-	741
Total Additions	2,963	21	697	3,681
Net Change in Net Position	2,963	21	697	3,681
Beginning Net Position	28,773	1,139	496	30,408
Ending Net Position	$ 31,736	$ 1,160	$ 1,193	$ 34,089

See Notes to Financial Statements.

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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 156

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 167

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity 186

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.

Demographic and Economic Information 191

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information 194

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.

City of Lockhart, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2016	2017	2018	2019
Governmental activities				
Net investment in capital assets	$ 15,001,030	$ 14,162,688	$ 13,774,228	$ 12,648,711
Restricted	1,093,907	1,141,195	1,396,101	1,571,133
Unrestricted	2,137,425	1,886,148	1,823,314	1,972,882
Total governmental activities net position	$ 18,232,362	$ 17,190,031	$ 16,993,643	$ 16,192,726
Business-type activities				
Net investment in capital assets	$ 15,074,665	$ 16,507,663	$ 16,961,238	$ 17,492,757
Restricted	1,071,089	1,163,687	1,421,535	1,661,480
Unrestricted	7,979,875	7,489,601	8,791,362	9,434,557
Total business-type activities net position	$ 24,125,629	$ 25,160,951	$ 27,174,135	$ 28,588,794
Primary government				
Net investment in capital assets	$ 30,075,695	$ 30,670,351	$ 30,735,466	$ 30,141,468
Restricted	2,164,996	2,304,882	2,817,636	3,232,613
Unrestricted	10,117,300	9,375,749	10,614,676	11,407,439
	$ 42,357,991	$ 42,350,982	$ 44,167,778	$ 44,781,520

(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.

2020	2021	2022	2023	2024	2025
$ 12,104,249	$ 11,816,033	$ 11,546,567	$ 17,776,524	$ 18,662,311	$ 24,274,707
1,603,237	3,598,451	3,362,595	6,072,719	7,465,102	8,857,884
3,557,222	3,915,790	7,463,394	7,537,491	10,291,023	4,604,889
$ 17,264,708	$ 19,330,274	$ 22,372,556	$ 31,386,734	$ 36,418,436	$ 37,737,480
$ 16,579,735	$ 15,721,677	$ 15,404,957	$ 19,452,608	$ 18,379,583	$ 19,697,554
2,034,582	2,008,737	2,626,781	5,182,714	8,202,139	9,540,244
8,506,993	6,885,849	6,709,920	7,675,992	6,822,467	4,853,477
$ 27,121,310	$ 24,616,263	$ 24,741,658	$ 32,311,314	$ 33,404,189	$ 34,091,275
$ 28,683,984	$ 27,537,710	$ 26,951,524	$ 37,229,132	$ 37,041,894	$ 43,972,261
3,637,819	5,607,188	5,989,376	11,255,433	15,667,241	18,398,128
12,064,215	10,801,639	14,173,314	15,213,483	17,113,490	9,458,366
$ 44,386,018	$ 43,946,537	$ 47,114,214	$ 63,698,048	$ 69,822,625	$ 71,828,755

City of Lockhart, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2016	2017	2018	2019
Governmental activities				
Expenses				
General government	$ 1,879,383	$ 2,083,166	$ 2,045,364	$ 2,232,343
Public safety	5,230,470	5,086,371	5,401,024	5,799,256
Public works	2,586,206	2,644,292	3,084,192	3,552,691
Health and welfare	17,068	22,137	16,326	18,250
Culture and recreation	933,135	1,006,038	1,077,697	1,041,842
Community development	-	-	-	-
Interest on long-term debt	621,121	459,629	441,769	415,242
Total governmental activities expenses	11,267,383	11,301,633	12,066,372	13,059,624
Program revenues				
Charges for services				
General government	191,100	181,313	223,254	601,870
Public safety	330,826	334,769	1,005,749	295,192
Public works	723,832	549,097	423,575	291,604
Health and welfare	-	-	-	-
Culture and recreation	33,926	32,699	37,991	29,589
Community development	-	-	-	-
Operating grants and contributions	615,542	202,393	566,039	579,539
Capital grants and contributions	-	-	278,000	96,263
Total program revenues	1,895,226	1,300,271	2,534,608	1,894,057
Total governmental activities net program expense	$ (9,372,157)	$ (10,001,362)	$ (9,531,764)	$ (11,165,567)
General Revenues and Other Changes in Net Position				
Taxes				
Property taxes, general	3,016,649	3,217,538	3,620,758	3,914,885
Property taxes, debt service	687,845	692,161	704,442	697,336
Sales taxes	1,478,065	1,549,695	1,650,931	1,767,048
Franchise taxes	316,353	312,433	357,278	360,589
Other taxes	132,234	96,529	106,756	111,841
Unrestricted investment earnings	59,851	99,353	190,320	283,700
Gain on sale of capital assets	-	-	-	-
Other revenue	239,590	289,291	192,281	184,509
Transfers	2,448,575	2,896,410	3,094,654	3,044,742
Total general revenues and other changes net position	8,379,162	9,153,410	9,917,420	10,364,650
Total governmental activities change in net position	$ (992,995)	$ (847,952)	$ 385,656	$ (800,917)

2020	2021	2022	2023	2024	2025
$ 2,455,580	$ 1,931,497	$ 1,967,143	$ 2,165,947	$ 2,383,519	$ 2,945,892
5,703,143	6,202,140	6,168,414	6,937,475	6,628,423	8,309,527
3,153,763	2,970,230	2,684,964	2,930,612	2,826,765	4,018,383
144,615	26,352	23,439	18,264	42,956	38,098
1,052,444	683,483	1,215,110	1,481,117	1,632,347	1,727,577
-	1,189,072	905,103	2,003,675	1,963,799	1,257,404
391,300	371,174	390,198	396,858	348,098	745,842
12,900,845	13,373,948	13,354,371	15,933,948	15,825,907	19,042,723
730,384	-	-	-	-	-
355,773	366,887	208,287	248,067	263,661	428,207
358,837	649,986	664,402	688,987	732,320	758,836
-	-	-	-	-	-
8,943	88,883	251,869	163,321	207,149	130,306
-	650,521	852,003	2,298,116	2,546,060	1,064,586
1,037,366	2,485,671	2,205,060	472,563	475,639	532,505
257,055	177,865	211,854	6,386,889	171,997	128,235
2,748,358	4,419,813	4,393,475	10,257,943	4,396,826	3,042,675
$ (10,152,487)	$ (8,954,135)	$ (8,960,896)	$ (5,676,005)	$ (11,429,081)	$ (16,000,048)
4,276,918	4,555,926	4,848,005	5,373,699	5,932,445	6,229,761
714,253	694,121	953,087	1,740,778	1,677,779	2,160,480
1,992,939	2,143,239	2,392,769	2,712,526	3,009,942	3,284,944
349,849	398,205	395,527	352,616	456,696	438,136
102,063	113,504	189,491	230,233	169,262	178,817
119,746	20,739	125,718	893,878	1,083,776	937,800
-	2,110	-	34,000	7,300	201
233,319	100,720	213,151	249,470	78,824	93,710
3,145,528	2,991,137	2,885,430	3,102,983	4,044,759	4,162,700
10,934,615	11,019,701	12,003,178	14,690,183	16,460,783	17,486,549
$ 782,128	$ 2,065,566	$ 3,042,282	$ 9,014,178	$ 5,031,702	$ 1,486,501

City of Lockhart, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2016	2017	2018	2019
Business-type activities				
Expenses				
Electric	$ 8,664,234	$ 8,722,211	$ 9,132,038	$ 9,242,068
Water	3,257,979	3,545,084	3,428,101	3,224,639
Wastewater	2,089,407	1,824,111	1,281,066	1,370,942
Sanitation	1,215,636	1,345,466	1,461,111	1,553,603
Airport	69,911	76,438	100,130	78,258
EMS	1,230,254	1,289,014	1,334,506	1,383,128
Total business-type expenses	16,527,421	16,802,324	16,736,952	16,852,638
Program revenues				
Charges for services				
Electric	10,974,720	11,444,388	12,238,369	12,193,929
Water	3,100,239	3,287,603	3,336,689	3,267,558
Wastewater	2,265,298	2,578,386	2,339,875	2,278,003
Sanitation	1,464,121	1,593,359	1,708,812	1,872,719
Airport	68,927	71,489	71,433	89,059
EMS	2,007,847	1,354,810	1,438,174	978,097
Operating grants and contributions	-	7,016	24,925	68,272
Capital grants and contributions	1,042,796	195,261	-	-
Total business-type program revenues	20,923,948	20,532,312	21,158,277	20,747,637
Total business-type activities net program expense	$ 4,396,527	$ 3,729,988	$ 4,421,325	$ 3,894,999
General revenues and other changes in net position				
Impact fees	263,817	83,585	244,561	195,808
Unrestricted investment earnings	61,357	118,159	236,101	368,594
Other revenue	-	-	23,598	-
Transfers	(2,448,575)	(2,896,410)	(3,094,654)	(3,044,742)
Total general revenues and other changes in net position	(2,123,401)	(2,694,666)	(2,590,394)	(2,480,340)
Total business-type activities change in net position	$ 2,273,126	$ 1,035,322	$ 1,830,931	$ 1,414,659
Total primary government change in net position	$ 1,280,131	$ 187,370	$ 2,216,587	$ 613,742

2020	2021	2022	2023	2024	2025
$ 8,564,816	$ 11,350,044	$ 9,978,485	$ 10,884,211	$ 11,167,367	$ 12,576,631
3,908,621	5,066,674	5,565,359	6,401,698	7,021,330	8,255,328
1,444,482	1,635,537	1,805,990	1,589,668	1,697,831	2,136,980
1,592,412	1,690,298	1,615,564	1,797,864	1,900,196	2,260,872
80,607	76,546	93,143	283,503	86,381	156,290
1,407,549	1,408,385	1,425,088	1,507,988	2,389,887	430,052
16,998,487	21,227,484	20,483,629	22,464,932	24,262,992	25,816,153
11,039,153	11,560,085	12,608,272	13,153,265	13,007,971	14,062,850
3,555,391	3,758,322	4,132,398	5,672,000	6,413,438	8,146,651
2,277,346	2,478,077	2,880,275	3,951,370	4,623,307	4,191,724
1,981,863	2,040,494	1,906,522	1,944,417	2,083,734	2,161,692
82,809	85,953	92,532	102,387	132,073	140,645
1,071,931	1,136,903	1,414,727	1,780,405	1,542,597	444,833
44,680	-	-	1,133,983	6,111	-
23,750	432,657	196,038	4,519,241	47,000	462,408
20,076,923	21,492,491	23,230,764	32,257,068	27,856,231	29,610,803
$ 3,078,436	$ 265,007	$ 2,747,135	$ 9,792,136	$ 3,593,239	$ 3,794,650
296,093	-	-	-	-	-
164,183	21,947	114,001	841,201	1,131,268	1,000,060
8,552	199,136	149,689	39,302	106,454	112,688
(3,145,528)	(2,991,137)	(2,885,430)	(3,102,983)	(4,044,759)	(4,162,700)
(2,676,700)	(2,770,054)	(2,621,740)	(2,222,480)	(2,807,037)	(3,049,952)
$ 401,736	$ (2,505,047)	$ 125,395	$ 7,569,656	$ 786,202	$ 744,698
$ 1,183,864	$ (439,481)	$ 3,167,677	$ 16,583,834	$ 5,817,904	$ 2,231,199

City of Lockhart, Texas

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting)

	2016	2017	2018	2019
General Fund				
Nonspendable				
Prepaid items	$ 15,728	$ 23,642	$ 37,870	$ 30,627
Inventory	13,699	11,272	11,563	13,572
Restricted	-	-	-	-
Committed	604,252	609,054	553,877	574,446
Unassigned	3,423,228	3,897,547	4,451,131	5,103,853
Total general fund	$ 4,056,907	$ 4,541,515	$ 5,054,441	$ 5,722,498
All Other Governmental Funds				
Nonspendable				
Prepaid items	$ 4,512	$ 680	$ 2,765	$ -
Restricted				
Debt service	278,089	285,621	240,674	203,016
Special revenue funds	-	-	-	-
General government	627,417	664,319	35,067	46,502
Public safety	180,153	206,068	227,044	206,600
Municipal court	-	-	-	-
Tourism	8,248	8,485	2,721	6,637
Public works	-	-	903,976	1,073,692
Various capital projects	6,792,536	5,160,201	4,531,457	3,437,195
Unassigned	-	-	-	(3,523)
Total all other governmental funds	$ 7,890,955	$ 6,325,374	$ 5,943,704	$ 4,970,119

2020	2021	2022	2023	2024	2025
$ 27,327	$ 610,955	$ 31,193	$ 24,887	$ 1,269,025	$ 13,998
9,350	17,718	26,240	1,285,605	16,319	57,607
-	234,613	2,671,686	1,628,105	1,725,044	1,646,996
308,539	309,050	311,949	330,202	349,932	366,675
6,673,086	6,506,302	7,838,447	9,138,171	11,065,775	6,843,781
$ 7,018,302	$ 7,678,638	$ 10,879,515	$ 12,406,970	$ 14,426,095	$ 8,929,057
$ -	$ -	$ -	$ 10,227	$ 16,050	$ 24,289
115,835	-	-	298,475	787,881	1,764,912
-	-	-	-	-	-
59,773	63,160	69,453	84,552	76,482	95,689
179,496	18,994	20,649	23,351	30,669	25,392
-	118,506	126,794	135,713	150,431	181,650
64,016	98,198	130,191	172,985	152,073	87,496
1,063,841	-	-	-	-	-
2,914,631	5,857,283	6,962,353	5,866,568	6,669,760	26,210,524
(323,955)	(87,431)	(138,743)	(26,966)	(63,741)	(190,488)
$ 4,073,637	$ 6,068,710	$ 7,170,697	$ 6,564,905	$ 7,819,605	$ 28,199,464

City of Lockhart, Texas

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting)

	2016	2017	2018	2019
Revenues				
Property taxes	$ 3,757,254	$ 3,971,301	$ 4,352,825	$ 4,676,453
Sales and other taxes	1,921,425	1,990,221	2,114,965	2,239,478
Franchise and local taxes				
Fines, fees and forfeitures	1,115,233	927,273	1,227,557	1,127,998
Licenses and permits	173,641	125,761	192,622	142,721
Charges for services	-	-	-	2,200
Intergovernmental and grants	184,438	202,393	458,624	554,354
Investment	59,851	99,353	190,320	283,700
Other revenue	550,390	288,003	323,296	275,443
Total revenues	7,762,232	7,604,305	8,860,209	9,302,347
Expenditures				
Current				
General government	1,853,485	1,847,858	1,933,687	2,107,937
Public safety	4,680,022	4,751,069	5,212,519	5,631,506
Public works	1,069,441	1,168,180	1,727,405	1,601,001
Health and welfare	12,138	17,207	11,396	13,320
Culture and recreation	834,815	890,047	949,731	912,739
Community development	-	-	-	-
Debt service				
Principal retirement	855,322	587,160	601,470	690,799
Interest and fiscal charges	566,342	500,948	483,207	456,409
Paying agent and issue costs	151,889	1,200	1,000	800
Capital outlay	1,589,287	1,818,019	828,872	1,238,106
Total expenditures	11,612,741	11,581,688	11,749,287	12,652,617
Excess (deficiency) of revenues over expenditures	(3,850,509)	(3,977,383)	(2,889,078)	(3,350,270)
Other financing sources (uses)				
Debt issued	4,887,402	-	-	-
Premium on issuance of bonds	593,157	-	-	-
Payment to escrow	(5,455,484)	-	-	-
Gain on sale of capital assets	-	-	-	-
Transfers in	3,451,810	3,440,098	3,688,600	3,796,267
Transfers out	(1,003,235)	(543,688)	(593,946)	(751,525)
Total other financing sources (uses)	2,473,650	2,896,410	3,094,654	3,044,742
Change in fund balances	$ (1,376,859)	$ (1,080,973)	$ 205,576	$ (305,528)
Debt service as a percentage of noncapital expenditures	14.68%	11.64%	10.42%	10.23%

2020	2021	2022	2023	2024	2025
$ 5,028,375	$ 5,274,506	$ 5,748,229	$ 7,010,249	$ 7,423,752	$ 8,440,315
2,444,852	2,143,239	2,392,769	2,712,526	3,009,942	3,284,944
	511,709	585,018	582,849	625,958	616,953
1,190,406	414,578	275,647	236,897	219,056	341,213
243,196	650,521	852,003	2,298,116	2,546,060	1,064,586
2,200	738,869	916,271	852,308	939,469	889,142
866,355	3,061,756	2,379,234	647,533	647,636	660,740
119,746	20,739	125,718	893,878	1,083,776	937,800
223,199	186,781	235,092	249,470	76,197	93,710
10,118,329	13,002,698	13,509,981	15,483,826	16,571,846	16,329,403
2,333,952	1,777,924	2,121,509	1,899,022	2,226,415	2,814,820
5,579,302	6,052,616	6,066,612	6,530,409	7,289,495	8,475,426
1,948,586	1,571,151	913,011	2,914,291	2,673,775	5,555,646
139,685	20,539	35,312	9,086	33,778	28,920
1,150,716	1,022,863	1,038,803	1,803,531	1,474,707	1,679,333
-	707,075	955,377	1,933,286	1,993,255	1,238,878
727,163	797,305	1,006,761	1,416,609	1,483,572	1,578,522
432,504	413,447	393,470	434,928	401,807	371,486
800	-	25,220	-	-	278,056
551,827	1,442,886	2,189,333	757,984	93,808	4,189,659
12,864,535	13,805,806	14,745,408	17,699,146	17,670,612	26,210,746
(2,746,206)	(803,108)	(1,235,427)	(2,215,320)	(1,098,766)	(9,881,343)
-	383,923	2,652,861	-	320,532	19,275,354
-	-	-	-	-	1,325,909
-	-	-	-	-	-
-	251,942	-	34,000	7,300	201
4,360,894	3,793,615	3,644,993	4,694,559	4,797,571	4,903,290
(1,215,366)	(802,478)	(759,563)	(1,591,576)	(752,812)	(740,590)
3,145,528	3,627,002	5,538,291	3,136,983	4,372,591	24,764,164
$ 399,322	$ 2,823,894	$ 4,302,864	$ 921,663	$ 3,273,825	$ 14,882,821
10.14%	9.79%	11.15%	12.48%	12.73%	10.93%

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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
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
2023	6,965,985	44,264	2,712,526	352,616	157,865	72,368	10,305,624
2024	7,349,874	73,878	3,009,942	376,431	169,262	80,265	11,059,652
2025	8,342,169	98,146	3,284,944	375,080	178,817	63,056	12,342,212

City of Lockhart, Texas

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE

Last Ten fiscal years

Fiscal Year	Tax Roll	Real Property: Residential Property	Real Property: Non-Residential Property	Personal Property	Minerals	Less: Tax Exempt Real Property	Total Taxable Assessed Value Before Freeze
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
2023	2022	561,413,032	801,995,634	70,548,270	40,048	208,291,212	1,225,705,772
2024	2023	875,957,477	1,077,096,310	82,319,610	54,258	587,380,672	1,448,046,983
2025	2024	945,689,893	1,215,196,144	87,623,500	37,473	558,287,270	1,690,259,740

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
(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	0.6354	4,484,372	700,459	5,184,831	100.00%
(160,899,077)	787,285,404	0.6354	5,002,411	763,355	5,765,766	100.00%
(183,911,400)	1,041,794,372	0.6006	6,257,017	813,637	7,070,654	100.00%
(220,920,340)	1,227,126,643	0.5348	6,562,673	921,166	7,483,840	100.00%
(254,383,243)	1,435,876,497	0.5093	7,312,919	997,288	8,310,207	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
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
2023	0.1212	0.4136	0.5348	0.9569	0.0149	0.0145	0.4691	0.0001	1.4555
2024	0.1026	0.4067	0.5093	0.9546	0.0158	0.0140	0.4390	0.0001	1.4235
2025	0.1428	0.4113	0.5541	0.9396	0.0170	0.0137	0.4390	0.0001	1.4094

SOURCE: Caldwell County Tax Office

City of Lockhart, Texas

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago (Unaudited)

	2025	
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Exeter 130 Cahill LP	$ 22,125,000	1.31%
Wal-Mart Stores Texas LP	17,779,830	1.05%
Pilot-Legacy Stanton LLC	14,985,000	0.89%
Economy Realty LTD	12,909,440	0.76%
Sunchase Square Apartments LLC	10,565,329	0.63%
H E Butt Grocery	8,507,616	0.50%
LCRA Transmission Srvcs Corp	7,737,840	0.46%
Evergen Equity 30 LP	7,700,000	0.46%
Lockhart Village Partners LP	7,759,796	0.46%
PHX15 LLC	7,723,835	0.46%
	$ 117,793,686	**6.97%**

	2016	
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Wal-Mart Stores Texas	$ 7,198,110	1.39%
Economy Realty, LTD	6,987,720	1.35%
LCRA Transmission Svc. Corp	5,414,040	1.04%
H E Butt Grocery	4,886,480	0.94%
Dormae Products, Inc	4,419,890	0.85%
Lockhart DMA Housing LLC	4,258,000	0.82%
Lockhart Village Partners LP	3,122,191	0.60%
Tri-State Facilities Lockhart, LLC	2,521,220	0.49%
Green Acres Housing LLC	2,427,490	0.47%
Hirisers LLC	1,548,390	0.30%
	$ 42,783,531	**8.25%**

SOURCE: Caldwell County Appraisal District

City of Lockhart, Texas

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten fiscal years

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collections within the Fiscal Year of the Levy	
				Amount	Percentage of Levy
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%
2023	7,059,211	(20,258)	7,038,953	6,850,466	97.32%
2024	7,497,410	(31,983)	7,465,427	7,179,863	96.17%
2025	8,304,453	(26,085)	8,278,368	8,047,397	97.21%

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 yer, 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	
$ 76,116	$ 3,696,484	99.68%	$ 11,842
67,133	3,865,846	99.67%	12,721
95,363	4,321,373	99.72%	12,341
73,239	4,588,953	99.75%	11,585
104,447	4,986,015	99.67%	16,515
89,777	5,184,261	99.61%	20,174
95,472	5,715,678	99.44%	32,110
121,676	6,972,142	99.05%	66,811
144,813	7,324,676	98.11%	140,751
-	8,047,397	97.21%	230,971

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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
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
2023	126,656,586	117,417,620	9,238,966	7%	23.10	0.0216
2024	126,260,306	119,492,886	6,767,420	5%	11.32	0.0190
2025	129,576,009	125,708,322	3,867,687	3%	11.32	0.0190

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

City of Lockhart, Texas

ELECTRIC RATES

Last Ten fiscal years

	2016	2017	2018	2019	2020
Electric Rates (per KWH)					
Base Rate	$ 11.32	$ 22.20	$ 22.60	$ 23.10	$ 23.10
Electric Usage Rate					
0 - 1,200 kwh	0.01896	0.01896	0.02156	0.02156	0.02156
1,201 +	0.03250	0.03250	0.03510	0.03510	0.03510
+ all kwh	0.00225	0.00225	0.00225	0.00225	0.00225

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

2021	2022	2023	2024	2025
$ 23.10	$ 23.10	$ 23.10	$ 11.32	$ 11.32
0.02156	0.02156	0.02156	0.01896	0.01896
0.03510	0.03510	0.03510	0.03250	0.03250
0.00225	0.00225	0.00225	0.00225	0.00225

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City of Lockhart, Texas

TEN LARGEST ELECTRIC CUSTOMERS

Current Year and Nine Years Ago

2025

Customer	Type of Business	12-Month Electric Consumption per kWh	Percent of Total Billed
MTC/LockhartCorrectional Facility	Service	3,650,640	2.85%
H.E.B. Stores	Retail	2,596,000	2.03%
Lockhart High School	Public School	2,538,850	1.98%
Pure Castings	Manufacturing	1,580,250	1.23%
Caldwell County	Government	1,116,535	0.87%
Bluebonnet Elementary	Public School	1,093,200	0.85%
G.B.R.A.	Service	1,212,330	0.95%
Poco Loco, LLC	Retail	1,042,400	0.81%
Arco Murray Construction	Construction	1,042,500	0.81%
Livingood Feeds	Retail	960,001	0.75%

2016

Customer	Type of Business	12-Month Electric Consumption per kWh	Percent of Total Billed
MTC/LockhartCorrectional Facility	Service	4,233,520	4.06%
H.E.B. Stores	Retail	2,518,000	2.42%
Livingood Feeds	Retail	1,283,700	1.23%
Caldwell County Annex	Government	1,157,400	1.11%
Dormae/Serta Products	Production	1,104,000	1.06%
G.B.R.A.	Service	1,055,760	1.01%
Pinnacle Health	Healthcare	900,960	0.86%
Lockhart High School	Public School	896,450	0.86%
Caldwell County	Government	847,800	0.81%
Bluebonnet Elementary	Public School	698,100	0.67%

Source: City records.

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
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
2023	585	550	35	6%	388
2024	651	582	69	11%	529
2025	683	611	179	26%	574

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
22.60	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
27.45	4.86	19.18	5.77
27.45	4.86	19.18	5.77
37.05	6.56	19.75	5.94

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City of Lockhart, Texas

TEN LARGEST WATER CUSTOMERS

Current Year and Nine Years Ago (Unaudited)

2025

Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
MTC/Lockhart Correctional Facility	Private Public Safety	46,724	8.06%
The Ziegenfelder Company Inc.	Manufacturing	13,649	2.36%
Southpark Village	Housing	12,523	2.16%
Lockhart Farms, Lp	Housing	10,189	1.76%
Lockhart Nursing & Rehab	Healthcare	5,954	1.03%
Pilot-Legacy Stanton, LLC	Housing	5,831	1.01%
Sunchase Square Apartments	Housing	5,196	0.90%
D.R. Horton Homes	Construction	4,916	0.85%
Federal Housing	Housing	4,733	0.82%
Lockhart Intermediate School	Public School	4,730	0.82%

2016

Customer	Type of Business	12-Month Water Consumption	Percent of Total Billed
MTC/Lockhart Correctional Facility	Private Public Safety	61,606	13.00%
Caldwell County	Government	9,067	1.91%
Wal-Mart Store	Retail	6,687	1.41%
Pinnacle Health Facility	Healthcare	4,213	0.89%
Federal Housing	Housing	4,154	0.88%
Lockhart High School Track	Public School	2,817	0.59%
Brite & Shiny Carwash	Service	2,573	0.54%
Meadow Park Village	Housing	2,475	0.52%
MLM Quilloy Properties, LLC	Construction	1,927	0.41%
Comfort Suites	Hotel	1,746	0.37%

City of Lockhart, Texas

WATER AND SEWER RATES

Last Ten Fiscal Years

	2016	2017	2018	2019
Water Rates (per 2,000 gallons)				
Base Rate	$ 22.10	$ 22.10	$ 22.60	$ 23.10
Water Usage Rate				
2,001-6,000	3.90	3.90	4.50	4.80
6,001-8,000	4.15	4.15	4.75	5.05
8,001-10,000	4.40	4.40	5.00	5.30
>10,001	5.15	5.15	5.75	6.05
Sewer Rates (per 2,000 gallons)				
Base Rate	15.51	15.51	15.51	15.51
Sewer Usage Rate				
>2,000	4.67	4.67	4.67	4.67

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

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

2020	2021	2022	2023	2024	2025
$ 23.60	23.60	23.60	25.89	27.45	37.05
4.80	4.80	4.80	4.58	4.86	6.56
5.05	5.05	5.05	5.73	6.07	8.19
5.30	5.30	5.30	6.64	7.04	12.29
6.05	6.05	6.05	7.33	7.77	18.43
15.51	15.51	15.51	17.92	19.18	19.75
4.67	4.67	4.67	5.40	5.77	5.94

City of Lockhart, Texas

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

	Governmental Activities						Business-type Activities	
Fiscal Year	Certificates of Obligation	General Obligation Bonds	Tax Notes	Lease Liabilities	SBITA Liabilities	Plus: Issuance Premiums	Certificates of Obligation	General Obligation Bonds
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	151,988	466,738	7,397,775	1,239,126
2023	5,944,595	3,120,828	2,025,086	399,301	140,142	405,227	6,950,407	1,049,168
2024	5,548,135	2,548,302	1,708,666	534,607	127,202	343,716	6,486,867	856,696
2025	24,090,540	1,953,324	1,383,617	623,160	113,103	1,602,589	6,004,462	656,674

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
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	71,669,266	18.3%	4,984
100,835	2,021,112	41,955,000	1,494,914	274,728	65,881,343	15.8%	4,396
25,850	1,840,710	40,875,000	1,261,334	242,466	62,399,551	14.1%	4,074
25,824	1,655,797	39,770,000	1,021,384	210,206	79,110,680	14.1%	4,255

City of Lockhart, Texas

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding: Certificates of Obligation	General Obligation Bonds	Tax Notes	Plus: Issuance Premiums	Total	Debt Service Monies Available	Net Bonded Debt
2016	9,381,395	4,887,402	-	835,806	15,104,603	362,919	14,741,684
2017	8,794,235	4,887,052	-	774,293	14,455,580	278,089	14,177,491
2018	8,192,765	4,887,052	-	712,782	13,792,599	285,621	13,506,978
2019	7,707,775	4,681,243	-	651,271	13,040,289	240,674	12,799,615
2020	7,208,875	4,452,980	-	589,760	12,251,615	203,016	12,048,599
2021	6,691,415	4,224,718	-	528,249	11,444,382	115,835	11,328,547
2022	6,327,225	3,685,870	2,330,000	466,738	10,479,833	-	10,479,833
2023	5,944,595	3,120,828	2,025,086	405,227	9,470,650	298,476	9,172,174
2024	5,548,135	2,548,302	1,708,666	343,716	8,440,153	787,882	7,652,271
2025	24,090,540	1,953,324	1,383,617	1,602,589	27,646,453	1,764,913	25,881,540

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
2.84%	1,162
2.66%	1,117
2.21%	1,064
2.10%	919
1.80%	865
1.55%	814
1.24%	729
0.97%	638
0.53%	500
1.53%	1,392

City of Lockhart, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2025(Unaudited)

	Gross Debt Outstanding		Percentage Applicable	Amount Applicable
	Date	Amount	to City	to City
Direct Debt:				
City of Lockhart	9/30/2025	$ 29,766,333	100.00%	$ 29,766,333
Overlapping Debt:				
Austin CCD	9/30/2025	657,685,000	0.41%	2,696,509
Caldwell County	9/30/2025	66,190,000	28.76%	19,036,244
Lockhart Independent School District	9/30/2025	206,374,856	40.83%	84,262,854
Total Overlapping Debt		930,249,856		105,995,606
Total		$ 960,016,189		$ 135,761,939

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

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

SOURCE: Municipal Advisory Council of Texas

City of Lockhart, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years (Unaudited)

Fiscal Year	(1) Population	Personal Income	(2) Per Capita Personal Income	(3) School Enrollment	(4) Unemployment Rate
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%
2023	14,985	415,968,615	27,759	6,619	3.5%
2024	15,318	443,548,008	28,956	6,768	3.4%
2025	18,591	561,596,928	30,208	6,850	1.5%

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) Per Capita Personal Income based on U.S. Census Bureau

(3) Lockhart Independent School District

(4) Texas Workforce Commission. Labor Force Statistics for Texas Counties

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City of Lockhart, Texas

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2025

Employer	Employees	Percentage of Total City Employment
Lockhart ISD	790	7.73%
Walmart	225	2.20%
MTC (Lockhart Correctional)	175	1.71%
H.E.B Food Store	170	1.66%
Pegasus School, Inc	145	1.42%
City of Lockhart	140	1.37%
Fashion Glass & Mirror	102	1.00%
RealCold	100	0.98%
Ziegenfelder	75	0.73%
Pure Castings Company	75	0.73%
	1,997	19.55%

2016

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

* 2016 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

	2016	2017	2018	2019	2020
Function/Program					
General government					
City manager	4.0	4.0	5.0	5.0	5.0
City secretary	1.0	1.0	1.0	1.0	1.0
Finance	5.0	5.0	4.0	5.0	5.0
Municipal court	5.0	4.0	4.0	4.0	4.0
Library	10.0	9.0	9.0	9.0	9.0
Parks and recreation	7.0	7.0	7.0	8.0	8.0
Code enforcement	3.0	3.0	3.0	3.0	3.0
Planning and development	4.0	4.0	4.0	4.0	4.0
Public safety					
Police	25.0	28.0	30.0	29.0	27.0
Communications	9.0	9.0	10.0	9.0	9.0
Fire	18.0	15.0	14.0	14.0	13.0
Public works					
Public works	3.0	3.0	2.0	2.0	2.0
Animal control	8.0	8.0	8.0	7.0	6.0
Garage	3.0	3.0	3.0	3.0	3.0
Streets	13.0	12.0	12.0	12.0	12.0
Electric					
Utility billing	6.0	5.0	6.0	6.0	6.0
Utility distribution	9.0	9.0	8.0	9.0	9.0
Water/wastewater					
Water operations	5.0	5.0	5.0	6.0	6.0
Sewer operations	3.0	3.0	4.0	3.0	3.0
Sanitation					
Operations	2.0	2.0	2.0	2.0	2.0
Recycle					
Economic Development	1.0	2.0	2.0	2.0	2.0
EMS	-	-	-	-	-
Total	144	141	143	143	139

2021	2022	2023	2024	2025
4.0	4.0	4.0	4.0	3.0
1.0	1.0	1.0	1.0	1.0
5.0	5.0	5.0	4.0	5.0
4.0	3.0	3.0	2.0	2.0
6.0	6.0	6.0	6.0	6.0
8.0	9.0	5.0	9.0	9.0
3.0	3.0	3.0	5.0	5.0
4.0	4.0	4.0	3.0	3.0
29.0	31.0	22.0	27.0	26.0
10.0	10.0	7.0	6.0	9.0
13.0	15.0	14.0	17.0	15.0
2.0	2.0	2.0	2.0	2.0
6.0	7.0	6.0	8.0	8.0
4.0	4.0	4.0	4.0	3.0
12.0	12.0	10.0	10.0	10.0
6.0	6.0	6.0	5.0	8.0
9.0	10.0	8.0	9.0	9.0
6.0	5.0	5.0	5.0	5.0
4.0	4.0	2.0	3.0	4.0
2.0	2.0	1.0	2.0	2.0
1.0	1.0	1.0	1.0	1.0
2.0	2.0	0.0	1.0	2.0
-	-	-	15	13
141	146	119	149	151

City of Lockhart, Texas

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019
General government				
Building permits issued	647	495	444	542
Building inspections conducted	1,613	1,716	2,179	2,282
Public safety				
Police				
Physical arrests	628	596	934	862
Traffic violations	2,149	3,251	5,708	6,281
Fire				
Fire calls	1,386	1,501	1,356	1,406
Public works				
Streets (miles)	65	65	65	66
Culture and recreation				
Parks and recreation				
Park rental	91	107	73	85
Swimming pool				
Single admissions	8,554	8,289	6,883	6,596
Party rentals	50	34	32	33
Electric				
New connections	9	11	18	23
Average daily consumption (kwh)	279,093	287,659	313,552	312,646
Water and wastewater				
Water				
New connections/taps	139	56	78	61
Average daily consumption	1.26 mgd	1.18 mgd	1.32 mgd	1.26 mgd
Peak daily consumption	2.075 mgd	2.118 mgd	2.263 mgd	2.160 mgd
Wastewater				
Average daily sewage treatment	1.34 mgd	1.24 mgd	1.09 mgd	1.00 mgd
EMS				
Ambulance loads	2,989	3,106	3,207	3,199

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.

2020	2021	2022	2023	2024	2025
839	1,339	2,296	4,197	2,501	2,321
1,703	2,845	4,959	15,597	18,434	14,278
451	469	455	408	622	519
4,041	4,480	4,091	3,711	3,867	5,337
1,361	1,388	1,652	1,717	1,764	1,804
100	124.5	124.5	124.5	124.5	141.5
32	58	85	109	106	110
-	8,279	8,973	4,822	7,885	7,794
-	30	46	20	40	50
49	125	616	805	983	694
307,607	297,326	306,687	321,692	327,378	362,231
50	111	144	502	551	180
1.305 mgd	1.296 mgd	1.425 mgd	1.604 mgd	1.590 mgd	1.852 mgd
2.200 mgd	2.500 mgd	2.100 mgd	2.895 mgd	2.620 mgd	2.421 mgd
1.02 mgd	1.13 mgd	1.04 mgd	1.06 mgd	1.446 mgd	1.103 mgd
3,188	3,479	3,350	3,605	3,605	3,605

City of Lockhart, Texas

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	2016	2017	2018	2019
Function/Program				
Public safety				
Police				
Stations	1	1	1	1
Patrol units	22	26	28	29
Fire stations	1	1	1	2
Highways and streets				
Streets (miles)	64.7	65.2	65.2	65.9
Streetlights	1,838	1,838	1,844	1,856
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)	77	77	80	80
Number of distribution stations	2	2	2	2
Capacity sold (MwH)	101,869	104,995	114,447	114,116
Water and wastewater				
Water				
Water mains (miles)	87.4	92.1	92.1	93.7
Fire hydrants	675	685	700	729
Storage capacity	1.05 mgd	1.05 mgd	1.05 mgd	1.05 mgd
Wastewater				
Sanitary sewers (miles)	76	76	78	79
Storm sewers (miles)	0	0	0	0
Treatment capacity	2.6 mgd	2.6 mgd	2.6 mgd	2.6 mgd

2020	2021	2022	2023	2024	2025
1	1	1	1	1	1
26	31	31	31	34	342
2	2	2	2	2	2
100.0	124.5	124.5	124.5	124.5	141.5
1,856	1,856	1,872	1,872	1,881	1,880
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
80	82	82	82	84	84
2	2	2	2	2	2
112,276	107,243	111,941	117,418	117,295	128,131
100.0	100.5	100.5	105.8	105.8	105.8
721	721	721	877	892	979
1.05 mgd	1.55 mgd	1.55 mgd	1.55 mgd	1.55 mgd	1.55 mgd
80.6	80.8	80.8	85.8	85.8	85.8
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: April 7, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding Resolution 2026-15 accepting the petition for annexation the annexation and setting the date of the public hearing for the annexation of 141.2 acres in the John A. Neill Survey, Abstract No. 20, located south of Seawillow Road and approximately 2,250 feet east of FM 1322, located in the Lockhart ETJ.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: Both Red Oak Development and The Lockhart ISD have submitted petitions to annex their properties in the subject area. Combined, the parcels cover 141.2 acres, collectively referred to as the "developer parcel" in the first amendment to the Seawillow Development Agreement. The resolution proposes a public hearing date of May 5, 2026, at which the property could be annexed. Prior to the annexation, both parties must approve the annexation service agreement for the properties. No zoning change requests have yet been submitted for the property, so it is expected the properties will be zoned AO Agricultural-Open Space upon annexation.

PROJECT SCHEDULE (if applicable): If the resolution is approved, the public hearing at which the property would be annexed will be scheduled for May 5, 2026. Mailed notifications must be sent, and notification annoucements must be placed on the City website and in the Lockhart Post-Record between 10-21 days in advance of the public hearing.

AMOUNT & SOURCE OF FUNDING:
Funds Required:
Account Number:
Funds Available:
Account Name:

FISCAL NOTE (if applicable): The potential annexation will bring future phases of the Seawillow/Moxie development into the city, potentially bringing a mix of residential and commercial uses, which would contribute future tax revenues to the City's general fund. Approximately 25 acres of the annexation area is the site of a future middle school, which will not generate tax revenues for the City.

PREVIOUS COUNCIL ACTION: The Lockhart City Council approved the first amendment to the Seawillow Development Agreement on January 6, 2026, which stated that a petition for the annexation of the subject property must be submitted no later than November 30, 2026.

COMMITTEE/BOARD/COMMISSION ACTION: None

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: Acceptance of the petition for annexation and setting the date for the annexation public hearing for May 5, 2026.

LIST OF SUPPORTING DOCUMENTS: Seawillow Annexation Resolution 2026-15, Ordinance 2026-15 Exhibit A, Ordinance 2026-15 Exhibit B, Power Point Presentation

RESOLUTION NO. 2026-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART ACCEPTING A VOLUNTARY PETITION FOR ANNEXATION, ATTACHED HERETO AS EXHIBIT "A"; DECLARING THE INTENT OF THE CITY TO ANNEX INTO THE CITY LIMITS THE PROPERTY DESCRIBED IN EXHIBIT "B", ATTACHED HERETO; PROVIDING WRITTEN NOTICE TO THE SERVICE PROVIDERS AND OWNERS OF RAILROAD RIGHT-OF-WAY, IF ANY, LOCATED IN SUCH TERRITORY, PROVIDING FOR A PUBLIC HEARING AND DIRECTING THE CITY MANAGER TO PREPARE AND NEGOTIATE A SERVICE PLAN AGREEMENT WITH THE LANDOWNERS PROVIDING FOR FULL MUNICIPAL SERVICES TO THE AREA TO BE ANNEXED; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the property to be annexed consists of 141.2 acres as described more fully in Exhibit "B", and as depicted in same exhibit, attached hereto, in Caldwell County, Texas; and

WHEREAS, the property to be annexed is adjacent to and contiguous to the boundaries of the City; and

WHEREAS, the property to be annexed is within the City's extraterritorial jurisdiction and the property is not within the extraterritorial jurisdiction of any other city; and

WHEREAS, the Property owners have requested annexation into the City of Lockhart in accordance with a Petition for Annexation which is attached hereto as Exhibit "A"; and

WHEREAS, the City is authorized by Chapter 43, Subchapter C-3, Annexation of Area on Request of Owners, Texas Local Government Code, to accept the petition for annexation and annex the property.

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

1. The City Council hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City hereby incorporates such recitals as a part of this Resolution.

2. Before the City institutes annexation proceedings, it shall provide written notice to each public entity or private entity that provides services in the area to be annexed and to each railroad company which owns right-of-way in the area to be annexed prior to the date of the

public hearing.

3. The City shall conduct a public hearing at which times persons interested in the annexation shall be given the opportunity to be heard. The public hearing shall be conducted in the Council Chamber of City Hall of the City of Lockhart, on the 5th of May, at 7:30 p.m.

4. Notice of the public hearing shall be published in the Lockhart Post-Register on or after April 8, 2026, and before April 21, 2026, and the notice will also be posted on the City's Internet website before April 21, 2026, and shall remain posted until the date of the public hearing.

5. The City Manager shall prepare and negotiate with the owners of the property requesting annexation a written Annexation Services Plan Agreement meeting the requirements of Section 43.0672 of the Texas Local Government Code. Such Agreement to be approved by the City and the Owners prior to the adoption of the Annexation Ordinance.

6. This Resolution shall become effective immediately upon passage.

Passed, read and approved the 7th day of April, 2026.

City of Lockhart, Texas

_____
Lew White, Mayor

ATTEST:

_____
Julie Bowermon, City Secretary

Docusign Envelope ID: 2752AB55-207C-4250-97E1-46C445778BEE

EXHIBIT "A"

ViewPoint Engineering

2121 E. 6th St.
Austin, TX 78702
Phone: 512-779-9464
Viewpointengineering.com

RE: Annexation Application Letter of Intent

To Whom it May Concern,

On behalf of RODG DT PROPCO LLC, it Is my sincere pleasure to present a voluntary annexation submittal for an approximately 116 acre tract currently located within the City of Lockhart ETJ.

The developer intends to request a planned development zoning on this project. The property owner's signature is also provided with this letter to demonstrate that they have endorsed the proposed annexation. Please feel free to contact me directly at 512-779-9464.

Warm Regards,

Luke Caraway, P.E.
President, Viewpoint Land Solutions

Tom Staub
CEO, RODG DT PROPCO LLC

DocuSigned by:
Tom Staub
CB95E324FC124D5...

2/9/2026

LOCKHART INDEPENDENT SCHOOL DISTRICT

P.O Box 120· Lockhart, Texas 78644· phone:512-398-0000· fax: 512-398-0031
www.lockhartisd.org

RE: Annexation Application Letter of Intent To

Whom it May Concern,

On behalf of Lockhart ISD, it is my sincere pleasure to present a voluntary annexation submittal for an approximately 25.824-acre tract currently located within the City of Lockhart ETJ.

Please feel free to contact me at 512-357-0000.

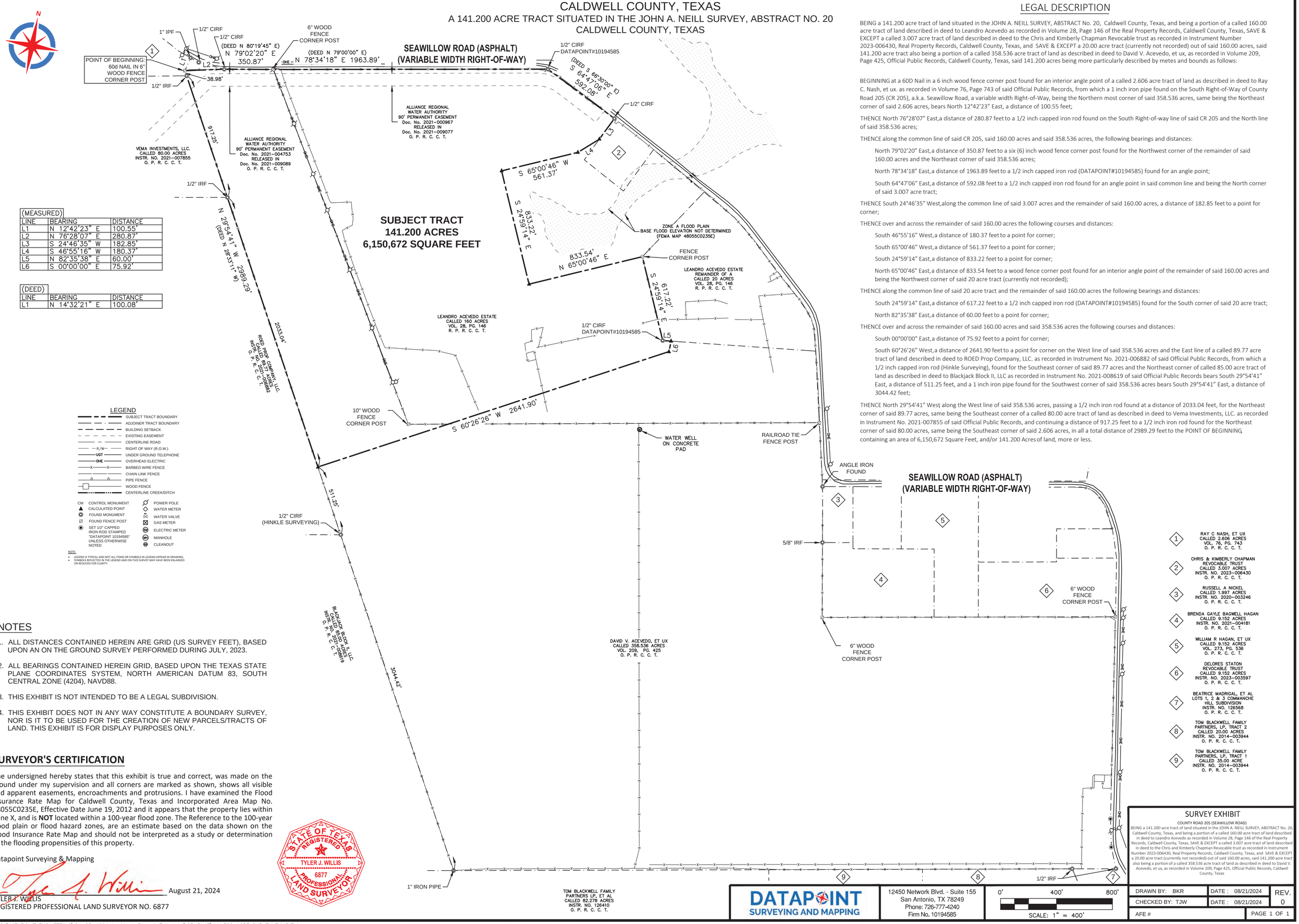
Warm Regards,

Mark Estrada
Superintendent of Schools LISD

2/27/2026

EXHIBIT B

CALDWELL COUNTY, TEXAS
A 141.200 ACRE TRACT SITUATED IN THE JOHN A. NEILL SURVEY, ABSTRACT NO. 20
CALDWELL COUNTY, TEXAS



(MEASURED)		
LINE	BEARING	DISTANCE
L1	N 12°42'23" E	100.55'
L2	N 76°28'07" E	280.87'
L3	S 24°46'35" W	182.85'
L4	S 46°55'16" W	180.37'
L5	N 82°35'38" E	60.00'
L6	S 00°00'00" E	75.92'

(DEED)		
LINE	BEARING	DISTANCE
L1	N 14°32'21" E	100.08'

LEGEND

- SUBJECT TRACT BOUNDARY
- ADJOINER TRACT BOUNDARY
- BUILDING SETBACK
- EXISTING EASEMENT
- CENTERLINE ROAD
- R/W — RIGHT OF WAY (R.O.W.)
- UGT — UNDER GROUND TELEPHONE
- OHE — OVERHEAD ELECTRIC
- BARBED WIRE FENCE
- CHAIN LINK FENCE
- PIPE FENCE
- WOOD FENCE
- CENTERLINE CREEK/DITCH

CM	CONTROL MONUMENT		POWER POLE
▲	CALCULATED POINT		WATER METER
◎	FOUND MONUMENT		WATER VALVE
☑	FOUND FENCE POST		GAS METER
◉	SET 1/2" CAPPED IRON ROD STAMPED "DATAPOINT 10194585" UNLESS OTHERWISE NOTED	EM	ELECTRIC METER
		MH	MANHOLE
		CO	CLEANOUT

NOTE:
- LEGEND IS TYPICAL AND NOT ALL ITEMS OR SYMBOLS IN LEGEND APPEAR IN DRAWING.
- SYMBOLS REFLECTED IN THE LEGEND AND ON THIS SURVEY MAY HAVE BEEN ENLARGED OR REDUCED FOR CLARITY.

NOTES

1. ALL DISTANCES CONTAINED HEREIN ARE GRID (US SURVEY FEET), BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING JULY, 2023.
2. ALL BEARINGS CONTAINED HEREIN GRID, BASED UPON THE TEXAS STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, SOUTH CENTRAL ZONE (4204), NAVD88.
3. THIS EXHIBIT IS NOT INTENDED TO BE A LEGAL SUBDIVISION.
4. THIS EXHIBIT DOES NOT IN ANY WAY CONSTITUTE A BOUNDARY SURVEY, NOR IS IT TO BE USED FOR THE CREATION OF NEW PARCELS/TRACTS OF LAND. THIS EXHIBIT IS FOR DISPLAY PURPOSES ONLY.

SURVEYOR'S CERTIFICATION

The undersigned hereby states that this exhibit is true and correct, was made on the ground under my supervision and all corners are marked as shown, shows all visible and apparent easements, encroachments and protrusions. I have examined the Flood Insurance Rate Map for Caldwell County, Texas and Incorporated Area Map No. 48055C0235E, Effective Date June 19, 2012 and it appears that the property lies within Zone X, and is **NOT** located within a 100-year flood zone. The Reference to the 100-year flood plain or flood hazard zones, are an estimate based on the data shown on the Flood Insurance Rate Map and should not be interpreted as a study or determination of the flooding propensities of this property.

Datapoint Surveying & Mapping

August 21, 2024

TYLER J. WILLIS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6877

STATE OF TEXAS REGISTERED TYLER J. WILLIS 6877 PROFESSIONAL LAND SURVEYOR

LEGAL DESCRIPTION

BEING a 141.200 acre tract of land situated in the JOHN A. NEILL SURVEY, ABSTRACT No. 20, Caldwell County, Texas, and being a portion of a called 160.00 acre tract of land described in deed to Leandro Acevedo as recorded in Volume 28, Page 146 of the Real Property Records, Caldwell County, Texas, SAVE & EXCEPT a called 3.007 acre tract of land described in deed to the Chris and Kimberly Chapman Revocable trust as recorded in Instrument Number 2023-006430, Real Property Records, Caldwell County, Texas, and SAVE & EXCEPT a 20.00 acre tract (currently not recorded) out of said 160.00 acres, said 141.200 acre tract also being a portion of a called 358.536 acre tract of land as described in deed to David V. Acevedo, et ux, as recorded in Volume 209, Page 425, Official Public Records, Caldwell County, Texas, said 141.200 acres being more particularly described by metes and bounds as follows:

BEGINNING at a 60D Nail in a 6 inch wood fence corner post found for an interior angle point of a called 2.606 acre tract of land as described in deed to Ray C. Nash, et ux. as recorded in Volume 76, Page 743 of said Official Public Records, from which a 1 inch iron pipe found on the South Right-of-Way of County Road 205 (CR 205), a.k.a. Seawillow Road, a variable width Right-of-Way, being the Northern most corner of said 358.536 acres, same being the Northeast corner of said 2.606 acres, bears North 12°42'23" East, a distance of 100.55 feet;

THENCE North 76°28'07" East,a distance of 280.87 feet to a 1/2 inch capped iron rod found on the South Right-of-way line of said CR 205 and the North line of said 358.536 acres;

THENCE along the common line of said CR 205, said 160.00 acres and said 358.536 acres, the following bearings and distances:

North 79°02'20" East,a distance of 350.87 feet to a six (6) inch wood fence corner post found for the Northwest corner of the remainder of said 160.00 acres and the Northeast corner of said 358.536 acres;

North 78°34'18" East,a distance of 1963.89 feet to a 1/2 inch capped iron rod (DATAPOINT#10194585) found for an angle point;

South 64°47'06" East,a distance of 592.08 feet to a 1/2 inch capped iron rod found for an angle point in said common line and being the North corner of said 3.007 acre tract;

THENCE South 24°46'35" West,along the common line of said 3.007 acres and the remainder of said 160.00 acres, a distance of 182.85 feet to a point for corner;

THENCE over and across the remainder of said 160.00 acres the following courses and distances:

South 46°55'16" West,a distance of 180.37 feet to a point for corner;

South 65°00'46" West,a distance of 561.37 feet to a point for corner;

South 24°59'14" East,a distance of 833.22 feet to a point for corner;

North 65°00'46" East,a distance of 833.54 feet to a wood fence corner post found for an interior angle point of the remainder of said 160.00 acres and being the Northwest corner of said 20 acre tract (currently not recorded);

THENCE along the common line of said 20 acre tract and the remainder of said 160.00 acres the following bearings and distances:

South 24°59'14" East,a distance of 617.22 feet to a 1/2 inch capped iron rod (DATAPOINT#10194585) found for the South corner of said 20 acre tract;

North 82°35'38" East,a distance of 60.00 feet to a point for corner;

THENCE over and across the remainder of said 160.00 acres and said 358.536 acres the following courses and distances:

South 00°00'00" East,a distance of 75.92 feet to a point for corner;

South 60°26'26" West,a distance of 2641.90 feet to a point for corner on the West line of said 358.536 acres and the East line of a called 89.77 acre tract of land described in deed to ROED Prop Company, LLC. as recorded in Instrument No. 2021-006882 of said Official Public Records, from which a 1/2 inch capped iron rod (Hinkle Surveying), found for the Southeast corner of said 89.77 acres and the Northeast corner of called 85.00 acre tract of land as described in deed to Blackjack Block II, LLC as recorded in Instrument No. 2021-008619 of said Official Public Records bears South 29°54'41" East, a distance of 511.25 feet, and a 1 inch iron pipe found for the Southwest corner of said 358.536 acres bears South 29°54'41" East, a distance of 3044.42 feet;

THENCE North 29°54'41" West along the West line of said 358.536 acres, passing a 1/2 inch iron rod found at a distance of 2033.04 feet, for the Northeast corner of said 89.77 acres, same being the Southeast corner of a called 80.00 acre tract of land as described in deed to Vema Investments, LLC. as recorded in Instrument No. 2021-007855 of said Official Public Records, and continuing a distance of 917.25 feet to a 1/2 inch iron rod found for the Northeast corner of said 80.00 acres, same being the Southeast corner of said 2.606 acres, in all a total distance of 2989.29 feet to the POINT OF BEGINNING, containing an area of 6,150,672 Square Feet, and/or 141.200 Acres of land, more or less.

1. RAY C NASH, ET UX CALLED 2.606 ACRES VOL. 76, PG. 743 O. P. R. C. C. T.
2. CHRIS & KIMBERLY CHAPMAN REVOCABLE TRUST CALLED 3.007 ACRES INSTR. NO. 2023-006430 O. P. R. C. C. T.
3. RUSSELL A NICKEL CALLED 1.997 ACRES INSTR. NO. 2020-003246 O. P. R. C. C. T.
4. BRENDA GAYLE BAGWELL HAGAN CALLED 9.152 ACRES INSTR. NO. 2021-004181 O. P. R. C. C. T.
5. WILLIAM R HAGAN, ET UX CALLED 9.152 ACRES VOL. 273, PG. 536 O. P. R. C. C. T.
6. DELORES STATON REVOCABLE TRUST CALLED 9.152 ACRES INSTR. NO. 2023-003597 O. P. R. C. C. T.
7. BEATRICE MADRIGAL, ET AL LOTS 1, 2 & 3 COMMANCHE HILL SUBDIVISION INSTR. NO. 126568 O. P. R. C. C. T.
8. TOM BLACKWELL FAMILY PARTNERS, LP, TRACT 2 CALLED 20.00 ACRES INSTR. NO. 2014-003944 O. P. R. C. C. T.
9. TOM BLACKWELL FAMILY PARTNERS, LP, TRACT 1 CALLED 35.00 ACRE INSTR. NO. 2014-003944 O. P. R. C. C. T.

SURVEY EXHIBIT

COUNTY ROAD 205 (SEAWILLOW ROAD)

BEING a 141.200 acre tract of land situated in the JOHN A. NEILL SURVEY, ABSTRACT No. 20, Caldwell County, Texas, and being a portion of a called 160.00 acre tract of land described in deed to Leandro Acevedo as recorded in Volume 28, Page 146 of the Real Property Records, Caldwell County, Texas, SAVE & EXCEPT a called 3.007 acre tract of land described in deed to the Chris and Kimberly Chapman Revocable trust as recorded in Instrument Number 2023-006430, Real Property Records, Caldwell County, Texas, and SAVE & EXCEPT a 20.00 acre tract (currently not recorded) out of said 160.00 acres, said 141.200 acre tract also being a portion of a called 358.536 acre tract of land as described in deed to David V. Acevedo, et ux, as recorded in Volume 209, Page 425, Official Public Records, Caldwell County, Texas

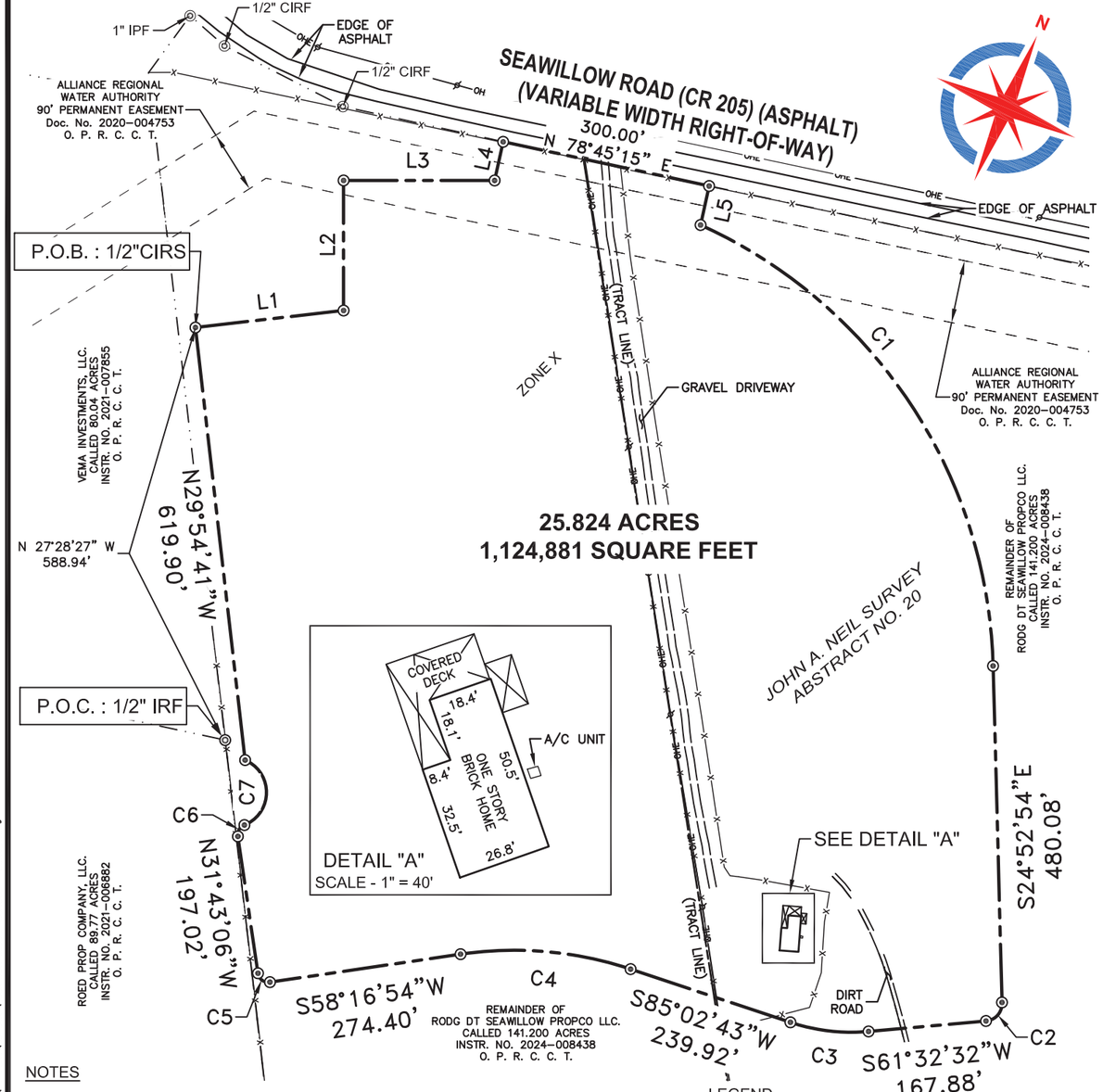
DATAPOINT SURVEYING AND MAPPING

12450 Network Blvd. - Suite 155
San Antonio, TX 78249
Phone: 726-777-4240
Firm No. 10194585

0' 400' 800'
SCALE: 1" = 400'

DRAWN BY: BKR	DATE : 08/21/2024	REV. 0
CHECKED BY: TJW	DATE : 08/21/2024	
AFE #	PAGE 1 OF 1	

Z:\2024\VIEWPOINT ENGINEERING\24-08-4694_Lockhart_Phase1_Takedown\05-PLAT\141.300 ACRE SURVEY EXHIBIT.dwg
10/4/2023 7:28 AM T.WILLIS



LEGAL DESCRIPTION

BEING a 25.824 acre tract of land situated in the JOHN A NEIL SURVEY, ABSTRACT 20, Caldwell County, Texas, being a portion of the called 141.200 acre tract of land as described in a deed to RODG DT SEAWILLOW PROPCO LLC as recorded in Instrument No. 2024-008438 of the Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.); said 25.824 acres being more particularly described by metes and bounds as follows:

Commencing at a 1/2 inch iron rod found for the Northeast corner of a called 89.77 acre tract of land described in a deed to ROED PROP COMPANY, LLC., recorded as Instrument Number 2021-006882, O.P.R.C.C.T., and the southeast corner of a called 80.04 acre tract of land described in a deed to VEMA Investments, LLC., recorded as Instrument Number 2021-007855, O.P.R.C.C.T.;

THENCE N 27°28'27" W, over and across said 141.200 acre tract, a distance of 588.94 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the southwesterly northwest corner of the herein described tract and POINT OF BEGINNING;

THENCE over and across said 141.200 acre tract the following courses and distances:
N 60°05'19" E, a distance of 212.28 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585";
N 23°21'46" W, a distance of 185.14 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585"
N 66°38'14" E, a distance of 215.13 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585"
N 10°57'40" W, a distance of 56.39 feet to a 1/2 inch yellow capped iron rod set marked "DATAPOINT 10194585" on the South Right-of-Way line of Seawillow Road, also known as County Road 205 (CR205), a variable width right-of-way, same being a North line of said 141.200 acre remainder tract;

THENCE N 78°45'15" E, along said Right-of-way line a distance of 300.00 feet to a 1/2 inch capped iron rod set, marked "DATAPOINT 10194585";

THENCE S 10°57'40" E, crossing over said 141.200 acre remainder tract, a distance of 56.81 feet to a 1/2 yellow capped iron rod set marked "DATAPOINT 10194585" for the beginning of a non-tangent curve to the right having a radius of 710.00 feet;

THENCE along said curve to the right, through an arc length of 794.17 feet, with a chord bearing and distance of S 56°55'33" E, 753.41 feet, with a delta angle of 64°05'17" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE S 24°52'54" E, a distance of 480.08 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the right having a radius of 25.00 feet;

THENCE along said curve to the right, through an arc length of 37.74 feet, with a chord bearing and distance of S 18°18'03" W, 34.25 feet, with a delta angle of 86°28'58" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE S 61°32'32" W, a distance of 167.88 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the right, having a radius of 275.00 feet;

THENCE along said curve to the right, through an arc length of 112.81 feet, with a chord bearing and distance of S 73°17'38" W, 112.02 feet, with a delta angle of 23°30'11" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE S 85°02'43 " W, a distance of 239.92 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the left, having a radius of 525.00 feet;

THENCE along said curve to the left, through an arc length of 245.23 feet, with a chord bearing and distance of S 71°39'49" W, 243.01 feet, with a delta angle of 26°45'49" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE S 58°16'54" W, a distance of 274.40 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the right, having a radius of 15.00 feet;

THENCE along said curve to the right, through an arc length of 23.56 feet, with a chord bearing and distance of N 76°43'06" W, 21.21 feet, with a delta angle of 90°00'00" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE N 31°43'06" W, a distance of 197.02 feet to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a curve to the right, having a radius of 15.00 feet;

THENCE along said curve to the right, through an arc length of 20.07 feet, with a chord bearing and distance of N 06°36'38" E, 18.61 feet, with a delta angle of 76°39'27" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for the beginning of a reverse curve to the left with a radius of 50.00 feet;

THENCE along said curve to the left, through an arc length of 118.12 feet, with a chord bearing and distance of N 22°44'25" W, 92.51 feet, with a delta angle of 135°21'33" to a 1/2 inch yellow capped iron rod set, marked "DATAPOINT 10194585" for a point of tangency;

THENCE N 29°54'41" W, a distance of 619.90 feet to the POINT OF BEGINNING, containing an area of 1,124,881 Square Feet, and/or 25.824 acres of land, more or less.

TITLE COMMITMENT GF. NO. 25-0895-L SCHEDULE B ITEMS:

10. THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS.

a. NON-SURVEY ITEM

b. NON-SURVEY ITEM

c. NON-SURVEY ITEM

d. NON-SURVEY ITEM

e. NON-SURVEY ITEM

f. Easement granted toTexas Power & Light Co., by A.L. Fowler and wife, Mabel Fowler, dated July 28,1936, recorded in Volume 171, Page 431, Deed Records of Caldwell County, Texas.
(May affect this tract, document description too vague to properly depict on survey)

g. Easement granted to Texas Power & Light Co., by A.L. Fowler and wife, Mabel Fowler, dated May 7,1936, recorded in Volume 172, Page 296, Deed Records of Caldwell County, Texas.
(May affect this tract, document description too vague to properly depict on survey)

h. Easement granted to Texas Power & Light Co., by Mrs. Jessie Burdett and husband, J.N., dated June 1, 1936, recorded in Volume 172, Page 459, Deed Records of Caldwell County, Texas.
(May affect this tract, document description too vague to properly depict on survey)

i. Easement granted to Palonia Water Supply Corp., by George Ann Little and Lewis N. Little, dated August 4, 1971, recorded in Volume 346, Page 106, corrected in Volume 352, Page 301, Deed Records of Caldwell County, Texas.
(May affect this tract, document description too vague to properly depict on survey)

j. Easement granted to Alliance Regional Water Authority, by David V. Acevedo, et al, dated June 25, 2021, recorded in Document No. 2021-004753, Official Public Records of Caldwell County, Texas. (AFFECTS, shown hereon)

k. NON-SURVEY ITEM

l. NON-SURVEY ITEM

SURVEYOR'S CERTIFICATION

The undersigned hereby states that this survey is true and correct, was made on the ground under my supervision and all corners are marked as shown, shows all visible and apparent easements, encroachments and protrusions. I have examined the Flood Insurance Rate Map for Caldwell County, Texas and Incorporated Area Map No. 48055C0235E, Effective Date June 19, 2012 and it appears that the property lies within Zone X, and is **NOT** located within a 100-year flood zone. The Reference to the 100-year flood plain or flood hazard zones, are an estimate based on the data shown on the Flood Insurance Rate Map and should not be interpreted as a study or determination of the flooding propensities of this property.

Datapoint Surveying & Mapping

June 25, 2025

TYLER J. WILLIS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6877

STATE OF TEXAS
REGISTERED
TYLER J. WILLIS
6877
PROFESSIONAL
LAND SURVEYOR

NOTES

1. ALL DISTANCES CONTAINED HEREIN ARE (GRID) U.S. SURVEY FEET AND BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING JULY 23, 2023.
2. ALL COORDINATES AND BEARINGS CONTAINED HEREIN ARE GRID (U.S. SURVEY FEET), BASED UPON THE TEXAS STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83 (NAD 83), TEXAS SOUTH CENTRAL ZONE (4204).
3. ALL MONUMENTS FOUND AND SHOWN HEREON WERE CONTROLLING MONUMENTS IN THE FINAL BOUNDARY DETERMINATION OF THIS SURVEY.

LEGEND

- SUBJECT TRACT BOUNDARY
- ADJOINER TRACT BOUNDARY
- APPROX. SURVEY ABSTRACT
- EXISTING EASEMENT
- OVERHEAD ELECTRIC
- BARBED WIRE FENCE

CM CONTROL MONUMENT
POWER POLE
▲ CALCULATED POINT
◎ FOUND MONUMENT
☒ FOUND FENCE POST
◉ SET 1/2" CAPPED IRON ROD STAMPED "DATAPOINT 10194585" UNLESS OTHERWISE NOTED

LINE TABLE

LINE	BEARING	DISTANCE
L1	N 60°05'19" E	212.28'
L2	N 23°21'46" W	185.14'
L3	N 66°38'14" E	215.13'
L4	N 10°57'40" W	56.39'
L5	S 10°57'40" E	56.81'

CURVE TABLE

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	710.00'	794.17'	753.41'	S 56°55'33" E	64°0517"
C2	25.00'	37.74'	34.25'	S 18°18'03" W	86°28'58"
C3	275.00'	112.81'	112.02'	S 73°17'38" W	23°30'11"
C4	525.00'	245.23'	243.01'	S 71°39'49" W	26°45'49"
C5	15.00'	23.56'	21.21'	N 76°43'06" W	90°00'00"
C6	15.00'	20.07'	18.61'	N 06°36'38" E	76°39'27"
C7	50.00'	118.12'	92.51'	N 22°44'25" W	135°21'33"

LAND TITLE SURVEY

LOCKHART MIDDLE SCHOOL

BEING a **25.824 acre** tract of land situated in the **JOHN A NEIL SURVEY**, **ABSTRACT 20**, Caldwell County, Texas, being a portion of the called 141.200 acre tract of land as described in a deed to RODG DT SEAWILLOW PROPCO LLC, as recorded in Instrument No. 2024-008438 of the Official Public Records of Caldwell County, Texas.

DATAPOINT
ENGINEERING • LAND SURVEYING • GIS • UAS
12400 Network Blvd. - Suite 130
San Antonio, TX 78249
Phone: 726-777-4240
Firm No. 10194585

DRAWN BY: BKR/JS	DATE : 06/25/2025	REV. 3
CHECKED BY: TJW	DATE : 06/25/2025	
PROJECT # 25-04-5491		SHEET 1 OF 1

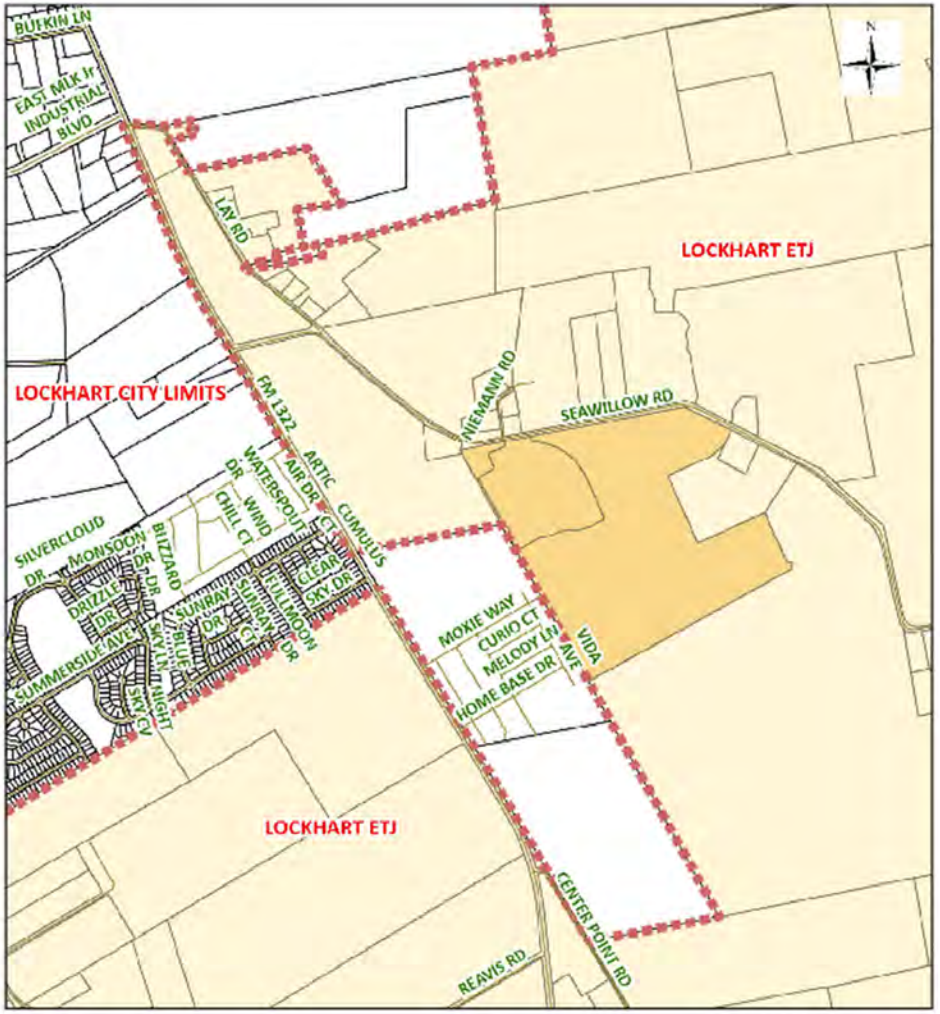
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City Council

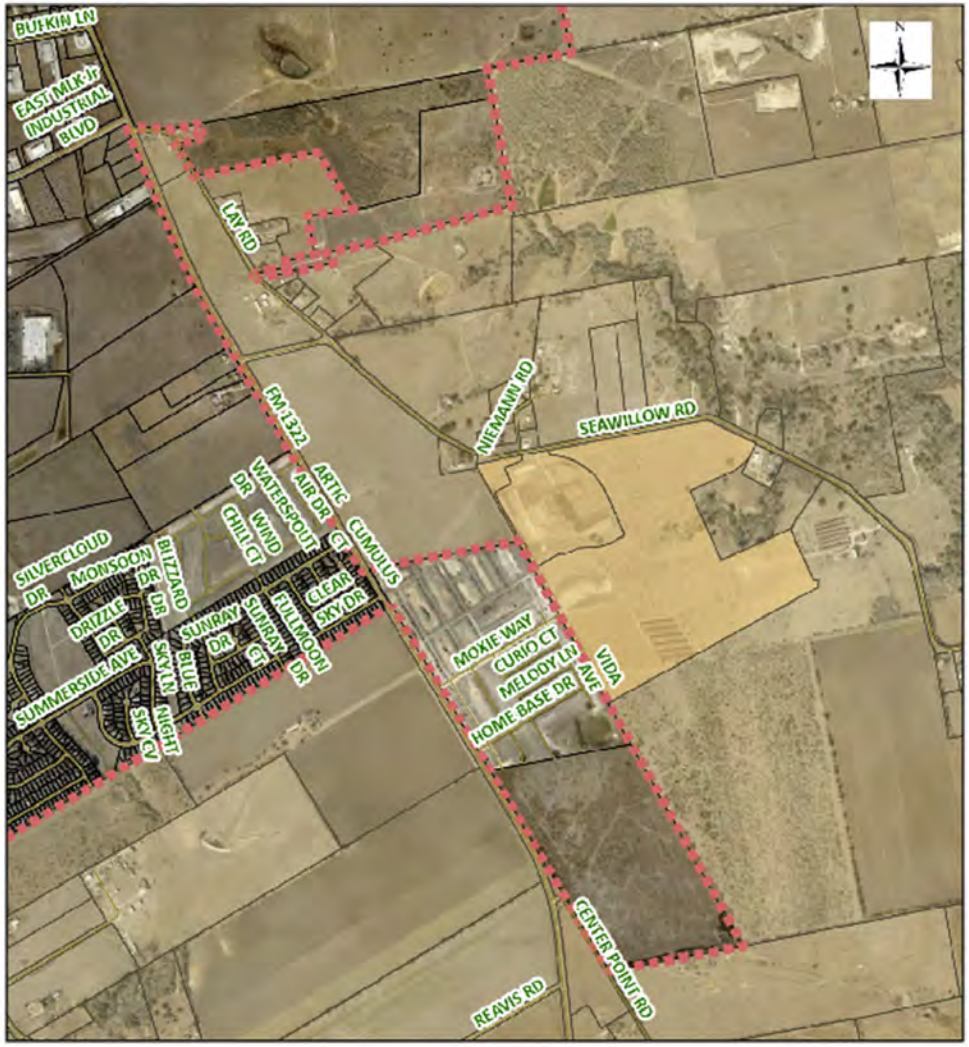
CITY OF
Lockhart
TEXAS

April 7, 2026

Resolution 2026-15



Resolution 2026-15



CITY OF Lockhart TEXAS

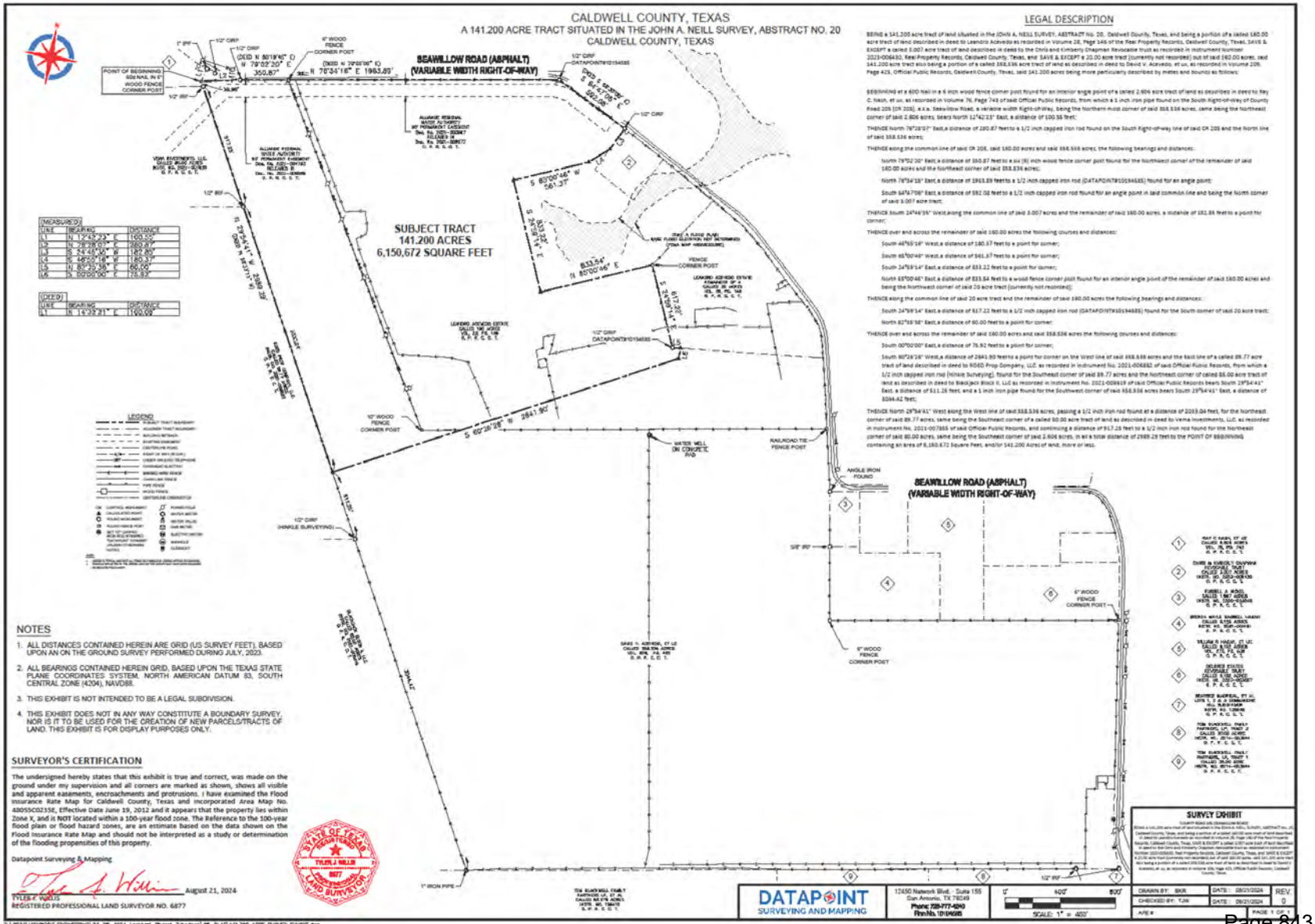
0 900 1,800 Feet

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.

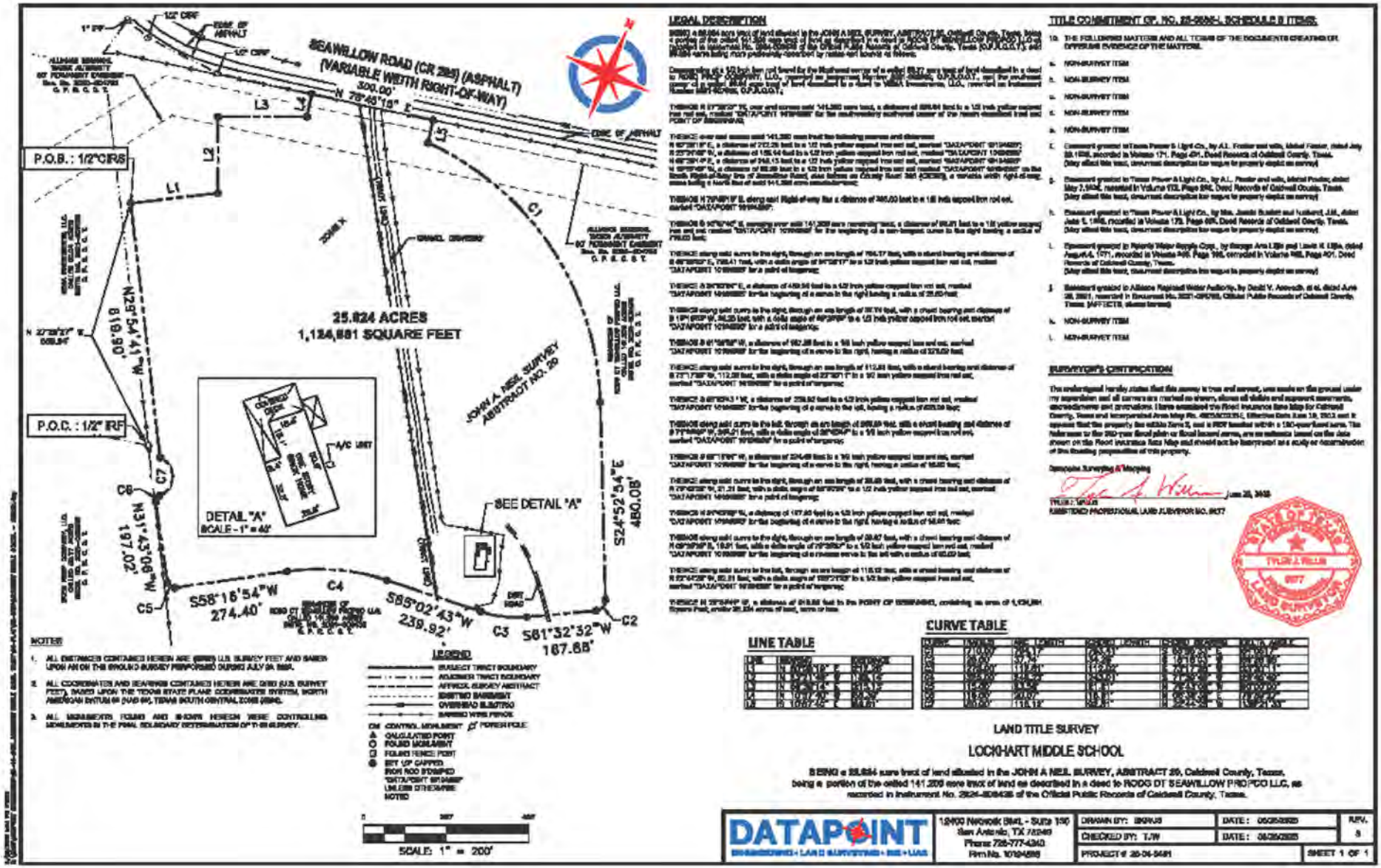
Map Legend

- SEAWILLOW ANNEXATION #2
- PARCEL BOUNDARY
- LOCKHART ETJ
- LOCKHART CITY LIMITS

Resolution 2026-15



Resolution 2026-15



LEGAL DESCRIPTION

TITLE COMMITMENT GF. NO. 25-2606-L, SCHEDULE B ITEMS:

SURVEYOR'S CERTIFICATION

LINE TABLE

CURVE TABLE

NOTES

LAND TITLE SURVEY

LOCKHART MIDDLE SCHOOL

BEING a 25.824 acre tract of land situated in the JOHN A NEIL SURVEY, ABSTRACT 20, Caldwell County, Texas, being a portion of the called 141.200 acre tract of land as described in a deed to ROOG DT SEAWILLOW PROPCO LLC, as recorded in Instrument No. 2024-606436 of the Official Public Records of Caldwell County, Texas.

DATAPOINT ENGINEERING • LAND SURVEYING • GIS • UAS

12400 Network Blvd - Suite 130
San Antonio, TX 78249
Phone: 726-777-4340
Firm No. 10194589

DRAWN BY: BGRUS	DATE: 06/25/2025
CHECKED BY: TJW	DATE: 06/25/2025
PROJECT #: 25-06-5491	REV. 3
SHEET 1 OF 1	

Resolution 2026-15

- Total area of annexation request: 141.2 acres, including school site
- Public hearing would be scheduled for May 5, 2026
- Petitioners will need to sign Annexation Service Agreement prior to public hearing
- No zoning changes filed for site

City Council

CITY OF
Lockhart
TEXAS

April 7, 2026

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding Resolution 2026-16 authorizing City Manager to sign a three-year renewal agreement with Global Payments Direct, Inc. to provide merchant services and credit card payment processing for City of Lockhart.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Roque Salinas

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION:
In order for residents and customers to use credit cards to make payments for City services, a credit card processing agreement is required. Global Payments Direct, Inc. has been the vendor for the City since 2018, when a three-year contract was executed. The contract expired at the end of 2021 and has since continued on a month-to-month basis.

Since the contract expired, the processing rates have been subject to monthly market adjustments. As a result, the City has experienced increasing processing costs each year since 2021, creating a growing deficit between the fee collected from residents and the total credit card processing fees paid by the City. Residents are currently charged a 2% convenience fee, which does not fully cover the actual cost of processing credit card transactions.

The table below shows the credit card fees collected from residents and the total credit card processing fees paid by the City since the termination of the contract at the end of 2021.

City staff reached out to Global Payments Direct, Inc. and negotiated a new agreement to reduce the processing rate. The proposed agreement is being presented to the City Council for approval. Under the new agreement, the effective rate would average approximately 3.15%, and the rate would be locked in for a period of three years.

If approved, the new agreement would significantly reduce the City's exposure to fluctuating market rates and help stabilize processing costs. Based on current projections, staff estimates the negotiated rate would reduce the City's credit card processing costs by approximately 68% compared to the current variable rates.

However, staff still anticipates a deficit if the convenience fee charged to customers remains at the current 2% rate. The projected subsidy by the City under the proposed agreement is shown in the table below.

Year	Sum of Fee collected	Sum of Estimated fees new agreement	Over/(Under)
2022	$ 115,042	$ 145,821	$ (30,779)
2023	$ 178,579	$ 347,231	$ (168,653)
2024	$ 147,581	$ 517,132	$ (369,551)
2025	$ 157,875	$ 973,256	$ (815,380)
2026	$ 170,811	$ 778,556	$ (607,744)

2027	$	163,519	$	394,543	$	(231,025)
2028	$	168,991	$	406,380	$	(237,389)
2029	$	87,438	$	212,864	$	(125,425)

Staff recommends that the City Council approve the agreement with Global Payments Direct, Inc. to lock in the negotiated processing rate for a period of 36 months, which will significantly reduce the City's exposure to increasing credit card processing costs and provide greater financial stability.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:
Funds Required:
Account Number:
Funds Available:
Account Name:

FISCAL NOTE (if applicable):
Based on current projections, staff estimates the negotiated rate would reduce the City's credit card processing costs by approximately 68% compared to the current variable rates. The impact would save the City close to $600,000 per year. However, staff still anticipates a deficit if the convenience fee charged to customers remains at the current 2% rate.

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends approval of Agreement and authorization for City Manager to execute Agreement on behalf of the City

LIST OF SUPPORTING DOCUMENTS: RES 2026-16, Offer - City of Lockhart (Final - Extended), PPT- Credit Card fees

RESOLUTION NO. 2026-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING A THREE-YEAR RENEWAL OF THE GLOBAL PAYMENTS DIRECT, INC. AGREEMENT TO PROVIDE MERCHANT SERVICES AND CREDIT CARD PROCESSING SERVICES; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart, Texas (the "City"), in 2018 entered into an agreement (the "Agreement") with Global Payments Direct, Inc. ("Global Payments") to provide merchant services and credit card processing services for the City;

WHEREAS, the Agreement expired at the end of its three-year term in 2021, and the City and Global Payments have operated on a month-to-month basis since that time;

WHEREAS, under the month-to-month basis, the processing fee rates have been subject to monthly market adjustments, resulting in increasing processing costs each year for the City and creating a growing deficit between the 2% convenience fee collected from residents and the actual credit card processing fees paid by the City; and

WHEREAS, the City Staff and Global Payments negotiated a renewal agreement to reduce the processing fee rate charged to the City to an average of 3.15% for a period of three years.

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

Section 1. All of the above premises are hereby found to be true and correct legislative findings of the City Council of the City of Lockhart (the "City Council"), and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Section 2. The City Council hereby authorizes a three-year renewal of the agreement with Global Payments Direct, Inc. to provide merchant services and credit card processing services.

Section 3. The City Council hereby authorizes the City Manager to execute any documents necessary to effectuate this Resolution.

Section 4. If any part of this Resolution, of whatever size, is ever declared invalid or unenforceable for any reason, the remainder of this Resolution shall remain in full force and effect.

Section 5. This Resolution shall be effective from and after its passage by the City Council.

PASSED AND APPROVED by the City Council of the City of Lockhart, Texas the **_____**day of **_____**, 2026.

_____
Lew White, Mayor

ATTEST:

_____
Julie Bowermon, City Secretary

APPROVED AS TO FORM:

_____
Brad Bullock, City Attorney

CLIENT SATISFACTION OFFER

Merchant Name or DBA Name: CITY OF LOCKHART ("**Merchant**")

Merchant ID(s): 8788240016987, 8788240016988, 8788240017006, 8788240017009, 8788240022255 ("**MID**" or "**MIDs**")

Date: 02/24/26

Global Payments Direct, Inc. ("**Global Direct**"), a Global Payments company, values its merchant clients and strives to create mutually beneficial, long-term relationships with them. Accepting this offer will modify your Card Services Agreement (the "**Agreement**") with Global Direct in accordance with the adjustments listed below (the "**Amended Rates**"). Capitalized terms not defined herein shall have the meaning given in the Agreement.

Amended Rates

Credit Discount Rate	1.20%	Per item	$0.20
Risk Assessment Fee	0.20%	Per item	$0.20
Settlement Funding Fee	0.20%	Per item	$0.20

Auth per Item $0.00

Please see the Rate Analysis for full details.

Global Payments will keep your current discount rates exempt from fee increases for the duration of the current [Term/Extended Term (whichever is applicable)]. This rate lock does not apply to card association or other fees.

Contract Term

The Amended Rates will become effective on the first day of the calendar month of the Effective Date so long as this Client Satisfaction Offer is executed and received by Global Direct by the 15th of the calendar month, otherwise the Amended Rates will be effective on the first day of the calendar month following the Effective Date. The Amended Rates remain subject to change as per the terms and conditions of the Agreement. All fees, rates, charges and other terms not otherwise revised per this Client Satisfaction Offer remain in full force and effect.

Merchant agrees to extend the term of the Agreement for 36 months from the last date of execution below (the "**Effective Date**"). This time period will be referred to as the "**Extended Term**". At the expiration of the Extended Term, the Agreement will automatically renew as per the terms of the Agreement for successive one-year periods (each a "**Renewal Term**", and collectively with the Initial Term and the Extended Term, the "**Term**").

Merchant agrees to pay the following account closure fees per terminating MID upon early termination of the Agreement: (a) $500.00 if terminated with more than 12 months remaining in the Term; or (b) $500.00 if terminated with 12 or fewer months remaining in the Term, or such portion of the foregoing as may be permitted by applicable law.

All other terms and conditions of the Agreement remain unchanged. This Client Satisfaction Offer and the details contained herein are confidential and may not be disclosed, displayed, or otherwise transmitted to any third party except to attorneys, accountants or other professional advisers as may be necessary to effect the purposes of this letter between the parties. By signing below, each party acknowledges that it has carefully read and fully understood this amendment, and each agrees to be bound by the terms of this amendment.

GLOBAL PAYMENTS DIRECT, INC.	CITY OF LOCKHART
Signed By:_____	Signed By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date:_____	Date: _____

VIEW ONLY COPY

VIEW ONLY COPY



Three-year renewal agreement with Global Payments Direct, Inc.

Roque Salinas, MPA

Assistant City Manager

April 7, 2026

CITY OF Lockhart TEXAS

Summary and Discussion

- Discuss authorizing City Manager to sign a three-year renewal agreement with Global Payments Direct, Inc. to provide merchant services and credit card payment processing for City of Lockhart.
- In order for residents and customers to use credit cards to make payments for all City services, a credit card processing vendor is required.
  - Bill payment
  - Permit fees
  - Paying citations
  - Animal shelter fees
- **These charges are not City fees — they are vendor processing fees charged to the City. The city charges customers 2% to recover a portion of that charge.**
  - **Any amount not covered by the 2% fee is paid by the electric fund.**
- Global Payments Direct, Inc. is the staff recommendation.
- At council discretion

CITY OF Lockhart TEXAS

Background

•Global Payments Direct, Inc. has served as the City's credit card processing vendor since 2018, under an initial three-year contract. The contract expired at the end of 2021 and has continued on a month-to-month basis since that time.Since the contract expiration, processing rates have been subject to monthly market adjustments.

•The City has experienced increasing processing costs each year since 2022.This has created a growing gap between the processing fee collected from residents and the total processing fees paid by the City.

•Residents are currently charged a 2% processing fee, which does not fully cover the actual cost of processing credit card transactions.

Deficit growing

- The table below shows the credit card fees collected from residents and the total credit card processing fees paid by the City.
- The City' electric department lost $815k in 2025 on average, $83,000 per month in credit card fees.
  - Bucket Truck-$150,000 = 5.5 trucks
  - Class A Lineman- $57,500= 14 Class A Lineman
  - Annual tree trimming $150,000- 5.5 times increase
- If no action is taken the Electric fund will continue to lose funding and the forecast is starting to hit $1 million.

Fiscal Year	Sum of Fee collected	Sum of Credit Card Fees Paid	Sum of Over/(under)
2022	$ 115,042.38	$ 145,821.26	$ (30,778.88)
2023	$ 178,578.73	$ 347,231.33	$ (168,652.60)
2024	$ 147,580.94	$ 517,132.17	$ (369,551.23)
2025	$ 157,875.36	$ 973,255.53	$ (815,380.17)
2026	$ 170,811.42	$ 1,160,762.77	$ (989,951.35)
2027	$ 163,518.58	$ 1,195,585.65	$ (1,032,067.07)
2028	$ 168,990.51	$ 1,231,453.22	$ (1,062,462.71)
2029	$ 87,438.41	$ 645,041.75	$ (557,603.34)

2029 is not a full year. Only through April. Done for forecasting contract proposed of 36 months.

Staff Action

- Staff identified the issue in FY 2025.
- Staff reached out to Global Payments Direct, Inc. in February 2026 and negotiated a new agreement to reduce the processing rate.
- Staff estimates the new negotiated rate would reduce the City's credit card processing costs by approximately 68%.
- Under the new agreement, the effective rate would average approximately 3.15%, and the rate would be locked in for a period of three years.
- If approved, the new agreement would significantly reduce the electric fund exposure to fluctuating market rates and help stabilize processing costs.

Forecast

Year	Credit Card fee 2%	Credit Card Processing fees- Do nothing	Over/Under Current	Estimated fees new agreement	Over/Under Current new agreement	Estimated Savings with new agreement
2022	$ 115,042	$ 145,821	$ (30,779)			
2023	$ 178,579	$ 347,231	$ (168,653)			
2024	$ 147,581	$ 517,132	$ (369,551)			
2025	$ 157,875	$ 973,256	$ (815,380)			
2026	$ 170,811	$ 1,160,763	$ (989,951)	$ 778,556	$ (607,744)	$ 382,207
2027	$ 163,519	$ 1,195,586	$ (1,032,067)	$ 394,543	$ (231,025)	$ 801,042
2028	$ 168,991	$ 1,231,453	$ (1,062,463)	$ 406,380	$ (237,389)	$ 825,074
2029	$ 87,438	$ 645,042	$ (557,603)	$ 212,864	$ (125,425)	$ 432,178

2029 is not a full year. Only through April. Done for forecasting contract proposed of 36 months.

Fiscal impact

- Negotiated rate expected to reduce credit card processing costs by approximately 68%.Estimated savings of nearly $800,000 per year for the City.
- Even with the new agreement, staff projects a remaining deficit of approximately $235,000 if the customer fee remains at 2%.

- The deficit is currently paid from the Electric Fund. Only about 60% of customers are City electric customers.
  - Customers in the Bluebonnet Electric service area are currently subsidized by City electric customers.
  - Businesses with large bills also contribute to the deficit, which is ultimately covered by City electric customers.

- If paid from the General Fund:
  - No action: equivalent to about a $0.05 rate increase
  - Proposed agreement: equivalent to about a $0.02 rate increase
  - Proposed new deficit $235,000.
  - Police officer -$66,518- 3 police officers
  - Fire Fighter- $59,950- 4 Fire Fighters
  - New fire truck $850,000- 1 new fire truck every 4 years.

CITY OF Lockhart TEXAS

Fiscal impact Option

Fiscal Year	Estimated fees new agreement	Fee collected no change	Everyone pays fee	Increase to 2.25%	Increase to 2.35%	Increase to 2.45%	Increase to 2.50%
2026	$ 778,556	$ 170,811	$ 246,923	$ 277,789	$ 290,135	$ 302,481	$ 308,654
2027	$ 394,543	$ 163,519	$ 254,447	$ 286,253	$ 298,975	$ 311,698	$ 318,059
2028	$ 406,380	$ 168,991	$ 262,081	$ 294,841	$ 307,945	$ 321,049	$ 327,601
2029	$ 212,864	$ 87,438	$ 137,097	$ 154,234	$ 161,088	$ 167,943	$ 171,371

Fiscal Year	Estimated fees new agreement	Bastrop 3%	Lulling fee 3.7%	Buda Fee 3.3%	Appox break even 3.13%	Over /under
2026	$ 778,556	$ 370,385	$ 456,808	$ 407,423	$ 386,435	$ (392,121)
2027	$ 394,543	$ 381,671	$ 470,727	$ 419,838	$ 398,210	$ 3,667
2028	$ 406,380	$ 393,121	$ 484,849	$ 432,433	$ 410,156	$ 3,777
2029	$ 212,864	$ 205,645	$ 253,629	$ 226,209	$ 214,556	$ 1,692



Three-year renewal agreement with Global Payments Direct, Inc.

Roque Salinas, MPA

Assistant City Manager

April 7, 2026

CITY OF Lockhart TEXAS

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION:
Discussion and consideration of awarding RFP 2026-01- Replacement and installation of a new elevator at the Dr. Euguene Clark Library to ATTA Elevators of Austin, Texas in an amount not to exceed $126,431.00.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Roque Salinas

ACTION REQUESTED: Award of Contract

BACKGROUND/SUMMARY/DISCUSSION:

The elevator at the library has experienced ongoing issues for several years, including instances of becoming stuck. Mechanical upgrades are necessary to ensure the continued safety and reliability of the equipment.

Funding for these improvements was approved as part of the FY2026 budget. Following this approval, staff issued a Request for Proposals (RFP) and received two responses in the amounts of $126,438 from ATTA Elevators and $139,825 from Austin Elevator Company. Both proposals were submitted by reputable vendors.

After completing a thorough evaluation of the submissions, staff recommends awarding the project to ATTA Elevators as the most responsive and responsible proposer to complete the necessary improvements.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:
Funds Required:
Account Number:
Funds Available:
Account Name:

FISCAL NOTE (if applicable): $126,438

PREVIOUS COUNCIL ACTION: None

COMMITTEE/BOARD/COMMISSION ACTION: None

STAFF RECOMMENDATION/REQUESTED MOTION:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Lockhart Library Modernization Elevator RFP Bid1, AECProposal_EugeneClarkLibrary_2026-02



REQUEST FOR PROPOSAL
Elevator Modernization

While all members of ATTA Elevators team play a key and important role in the day-to-day success of our company, the key individuals you will collaborate with are as follows:

Brian Mitchell
Regional VP Austin, Modernization

With over 25 years of experience in the elevator industry, Brian brings deep technical knowledge and leadership to every project. He began his career as an elevator mechanic in Chicago, where he spent more than 15 years honing his craft on a wide range of systems and technologies. For the past decade, Brian has served as a Modernization Operations Manager in the Austin area, successfully leading large-scale modernization projects and driving operational excellence.
As a leader, Brian is dedicated to fostering a team culture rooted in trust, collaboration, and accountability. Under his guidance, Team Austin delivers innovative, reliable solutions that put customer needs first, ensuring every client experience is efficient, responsive, and unforgettable.

Jon Anderson
Regional VP Austin, Service, Repair

With over 15 years of experience in the elevator industry, Jon has established a strong reputation for excellence in the service and repair of elevator systems. He is proficient in managing complex projects from inception to completion, consistently delivering solutions that prioritize safety, efficiency, and customer satisfaction. Throughout his career, Jon has worked with a wide range of elevator systems, ensuring compliance with regulatory standards and incorporating the latest technologies to enhance performance. Known for his meticulous attention to detail and unwavering commitment to high-quality service, Jon provides his customers with a seamless experience from start to finish.

Geoff Paquette
Vice President, U.S. Operations

Geoff brings with him more than 26 years of experience in the elevator industry, including extensive leadership in field operations, sales, strategy, and over a decade of recruitment expertise. His deep industry knowledge and established relationships make him the ideal candidate to help execute ATTA's ambitious vision of becoming a true North American independent elevator company.

ADVERTISEMENT AND INVITATION FOR PROPOSALS

The City of Lockhart, Texas is seeking proposals from highly qualified, capable, and experienced contractors for the replacement and installation of a new elevator at the Dr. Eugene Clark Library until ***3:00 p.m. on March 4, 2026. Proposals shall be addressed and delivered to: Roque Salinas, Assistant City Manager City of Lockhart – City Hall 308 West San Antonio Street Lockhart, Texas 78644***. Proposals will be publicly opened and read aloud immediately following the deadline in the Large Conference Room, 105 South Colorado Street, Lockhart, Texas 78644. Any proposal received after the stated closing time will be returned unopened. The City of Lockhart reserves the right to reject any and all proposals. A copy of the RFP can be found online at https://www.lockhart-tx.org/page/bids RFP # 2026-01.

Cover Page

CITY OF LOCKHART, TEXAS

RFP 2026-01

Lockhart
The BBQ Capital of Texas

REQUEST FOR SEALED PROPOSALS FOR

Replacement and installation of a new elevator at the Dr. Euguene Clark Library.

PROPOSAL DATE ISSUED:

February 4, 2026

RFP SUBMITTALS DATE DUE:

March 4, 2026, 3PM

DEPARTMENT CONTACT FOR QUESTIONS:

Roque Salinas
Assistant City Manager
rsalinas@lockhart-tx.org

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RFP # 2026-01 Invitation for Proposals
Replacement and installation of a new elevator at the Dr. Euguene Clark Library.

City of Lockhart, Texas

The City of Lockhart is soliciting proposals from qualified individuals, firms or corporations to provide a range of management and administrative services for:

Replacement and installation of a new elevator at the Dr. Euguene Clark Library.

Mark envelope in the lower left corner with the corresponding RFP Number; and name project, so the proposals will not be opened until the appointed hour.

Mailed proposals must be received as 1 (one) original and 3 (three) copies, on this form, prior to the closing date and time to be considered. Mailed proposals must be submitted in sufficient time to be received and time-stamped at the above location on or before the published date and time shown on the RFP. The City of Lockhart will not be responsible for mail delivered from the post office. Proposals received after the published time and date cannot be considered and will be returned unopened.

- A sealed copy of the bid proposal may be submitted by courier or hand delivered by the City Manager's Officer.
- A **digital copy must** be submitted; however, a digital submission cannot be emailed.
- Faxed proposals will not be accepted.

All proposals courier or hand proposals must be delivered and/or be submitted to:

308 W San Antonio St.,
Lockhart, Texas 78644

All mailed proposals must be mailed to:

P.O. Box 239,
Lockhart, Texas 78644.

If you have questions regarding the preparation of your proposal or for technical questions, you may contact the Department Contact on the cover page. All questions must be submitted in writing.

GENERAL CLAUSES AND CONDITIONS

1. Protection of Resident Workers: The City of Lockhart actively supports the Immigration and Nationality Act (INA), which includes provisions addressing employment eligibility, employment verification, and nondiscrimination. Under the INA, employers may hire only persons who may legally work in the United States (i.e., citizens and nationals of the U.S.) and aliens authorized to work in the U.S. The employer must verify the identity and employment eligibility of anyone to be hired, which includes completing the Employment Eligibility Verification Form (I-9). The Contractor shall establish appropriate procedures and controls so no services or products under the Contract Documents will be performed or manufactured by any worker who is not legally eligible to perform such services or

employment.

2. Laws and Ordinances: The Contractor shall at all times observe and comply with all Federal, State and local laws, ordinances and regulations which in any manner affect the Contract or the work and shall indemnify and save harmless the City against any claim arising from the violation of any such laws, ordinances and regulations whether by the Contractor or his employees.

3. Proposals will be received and publicly acknowledged at the location, date and time stated above. Only the name of the proposers responding to this request for proposal shall be released at the proposal opening. Other information submitted by the proposer shall not.be released by the City during the proposal evaluation process or prior to contract award. At no time will confidential information, as noted by the proposer, be released.

4. Proposer shall attach official documentation from the State of Texas or other qualified certification agency of M/WBE status of your company with bid/proposal. The data is for informational purposes only and will not affect the bid proposal award.

5. A completed W-9 form will be required within five business days by the apparent most qualified proposer once notification has been received.

6. In submitting an offer, respondent certifies that they have not participated in nor have they been party to any collusion, price fixing or any other illegal or unethical agreements with any company, firm or person concerning the pricing offered.

7. The attached Non-Exclusion Affidavit for General Contractors must be signed, notarized and submitted with bid proposal.

8. A representative of the proposing entity who is authorized to enter into contract on behalf of the proposing entity must manually sign proposals in ink. The person signing the proposal must indicate his/her title along with signature. Proposals received without proper signature will not be considered.

9. Any ambiguity in the bid proposal as a result of omission, error, lack of clarity or non-compliance by the proposer with specifications, instructions and all conditions shall be construed in favor of the City.

10. The City of Lockhart reserves the right to reject any and all proposals, waive formalities and to make award of bid proposal as may be deemed to the best advantage of the City. No proposal may be withdrawn within forty-five (45) days after date of opening.

11. This Contract may be terminated at any time with thirty-(30) days written notice by either the City of Lockhart or successful proposer.

12. The City is not liable for any cost incurred by Proposers in replying to this RFP. This includes costs to determine the nature of the proposal, submitting, negotiating, presentations or any other costs a vendor would incur in responding to the RFP.

13. Proposers shall complete all information requested and blanks provided shall be filled in

on the provided forms. Failure to completely describe the merchandise being proposed may result in rejection of your bid proposal.

14. The City is exempt from all sales and excise taxes.

15. The City of Lockhart reserves the right to evaluate variations from these specifications. If exceptions are made, proposer shall state wherein the merchandise fails to meet these specifications. Failure to completely describe the merchandise being proposed may result in rejection of your proposal.
16. It shall be understood all proposals, responses, inquiries or correspondence relating to or in reference to this RFP, and all reports, charges and proposal or referencing information submitted in response to this RFP shall become the property of the City and will not be returned. The City will use discretion with regard to disclosure of proprietary information contained in any response but cannot guarantee information will not be made public. As a governmental entity, the City is subject to making records available for disclosure.

17. All restrictions on the use of data contained within a proposal and all confidential information must be clearly stated in the RFP. Proprietary information submitted in a proposal, or in response to the RFP, will be handled in accordance with the Texas Open Records Law and other applicable state statutes.

18. It is the vendor's responsibility to check for any addendums that might have been issued before the proposal closing date and time.

19. The proposal evaluation process will occur after the closing date. The City's evaluation and clarification process will commence. An evaluation team will review the proposals. Financial terms will not be the sole determining factor in this award. Other criteria described in this RFP will be considered, as well as any other factors the evaluation team determines may affect the suitability of the proposal for the City's requirements. A Proposer's submission of a proposal constitutes their acceptance of the evaluation technique.

20. Proposers must comply with the minimum insurance requirements of the City of Lockhart as appropriate to final contract terms. The minimum insurance requirements are noted in Attachment A.

SPECIAL PROVISIONS

1. DISCLOSURE OF CONFLICT OF INTEREST AND COMPLIANCE WITH ALL OTHER APPLICABLE LAWS

    a. Proposer shall at all times observe and comply with all Federal, State and local laws, ordinances and regulations including all amendments and revisions thereto, which in any manner affect Bidder/Proposer or the services and/or items to be provided, specifically and not limited to any laws relating to conflicts of interest. In particular, Bidder/Proposer is put on notice that City will require compliance with Chapter 176 of the Texas Local Government Code (hereinafter referred to as the "Act") requiring any person who contracts or seeks to contract with the City to disclose potential conflicts

of interest as defined in the Act by completing the Conflict of Interest Questionnaire included in this bid proposal and returning it to the City in accordance with the provisions of the Act. Failure to comply with any applicable laws, including the provisions of the Act, may result in: i) the forfeiture by Bidder/Proposer of all benefits of the Contract; ii) the retainage by City of all services performed by Bidder/Proposer, and iii) the recovery by City of all consideration, or the value of all consideration, paid to Bidder/Proposer pursuant to any awarded contract.

b. The attached Conflict of Interest Questionnaire shall be submitted with the bid proposal submittal. It is the responsibility of the vendor to submit the form.

2. The successful proposer's rights and duties awarded by the contract may not be assigned to another without written consent of the City signed by the City's authorized agent. Such consent shall not relieve the assigned of liability in the event of default by the assignee.

3. Any deviations from specifications and alternate proposals must be clearly shown with complete information provided by the proposer. They may or may not be considered by the City.

4. No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All change orders to the contract will be made in writing and shall not be effective unless signed by an authorized representative of the City.

5. The City shall have the right to modify this order subject to an adjustment in the price in accordance with the applicable provisions of the purchase order, if any, or pursuant to mutual agreements. No agreement or understanding to modify this order shall be binding on the City unless it is in writing and signed by an authorized representative of the City.

6. The City reserves the right to require additional technical and pricing information and negotiate all elements which comprise the Vendor's proposal to ensure that the best possible consideration be afforded to all concerned. The City reserves the right to accept all or part of any proposal, to reject any or all proposals and to re-solicit for proposals.

7. The following RFP Schedule of Events represents the best estimate of the schedule the City will follow. The City plans to meet the dates described below. If a component of the schedule is delayed, it shall be anticipated that the remaining components will be delayed by a similar number of days. Any significant change to the schedule will be published via RFP Addendum.

Event	**Date**
Request for Proposals Published	February 5, 2026
Deadline for All questions- must be submitted via email	February 24, 2026

Deadline for Proposal Submissions	March 4, 2026, 3PM
Bid opening Time and Location	Immediately after deadline Large Conference room 105 S Colorado St Lockhart, TX 78644
Evaluation of Proposals	March 5, 2026
City Council Approval	March 17, 2026
Tentative Start Date	March 23, 2026

8. Proposers shall fill out the following required documents, as noted in the bid proposal. If the following forms are not included, the bid proposal may be considered non-responsive.

DISCLOSURE OF CERTAIN RELATIONSHIPS WITH LOCAL GOVERNMENT OFFICERS; PROVIDING PUBLIC ACCESS TO CERTAIN INFORMATION

Check List:

☐ Conflict of Interest Questionnaire

☐ Non-Exclusion Affidavit for General Contractors

Chapter 176 is an ethics law that requires certain local government officials to disclose employment and business relationships with vendors who conduct business with local government entities. The law defines a “vendor” as any person who enters or seeks to enter a contract with the city. The term also includes an agent of a vendor.

Local government officers subject to this law are a city council member, director, superintendent, administrator, president, city manager, or any other person who is designated as the executive officer of the local government entity. A municipal officer’s family member would include the officer’s spouse, father, mother, son, daughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, or step-child.

The law applies to any written contract for the sale or purchase of real property, goods, or services. A contract for services would include one for skilled or unskilled labor, or for professional services.

A vendor is required to file a conflict of interest questionnaire if the vendor has a business relationship with the city and has:

1. An employment or other business relationship with an officer or an officer’s family member that results in that person receiving taxable income that it more than $2,500 in the preceding twelve months; or

2. Has given an officer or an officer’s family member one or more gifts totaling more

than $250 in the preceding twelve months.

A vendor is required to file a questionnaire not later than the seventh business day after the later of the following:

1. The date the vendor begins discussions or negotiations to enter into a contract with the city or submits an application or response to a bid proposal; or

2. The date the vendor becomes aware of a relationship or gives a gift to an officer or officer's family member.

CONFLICT OF INTEREST QUESTIONNAIRE

CONFLICT OF INTEREST QUESTIONNAIRE For vendor or other person doing business with local governmental entity	**FORM CIQ**
This questionnaire reflects changes made to the law by H.B. 1491, 80th Lag., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a). By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.	OFFICEUSEONLY Date Received
Name of person who has a business relationship with local governmental entity. ATTA Elevators Austin INC.	
Check this box if you are filing an update to a previously filed questionnaire. _____ (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)	

1-' **Name of local government officer with whom filer has employment or business relationship.**

NONE

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

____ Yes X____ NO

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

____ Yes X____ NO

C. Is the filer of this questionnaire employed. by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

____ Yes X____ NO

D. Describe each employment or business relationship with the local government officer named in this section.

N/A

Brian Mitchell 2/27/2026

Signature of person doing business with the governmental entity Date

Adopted 06/29/2007

Non-Exclusion Affidavit for General Contractors

Federal, state, and local government agencies, not-profits, and other organizations that use federal money to fund all or part of any program or project are required to follow specific requirements regarding the use of such federal funds. One of these requirements is that no contract, subcontract, grant, financial assistance, or other forms of assistance provided using federal funds may be awarded to individuals or entities that have been suspended, debarred, or otherwise excluded from participation in federally funded programs.

The U.S. federal government maintains a Web site known as the "System for Award Management" (SAM) at www.sam.gov. One of the purposes of the SAM Web site is to provide a comprehensive list of all individuals, firms, and other entities that have been suspended, debarred, or otherwise excluded from participation in federally funded contracts, subcontracts, grants, etc. SAM provides a simple means of helping government, non-profit agencies, and other organizations ensure that they do not award federally-funded grants, contracts, subcontracts, or other financial or non-financial benefits to any individual, firm, or other entity that has been excluded by any agency from participation in such federally funded activities.

I, Brian Mitchell (Contractor Representative), hereby certify that neither I nor ATTA Elevators Austin INC. (Name of the company or organization I represent) nor any subcontractors that I or said company may employ to work on any federally funded activity have been suspended, debarred, or otherwise excluded by any federal agency from participation in any federally funded activity. I further acknowledge my understanding that, before entering into a contract with me or with the company or organization I represent, City of Lockhart staff will perform a search on www.sam.gov to verify whether I, the organization I represent, or any subcontractors I may employ to work on any federally funded activity, have been excluded from participation in any federally funded activity.

Brian Mitchell — 2/27/2026

Signature of Contractor Representative — Date

Sworn to and subscribed before me this _____ day of _____, 20_____

_____

Notary Public in and for _____ County, _____ (State Name)

PROPOSAL EVALUATION

RFP shall be awarded to the best-value proposal. The proposals will be evaluated on the factors outlined below which shall be applied to all eligible, responsive proposals in selecting the successful proposer. Award of a contract may be made without discussion with proposers after responses are received. Proposals should, therefore, be submitted on the most favorable terms.

Sealed Proposal Submission

Proposals shall be sealed and clearly marked with the Proposer's name and return address and indicate the proposal number and title. Facsimile or e-mail submitted proposals will not be accepted. Proposals received after the deadline cannot be considered and will be returned unopened. The City is not responsible for delays by the U.S. Postal Service, the internal mail delivery system of the City, or any other delivery method employed by the Proposer.

Proposers or their authorized representatives are expected to be fully informed as to the general terms and conditions, requirements and specification of this Proposal Invitation before submitting proposals. Failure to do so will be at the proposer's own risk.

CRITERIA FOR EVALUATION IN ORDER OF IMPORTANCE:

Category	Weight
Completion of Requested information	5
Required state license and insurance compliance	10
Reference	15
Estimate time of completion of work	35
Cost	35
Total	100

Negotiations may be conducted with responsible proposers who submit proposals determined to be acceptable of being selected for award. All proposers will be accorded fair and equal treatment with respect to any opportunity for negotiation and revision of proposals. Revisions to proposals may be permitted after submission and before award for the purpose of obtaining best and final offers.

TERMINATION FOR DEFAULT

The City of Lockhart reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the City in the event of breach or default of this contract. The City reserves the right to terminate the contract immediately in the event the successful proposer fails to:

- meet delivery or completion schedules
- otherwise perform in accordance with the accepted proposal and contract

Breach of contract or default authorizes the City to award to another proposer, purchase

elsewhere, and charge the full increase in cost to the defaulting proposer.

NON-PERFORMANCE CONDITION

If the product or training is not in conformance with the specifications and requirements of the City, the vendor shall redo and complete any work necessary, bring the product or training into compliance at the vendor's expense.

NOTICE

The following blank spaces in the contract are not to be filled in by the Proposer at the time of submitting his proposal. The contract form is submitted at this time to familiarize the Proposer with the form of the contract, which the successful Proposer will be required to execute.

DRAFT CONTRACT FOR PURCHASE OF GOODS AND/OR SERVICES
***Do not fill out**

THIS CONTRACT is made and entered on _____, by and between the City of Lockhart, Texas, a Municipal corporation located in Caldwell County, Texas, (hereinafter called CITY), acting through its duly authorized City Manager, Joseph Resendez and _____ located at_____, hereinafter called COMPANY), acting by and through its duly authorized agent.

WITNESSETH: That for and in consideration of the mutual covenants hereinafter set forth, the CITY and COMPANY agree as follows:

I. DESCRIPTION OF GOODS AND/OR SERVICE

The CITY agrees to purchase and the COMPANY agrees to provide all of the goods and/or services as specified in the contract documents, such goods and/or services generally described as follows:

RFP 2026-01

Replacement and installation of a new elevator at the Dr. Euguene Clark Library

for the bid sum of $126,431.00 dollars and cents ($00.00), paid in current funds at the unit or total prices, at COMPANY'S own proper cost and expense, including all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, bonds and other accessories and services necessary to complete delivery of same, in accordance with the contract documents, hereinafter defined, and subject to such additions and deductions as provided therein.

II. CONTRACT DOCUMENTS

The contract documents shall consist of this written agreement or Contract, provisions of this Contract including General Clauses and Conditions, Special and all other Provisions, Advertisement for Bid, Invitation to Bid, Instruction to Bidders, Bidder's Proposal, all Addenda issued prior to award of Contract, any plans which include all maps, plats, blueprints, and other drawings and printed or written or explanatory matter thereof, the technical specifications and all

other documents identified as pertaining to this agreement, all of which have been identified by the CITY and COMPANY. The contract documents constitute the entire agreement between the CITY and COMPANY, and all are as fully a part of the Contract as if attached to and repeated in this agreement. The contract documents may be altered, amended or modified only as provided herein.

III. PURCHASE/WORK ORDER

The goods and/or services to be provided under this Contract shall be commenced by COMPANY upon final execution of this Contract and on a date to be specified in a written "Purchase Order" or "Work Order" (whichever applicable), in accordance with the contract documents. Time is of the essence for this Contract.

IV. MODIFICATION AND ASSIGNMENT

This Contract may not be altered; modified or amended except in writing properly executed by the parties and may not be assigned to a third party.

V. TERMINATION

Unless otherwise provided in the contract documents, CITY may terminate this Contract at any time without cause with thirty-(30) day's written notice. Additionally, CITY shall have the right to cancel this Contract if COMPANY fails to provide the goods and/or services in accordance with the Contract Documents after giving seven-(7) day's prior written notice. Irrespective of which party shall effect termination or the cause therefore, CITY shall within thirty-(30) days of termination compensate COMPANY for any delivery of goods and/or services made up to the time of termination. No amount shall be due for lost or anticipated profits.

VI. TERM

The term of this Contract shall be an initial term of _____ beginning on the ____ day of _____, 20__, and ending on the ___day of _____, 20__ unless terminated by either party under the terms set forth herein. This Contract shall automatically be renewed, without need for formal action, for two one-year terms beginning on the same day of the initial term, unless earlier terminated as provided in the contract documents.

VII. GOVERNING LAW AND VENUE

The parties agree that the laws of the State of Texas shall apply to and govern this Contract and venue for any legal proceeding shall be in Caldwell County, Texas.

VIII. INDEPENDENT CONTRACTOR/INDEMNITY

It is agreed for all purposes hereunder, the COMPANY is and shall be an independent contractor and shall not, with respect to their acts or omissions, be deemed an agent or employee of CITY.

COMPANY agrees to indemnify and hold harmless and defend CITY, its officers, agents and employees, from and against liability for any and all claims, liens, suits, demands, and/or actions for damages, injuries to persons (including death), property damage (including loss of use), and expenses, including court costs and attorneys' fees and other reasonable costs arising out of or resulting from COMPANY'S work and/or activities conducted in connection with or incidental to this Contract and from any liability arising out of, or resulting from, the intentional acts or negligence, including all such causes of action based upon common, constitutional, or statutory

law, or based in whole or in part upon the negligent or intentional acts or omissions of COMPANY, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons.

COMPANY further agrees that it shall at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, agents, employees, subcontractors, licenses, invitees and other persons, as well as their property, while engaged in the delivery of such purchases and/or services pursuant to this Contract or while on City's premises where the services are being provided. It is expressly understood and agreed that CITY shall not be liable or responsible for the negligence of COMPANY, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons.

Further, CITY assumes no responsibility or liability for harm, injury, or any damaging events which are directly or indirectly attributable to premise defects, real or alleged, in the vicinity where such purchases and/or services are to be delivered by COMPANY, which may now exist or which may hereafter arise upon the premises, responsibility for any and all such defects being expressly assumed by COMPANY. COMPANY understands and agrees that this indemnity provision shall apply to any and all claims, suits, demands, and/or actions based upon or arising from any such premise defects or conditions, including but not limited to any such claim asserted by or on behalf of COMPANY, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons.

It is further agreed with respect to the above indemnity, that CITY and COMPANY will provide the other prompt and timely notice of any event covered which in any way, directly or indirectly, contingently or otherwise, affects or might affect the COMPANY or CITY, and CITY shall have the right to compromise and defend the same to the extent of its own interests.

IX. DISCRIMINATION REGULATIONS

COMPANY, in the execution of this Contract and particularly in the employment practices engaged in, agrees that it will not discriminate on the basis of race, color, religion, national origin, sex, age, handicap or disability.

X. NOTIFICATION

All notices and communications required herein shall be personally delivered or mailed to the other party by United States certified mail, return receipt requested. Unless otherwise changed in writing by the respective party, notice intended for COMPANY shall be sent to the COMPANY's address as shown on COMPANY's Proposal; notice intended for CITY shall be sent to: Department Contact, City of Lockhart, P.O. Box 239, 308 W. San Antonio St., Lockhart, Texas 78644. Mailed notices shall be deemed to have been received three-(3) days after mailing.

IN WITNESS WHEREOF, CITY and COMPANY have executed this Contract in **three (3) counterparts**, each of which shall be deemed an original, the day and year first written above.

[Signature page to follow]

CITY OF LOCKHART

Jospeh Resendez, City Manager

ATTEST:

Julie Bowermon, City Secretary

APPROVED AS TO FORM:

City Attorney or designee

COMPANY

Signature

Printed Name: _____

Printed Title: _____

Acknowledgment

State of Texas, County of Caldwell: Before me the undersigned authority on this day personally appeared _____, known to be the person whose name is subscribed to the foregoing document and known to me to be the _____ (title) of _____ (company name) and acknowledged to me that (s)he executed said document with full authority to do so and for the purposes and consideration expressed therein. Given under my hand and seal of office the _____ day of _____, 20___.

Notary Public in and for the State of Texas

ATTACHMENT A

City of Lockhart – Minimum Insurance Requirements

LOCKHART $50,000+

CITY OF LOCKHART REQUIREMENTS:

- Comprehensive General Liability and Bodily Injury & Property Damage with minimum limits of $1,000,000 per Occurrence, $1,000,000 General Aggregate, $1,000,000 Products/Completed Operations Aggregate.
- General Liability must include coverage for Premises and Operations, Products and Completed Operations, Contractual Liability, Independent Contractors, Broad Form Property Damage, and Personal/Advertising Injury.
- Auto Liability with minimum limits of $1,000,000 per Occurrence, $1,000,000 General Aggregate.
- Certificate must include a statement listing **The City of Lockhart, Texas** as additional insured on the General Liability and Auto coverages. Blanket Endorsements are acceptable in meeting this requirement if copies of the endorsements are provided along with the certificate. If using a form that has specific boxes labeled for additional insured, checking those specific boxes is acceptable in meeting this requirement as well.
- Employers Liability with minimum limits of $100,000 Occupational Disease, $100,000 per Accident, and $100,000 per Employee.
- Workers Compensation providing statutory coverage limits.
- Certificate must include a statement providing a Waiver of Subrogation on the Workers Compensation, Employers Liability as well as the General Liability coverage. Blanket Endorsements are acceptable in meeting this requirement if copies of the endorsements are provided along with the certificate. If using a form that has specific boxes labeled for waiver of subrogation, checking those specific boxes is acceptable in meeting this requirement as well.

PROPOSAL INFORMATION

RFP
The City of Lockhart is looking for a company to replace and install a new elevator at the Dr. Euguene Clark Library.

Background

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 most recent U.S. Census Bureau reporting, the estimated population of the City of Lockhart is 14,985, and serves as the county seat of Caldwell County, Texas.

The City provides a full range of municipal government services including 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.

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.

For additional information on the City please review the City's Financial Reports on our website at City of Lockhart, TX (lockhart-tx.org).

Scope of Work

Each proposal must include the following components: Organizational Profile, References, Proposal and Fees for Services. Each component shall include the information requested below.

The contractor shall, at a minimum, perform the following tasks:

1. Existing Elevator Removal
   - Safely disconnect, dismantle, and remove the existing elevator system and associated components, including but not limited to:
     - Cab and doors
     - Hoist way equipment
     - Controller and electrical components
     - Mechanical and safety devices
   - Properly dispose of all non-reusable materials in accordance with applicable laws and regulations.

2. Elevator Replacement
   - Furnish and install a new elevator system suitable for a public library environment and compliant with all applicable codes.

- The elevator shall be designed to serve all existing floors currently accessed by the elevator.
- System shall include, but not be limited to:
    - Elevator cab, doors, rails, and operating equipment
    - Control systems and safety devices
    - Emergency communication and alarm systems
    - Interior and exterior call buttons and indicators
- Elevator finishes shall be durable and appropriate for a high-traffic public facility.
- The Contractor may reuse parts or equipment deemed reusable or salvageable.

3. Work Hours and Library Operations
   The library must remain open and operational during the project.
    a. All work shall be performed in a manner that does not disturb normal library operations, including but not limited to:
    b. Minimizing noise, vibration, dust, and odors
    c. Maintaining safe and accessible public pathways at all times
    d. Coordinating work schedules with City staff to avoid peak public hours when feasible
    e. Temporary barricades, signage, and safety measures shall be provided as needed to protect staff and the public.

4. Protection of Building and Historic Elements
    a. Contractor shall take all necessary precautions to protect the building structure, finishes, fixtures, and surrounding areas from damage.
    b. Any damage resulting from contractor operations shall be repaired at the contractor's expense.

5. Code Compliance and Standards
   The new elevator system must comply with all applicable federal, state, and local codes, including but not limited to:
    - Texas Department of Licensing and Regulation (TDLR) Elevator Safety Program requirements
    - ASME A17.1 / CSA B44 Safety Code for Elevators and Escalators
    - Americans with Disabilities Act (ADA) requirements
    - International Building Code (IBC), as adopted
    - National Electrical Code (NEC)
    - City of Lockhart building and safety codes
    - Contractor shall be responsible for ensuring the elevator passes all required inspections and receives all necessary approvals and certifications for operation.

4. Electrical and Structural Coordination
    - Coordinate and perform all required electrical connections, controls, and power requirements.
    - Identify and address any minor structural or shaft modifications required to meet code or manufacturer specifications.
    - Coordinate with the City for any significant structural impacts prior to execution.

5. Permits, Inspections, and Certifications
    - Obtain all required permits related to elevator installation and operation.
    - Coordinate all inspections with applicable authorities having jurisdiction.
    - Provide final inspection approvals, certificates, and documentation required for the elevator to be placed into service.
    - A building permit from the City of Lockhart will be required. The permit fee will be waived.

However, any additional fees- i.e. reinspection fees or similar will not be waived.

6. Testing and Commissioning
   - Perform all required testing to ensure safe, reliable, and compliant operation.
   - Provide on-site commissioning and demonstrate proper operation to City staff.
   - Address and correct any deficiencies identified during testing or inspection.

7. Warranty and Documentation
   - Provide manufacturer and contractor warranties for equipment and workmanship.
   - Submit as-built drawings, operation manuals, maintenance requirements, and warranty documentation upon project completion.

Organizational Profile

1. Company name, address and contact information
2. Federal Identification Number
3. Overview of firm
4. Individuals assigned to manage and execute the engagement (location and resources)
5. Must be licensed and authorized to perform elevator installation in the State of Texas.
6. Demonstrated experience with elevator replacement projects in public or commercial buildings.
7. Compliance with insurance requirements.
8. Any other useful information
9. If company is a partnership, state the name and address of all general and limited partners associated with the office responding to the RFP.

References

Include five (5) work references with the following information: name of client, address, phone numbers/emails, dates of contract period, description of services provided and contract amounts. Municipal clients preferred.

Proposed Services and fees for services

Please provide proposed fees for complete services as described in the Scope of Work section for a one-year term. Proposed fees should be provided on an Excel spreadsheet with the following format:

Service	Price	Unit	Frequency*	Additional Info
maintenance	275	1	monthly	

*Frequency = One-time, Annual, Monthly, etc.

Questions

Proposers are asked to examine this RFP upon request. All questions or clarifications shall only be directed in writing via e-mail to Department Contact on the Cover Page, before the designated deadline for written questions. Questions received after the date specified above may not receive response. Any contact or attempt to contact any other employee of the City regarding this RFP

may result in the immediate disqualification of the Proposer. Oral and other interpretations or clarifications will be without legal effect. Only questions answered by formal written addenda will be binding.

Controller- Motion control Element

- 24 VDC Signal Voltage
- Light and Fan Feature
- Door Detector Interface
- Hoistway access provisions
- Viscosity Control

Power Unit- MEI power Unit

- New oil
- Submersible Power Unit
- Viscosity Control
- Maxton Valve

Elevator-

- toe guard
- Elevator wiring
- Car top exit switch
- 2 speed fan

Hoistway-

- selector with steel tape
- Traveling cable
- Interlock/spirators

Door Operator- GAL

- New Door operator
- Cartop inspection station
- Door detector

Fixtures- MAD Elevator Fixtures

- Car station
- Car riding lantern
- Alarm bell
- Hoistway access
- Hall push buttons

Pit-

- Pit stop switch

Cab Interior- $15,000 allowance for new interiors

Elevator Reference Portfolio- Modernization

This document serves as a quick reference guide for key properties, elevator configurations, and primary contacts.

Stonebridge – Building 1

Units: Six total

- Four Traction Elevators
- Two Hydraulic Elevators

Primary Contact: elogan@riverside-re.com

Southwestern University

Units: Three Hydraulic Elevators

Primary Contact: kosts@southwestern.edu

Greenwood Tower – 1800 Lavaca

Units: Two Traction Elevators

Primary Contact: kimball.dempsey@rowcal.com

Leander ISD

Units: One Hydraulic Elevator

Primary Contact: terry.sanders@leanderisd.org

CITY OF LOCKHART

RFP 2026-01

DR. EUGUENE CLARK LIBRARY

ELEVATOR INSTALLATION PROPOSAL

Due: March 4, 2026 @ 3:00 p.m. CST

PRESENTED TO

MR. ROQUE SALINAS

ASSISTANT CITY MANAGER

308 WEST SAN ANTONIO STREET

LOCKHART, TEXAS 78644

SUBMITTED BY

AUSTIN ELEVATOR COMPANY, LLC

SARA FAIRCHILD

336 MILLENNIUM DRIVE, NIEDERWALD TX 78640

P.O. Box 2202
Kyle, Texas 78640
Phone: 512-376-2107
www.austinelevator.com

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Organizational Profile

Austin Elevator Company, LLC

EIN: 47-5030700

Established in 2015 by Josh and Sara Fairchild, Austin Elevator is a privately-held, small non-union, family owned and operated company. AEC specializes in delivering high-quality workmanship and expertise in all aspects of vertical transportation. Being local to central Texas, elevator services are offered throughout the state of Texas.

AEC is a licensed contractor with Texas Department of Licensing and Regulation (TDLR), a member of the National Association of Elevator Contractors (NAEC), a member of the National Association of Elevator Safety Authorities International (NAESA), reporting to Mine Safety and Health Administration (MSHA), and strongly adheres to the Occupational Safety and Health Administration (OSHA). Safety is our utmost priority, continuing education and training is provided weekly to all employees, elevator specific training is also provided weekly.

Josh is a recognized qualified elevator inspector, recommended by TDLR, Josh receives referrals from TDLR to assist businesses with their elevator inspection needs.

AEC's main office is in Niederwald, Texas, and employs several Lockhart locals. Our team is skilled in all brands, models, and types of elevators, as well as both construction and maintenance. We are highly adept at troubleshooting and finding solutions. As locals, we understand the needs and characters of our community, we strive to achieve the best business and friendly relationships from our customers.

Additionally, Josh and Sara maintain leadership positions in Chisholm Trail 4-H Club and the Caldwell County Junior Livestock Association. Volunteering for Club Management, pulling the 4-H parade float during Chisholm Trail Roundup, fundraising and catering the 4-H Banquet. Austin Elevator is invested in our local youth and plan to expand knowledge in engineering, mechanics, any and all aspects of professional development as much as possible.

Thank you for your time and consideration!

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Conflict of Interest Questionnaire

CONFLICT OF INTEREST QUESTIONNAIRE — FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

Austin Elevator Company, LLC

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

N/A

Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Sara Fairchild
Name of signatory

Signature

03/03/2026
Date

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 8/14/2024

AUSTIN ELEVATOR

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Non-Exclusion Affidavit for General Contractors

Non-Exclusion Affidavit for General Contractors

Federal, state, and local government agencies, not-profits, and other organizations that use federal money to fund all or part of any program or project are required to follow specific requirements regarding the use of such federal funds. One of these requirements is that no contract, subcontract, grant, financial assistance, or other forms of assistance provided using federal funds may be awarded to individuals or entities that have been suspended, debarred, or otherwise excluded from participation in federally funded programs.

The U.S. federal government maintains a Web site known as the "System for Award Management" (SAM) at www.sam.gov. One of the purposes of the SAM Web site is to provide a comprehensive list of all individuals, firms, and other entities that have been suspended, debarred, or otherwise excluded from participation in federally funded contracts, subcontracts, grants, etc. SAM provides a simple means of helping government, non-profit agencies, and other organizations ensure that they do not award federally-funded grants, contracts, subcontracts, or other financial or non-financial benefits to any individual, firm, or other entity that has been excluded by any agency from participation in such federally funded activities.

I, Sara Fairchild (Contractor Representative), hereby certify that neither I nor Austin Elevator Company, LLC (Name of the company or organization I represent) nor any subcontractors that I or said company may employ to work on any federally funded activity have been suspended, debarred, or otherwise excluded by any federal agency from participation in any federally funded activity. I further acknowledge my understanding that, before entering into a contract with me or with the company or organization I represent, City of Lockhart staff will perform a search on www.sam.gov to verify whether I, the organization I represent, or any subcontractors I may employ to work on any federally funded activity, have been excluded from participation in any federally funded activity.

Signature of Contractor Representative

March 3, 2026
Date

Sworn to and subscribed before me this 3rd day of March, 2026

ABIGAIL NICHOLE HOLDER
Notary ID #133714694
My Commission Expires
April 19, 2026

Notary Public in and for Hays County, Texas (State Name)

Page **10** of **21**
Tuesday, February 3, 2026

CITY OF Lockhart TEXAS

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Kyle, Texas 78640
Phone: 512-376-2107
www.austinelevator.com

Contractor's License



Rick Figueroa
Chair

Thomas F. Butler
Vice Chair

TEXAS DEPARTMENT OF LICENSING & REGULATION

Gerald R. Callas, M.D., F.A.S.A.
Nora Castañeda
Sujeeth Draksharam
Lori High, RN, NP, Retired
Gary F. Wesson, D.D.S., M.S

ELEVATOR CONTRACTOR

AUSTIN ELEVATOR COMPANY LLC

License Number: 20330

The business named above is licensed by the Texas Department of Licensing and Regulation

License Expires: JANUARY 16 2027

Courtney Arbour
Executive Director

AUSTIN ELEVATOR

P.O. Box 2202
Kyle, Texas 78640
Phone: 512-376-2107
www.austinelevator.com

Certificate of Insurance

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/3/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Frost Insurance - Austin 401 Congress Ave, Suite 1400 Austin TX 78701 License#: 7298 AUSTELE-01	**CONTACT NAME:** Mason Kimmel **PHONE (A/C, No, Ext):** 512-473-4602 **FAX (A/C, No):** 512-473-4555 **E-MAIL ADDRESS:** mason.kimmel@frostinsurance.com
INSURED Austin Elevator Company LLC PO Box 2202 Kyle TX 78640	**INSURER(S) AFFORDING COVERAGE** — **NAIC #** **INSURER A :** The Cincinnati Insurance Company — 10677 **INSURER B :** Progressive Casualty Ins Co **INSURER C :** Evanston Insurance Company — 35378 **INSURER D :** Texas Mutual Insurance Co. — 22945 **INSURER E :** Houston Casualty Company — 42374 **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 2078907911 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:			CSU0227918	9/25/2025	9/25/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG $	$ 1,000,000 $ 300,000 $ $ 1,000,000 $ 2,000,000 $ 2,000,000 $
B	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			03395088	3/25/2025	3/25/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) $	$ 1,000,000 $ $ $ $
C	UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DED RETENTION $			MKLV2EUL106340	9/25/2025	9/25/2026	EACH OCCURRENCE AGGREGATE $	$ 5,000,000 $ 5,000,000 $
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			0001297808	9/25/2025	9/25/2026	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
E	Profersional Liability			HCC2569445	9/25/2025	9/25/2026	Aggregate Limit	$1,000,000 $1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The General Liability and Auto Liability policies include a blanket automatic additional insured endorsement on primary and non-contributory basis that provides additional insured status to the certificate holder only when there is a written contract between the named insured and the certificate holder that requires such status.

The General Liability policy includes blanket automatic additional insured endorsements when there is a written contract between the named insured and certificate holder, executed prior to the occurrence of a loss, which requires such status. The endorsements' wording include both the Insured's ongoing and completed operations.

See Attached...

CERTIFICATE HOLDER	CANCELLATION
City of Lockhart 308 W. San Antonio St. Lockhart TX 78644	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Allen Bak

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AGENCY CUSTOMER ID: AUSTELE-01
LOC #:

ACORD

ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY	NAMED INSURED
Frost Insurance - Austin	Austin Elevator Company LLC PO Box 2202 Kyle TX 78640
POLICY NUMBER	
CARRIER / NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

The General Liability, Auto Liability and Workers Compensation policy includes a blanket automatic waiver of subrogation endorsement that provides this feature only when there is a written contract with the Named Insured and the certificate holder that requires such status.

ACORD 101 (2008/01)

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References

CONFIDENTIAL

1. Housing Authority of the City of Austin
   Ms. Nora Velasco
   Director of Purchasing
   PO Box 6159
   Austin, Texas 78704
   Tel: (512) 477-1496
   Fax: (512) 477-3979
   norav@hacanet.org
   Elevator maintenance, repair and inspection services for 10 elevators. July, 2009 to Present.
   Total cost since starting services: $1,000,000.00

   Gaston Place Apartments – 2018: AEC performed elevator modernization (upgrade of major elevator equipment, including controls, fixtures, hydraulic tank units, etc.) and new installation in the existing building. Two 3-stop passenger hydraulic elevators.

   Northloop Apartments – 2018: AEC performed elevator modernizations (upgrade of major elevator equipment, including controls, fixtures, hydraulic tank units, etc.) on two 5-stop hydraulic passenger elevators.

   Lakeside Apartments – 2020/2021: AEC has been selected to modernize (upgrade of major elevator equipment, including controls, fixtures, machines, etc.) two 13-stop electric passenger elevators.

2. Employees Retirement System of Texas
   Ms. Wendy McAdams
   Operations / Purchasing
   200 E. 18th Street
   Austin, Texas 78701
   Tel: (512) 867-7160
   Fax: (512) 867-7438
   Wendy.mcadams@ers.texas.gov
   Elevator maintenance, repair and inspection services for 4 elevators. July, 2014 to Present.
   Total cost since starting services: $900,000.00

   2020: Modernization (upgrade of major elevator equipment, including controller, fixtures, machine, etc.) of unit 4 a 6-stop electric freight elevator.

   2025/2026: Modernization (upgrade of major elevator equipment, including controller, fixtures, machine, etc.) of units 1, 2, and 3, 6-stop electric passenger elevators.

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CONFIDENTIAL

3. Port Royal Resort
   Ms. Amy Rhoads Granberry
   General Manager
   6317 Texas 361
   Port Aransas, TX 78373
   Tel: (361) 749-3705
   agranberry@port-royal.com
   Elevator maintenance, repair, modernization and inspection services for 5 elevators. January 2023 to present.
   Total cost since starting services: $930,000.00

   2023 / 2025: Replacement of six 4-stop hydraulic passenger elevators.
   2026 to Current: Installation of new two 4-stop electric passenger elevators.

4. Municipal Advisory Council of Texas
   Mr. Felix Tovar
   Facility Manager
   600 West 8th Street
   Austin, Texas 78701
   Tel: (512) 476-6947
   Fax: (512) 476-6948
   felix@mactexas.com
   Elevator maintenance, repair and inspection services for 1 elevator. April 2011 to Present
   Total cost since starting services: $15,000.00

5. Lotus Hotels, Inc.
   Mr. Santosh Khanjee
   President
   2200 South IH 35
   Austin, Texas 78704
   Tel: (512) 650-8737
   Fax: (512) 329-0638
   santosh@austincityhotels.com
   Elevator maintenance, repair and inspection services for 2 elevators. December 2012 to Present
   Total cost since starting services: $45,000.00

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Cost

CITY OF LOCKHART – DR. EUGENE CLARK LIBRARY: 217 MAIN STREET
ELEVATOR MODERNIZATION OF ONE (1) UNIT

Austin Elevator Company, LLC will furnish the following equipment and labor:

- Scope of Work (Attachment AEC-1)
- Major Equipment Information (Attachment AEC-2)
- Preventative Maintenance Agreement & Warranty (Attachment AEC-3)

Contract Cost for 1 Unit: <u>One Hundred Thirty-Nine Thousand Eight Hundred Twenty-Five and 00/100 Dollars ($139,825.00).</u> This price does not include any sales tax. This price does not include Davis-Bacon wage rates. This price does not include preventative maintenance costs.

Compensation Schedule: AEC requests to be compensated as follows:
Draw 1: 35% upon Approval of Contract ($48,938.75),
Draw 2: 25% upon Approved Drawings ($34,956.25),
Equipment shall be ordered upon receipt of Draw 2 payment.
Draw 3: 20% upon Shipment of Specialized Equipment ($27,973.75),
Installation schedule confirmation upon receipt of Draw 3 payment.
Draw 4: 15% upon Running Platform ($20,973.75), and
Draw 5: 5% Completion of Work / Performance of Acceptance Inspection ($6,991.25).
Release to customer upon receipt of Draws 4 and 5 payments.

ALTERNATE 1: Keep Existing Rails **DEDUCT $5,200.00** from Contract Cost.
Circle One **YES** **NO** Compensation Schedule will be updated if approved.

BONDING (IF REQUIRED): 30% of Contract Cost ($41,947.50) not including approved alternates, to be paid upon approval of proposal. Bonding fee is non-refundable.

TERMS & CONDITIONS

This is the entire Agreement between us, and no other terms or conditions shall apply. This proposal does not void or negate the terms and conditions of any existing service agreement unless fully executed by both parties. No services or work other than specifically set forth herein are included or intended by this Agreement.

You retain your responsibilities as Owner / Purchaser of the premises and of the Equipment. You will provide a clear and safe access to the Equipment and a safe workplace for our employees as well as a secure storage location for parts and other materials specifically for your Equipment. Owner / Purchaser shall be responsible for storage fees for the equipment when equipment is stored on AEC facilities or with AEC storage units.

We will perform all work Monday through Friday, up to 8 hours per day, excluding holidays. Any work requested outside of this scope will require a change order and will be billed using our most current billing rates. Estimated cost includes one mobilization trip, should customer request additional mobilization dates or delays cost associated will be billed according to our current billing rates.

Austin Elevator Company, LLC will warranty all labor and AEC fabricated equipment for 12 months from date of normal operation, Manufacturer warranty is 3 years from delivery date. AEC cannot warranty installations, repairs or adjustments provided by others.

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It is the understanding of the parties that at the time of the contract it is not known what parts will be fabricated by AEC. AEC represents that the majority of the elevator parts and equipment will come from the manufacturer. AEC will provide Owner with a detailed list upon completion of all AEC fabricated parts.

Austin Elevator Company, LLC will provide callback services during regular business hours (Monday through Friday, 8:00 a.m. – 5:00 p.m.) for 12 months after completion for all issues covered under warranty, issues that arise due to other than AEC control will be billed at our most current billing rate. After 12 months we will provide callback services at our most current billing rates. A monthly maintenance agreement shall be required the duration of the 12 month warranty term, should maintenance cease the labor warranty shall be nullified.

Labor hours are an estimate only, any work done after the estimated time will be billed at our current billing rates.

Austin Elevator will provide 1 set of drawings and wiring prints from the Manufacturer, additional sets will be billed at cost plus 45%.

This proposal and attachments shall survive closing and shall prevail in the event of any conflicts. Upon execution of this contract, AEC will provide Owner with certificate of General Liability.

Invoices are due upon receipt, past due invoices are subject to a 5% surcharge beginning the 15th day and per month on all past due, outstanding balances. In the event that collection actions are required on past due balances, the Owner / Purchaser agrees to pay, in addition to any past due balances inclusive of accrued surcharges, all attorney fees, collection costs, and court costs in connection therewith. Payments made according to the outlined draw schedule on page 1 of this agreement are non-refundable

Items Provided by Owner (Owner / Purchaser)

Provide necessary power for power tools and lighting, all hoisting equipment (forklifts, cranes etc.). Temporary 480VAC 3 Phase Power if permanent power is not available for adjusting, elevator will need permanent power when operated normally. Smoke alarms (if needed), working phone line to elevator. All applicable taxes.

This quote is good for 45 days from March 4th, 2026

Respectfully Submitted by (AEC):	**Accepted by (Owner / Purchaser):**
_____	_____
Signature	Signature
_____	_____
Print Name / Title	Print Name / Title
Austin Elevator Company, LLC	_____
Company	Company
_____	_____
Date	Date

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Scope of Work

Per RFQ 2026-01

The contractor shall, at a minimum, perform the following tasks:

1. Existing Elevator Removal
   - Safely disconnect, dismantle, and remove the existing elevator system and associated components, including but not limited to:
     - Cab and doors
     - Hoist way equipment
     - Controller and electrical components
     - Mechanical and safety devices
   - Properly dispose of all non-reusable materials in accordance with applicable laws and regulations.

2. Elevator Replacement
   - Furnish and install a new elevator system suitable for a public library environment and compliant with all applicable codes.

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- The elevator shall be designed to serve all existing floors currently accessed by the elevator.
- System shall include, but not be limited to:
  - Elevator cab, doors, rails, and operating equipment
  - Control systems and safety devices
  - Emergency communication and alarm systems
  - Interior and exterior call buttons and indicators
- Elevator finishes shall be durable and appropriate for a high-traffic public facility.
- The Contractor may reuse parts or equipment deemed reusable or salvageable.

3. Work Hours and Library Operations
The library must remain open and operational during the project.
   a. All work shall be performed in a manner that does not disturb normal library operations, including but not limited to:
   b. Minimizing noise, vibration, dust, and odors
   c. Maintaining safe and accessible public pathways at all times
   d. Coordinating work schedules with City staff to avoid peak public hours when feasible
   e. Temporary barricades, signage, and safety measures shall be provided as needed to protect staff and the public.

4. Protection of Building and Historic Elements
   a. Contractor shall take all necessary precautions to protect the building structure, finishes, fixtures, and surrounding areas from damage.
   b. Any damage resulting from contractor operations shall be repaired at the contractor's expense.

5. Code Compliance and Standards
The new elevator system must comply with all applicable federal, state, and local codes, including but not limited to:
- Texas Department of Licensing and Regulation (TDLR) Elevator Safety Program requirements
- ASME A17.1 / CSA B44 Safety Code for Elevators and Escalators
- Americans with Disabilities Act (ADA) requirements
- International Building Code (IBC), as adopted
- National Electrical Code (NEC)
- City of Lockhart building and safety codes
- Contractor shall be responsible for ensuring the elevator passes all required inspections and receives all necessary approvals and certifications for operation.

4. Electrical and Structural Coordination
- Coordinate and perform all required electrical connections, controls, and power requirements.
- Identify and address any minor structural or shaft modifications required to meet code or manufacturer specifications.
- Coordinate with the City for any significant structural impacts prior to execution.

5. Permits, Inspections, and Certifications
- Obtain all required permits related to elevator installation and operation.
- Coordinate all inspections with applicable authorities having jurisdiction.
- Provide final inspection approvals, certificates, and documentation required for the elevator to be placed into service.
- A building permit from the City of Lockhart will be required. The permit fee will be waived.

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However, any additional fees- i.e. reinspection fees or similar will not be waived.

6. Testing and Commissioning
   - Perform all required testing to ensure safe, reliable, and compliant operation.
   - Provide on-site commissioning and demonstrate proper operation to City staff.
   - Address and correct any deficiencies identified during testing or inspection.

7. Warranty and Documentation
   - Provide manufacturer and contractor warranties for equipment and workmanship.
   - Submit as-built drawings, operation manuals, maintenance requirements, and warranty documentation upon project completion.

New Equipment List:

EQUIPMENT	NEW	RETAIN	N/A	DETAIL
Controller	X			Non-proprietary, American-made. Includes new position tranducer / limit switches. Machine room wiring shall be approved by UL, CSA, or both and installed in accordance with the requirements of the National Electrical Code.
Selector System	X			
Machine Room Wiring	X			
Traveling Cable	X			
Car Platform	X			New materials, primed steel.
Car Top Inspection Station	X			In accordance with ASME and ANSI
Car Wiring	X			In accordance with ASME and ANSI
Hydraulic Tank Unit	X			All components will be mounted inside of tank. Storage tank constructed of steel with removable cover including dip stick. Motor is submersible alternating current, squirrel cage induction type. Pump is a positive displacement screw type. Valve is manifold with up, down and check valve.
Motor	X			
Pump	X			
Valve	X			
2" Oil Line	X			
Fixtures	X			Standard, hall stations are suface mounted. #4 stainles steel, LED emergency lighting, digital position indicator. Braille floor markings and vandal resistant buttons. ADA Compliant Hands Free Auto Dialer.
Car Operating Panel	X			
Hall Operating Panel	X			
Position Indicator	X			
Floor Passing Signal	X			
Alarm Bell	X			
Fireman Service	X			Shall be in accordance with the ANSI A17.1
Auto Terminal Limits	X			Designed to cut off the electric current to stop the car should it run beyond either terminal landing.
Wiring	X			New duct and flexible connections will be replaced as needed.
Cab Enclosure				Standard features, compliant with ASME / ANSI / ADA (if applicable), include vinyl-wrapped panels (as existing), stainless steel handrail, SS with LED drop down ceiling, high-traffic vinyl flooring. Any upgrades to the standard features may cause increase in estimate.
Sling	X			
Panels	X			
Handrail	X			
Ceiling	X			
Flooring		X		
Transom		X		
Ventilation	X			
Car Doors	X			
Door Operator	X			New GAL closed loop door operator. Maintain constant feedback on the positiona dn velocity of the elevator doors. The motor torque shall be constantly adjusted to maintain the correct door speed based on its position and load. Doors will automatically open when the car is dispatched to another landing.
Mounting Header	X			
Car Door Track	X			
Car Door Hanger Rollers	X			
Gate Switch			X	
Door Protection Device	X			

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EQUIPMENT	NEW	RETAIN	N/A	DETAIL
Hoistway Entrances	X			Standard as Stainless steel
Hoistway Door Equipment	X			In accordance with ASME and ANSI. Doors are UL labeled, heavy duty design, 1 or 2 speed. Slide or center opening. Powder coating or stainless finish. If retaining, AEC shall refurbish all hoistway door equipment and / or replace as necessary.
Restrictors	X			
Door Hanger & Hanger Rollers	X			
Hanger Fire Retainers	X			
Door Closers / Hinges			X	
Interlocks	X			
Pick-up Assemblies	X			
Fire Gibs	X			
Hydraulic Jack & Piston	X			Includes new seals. Hole excavating and debris removal not included.
Buffers	X			In accordance with ASME and total car load.
Hoistway Access	X			Installed at top and bottom landing
Pit Ladder	X			In accordance with ASME
Pit Stop Switch	X			In accordance with ASME and ANSI
Toe Guard	X			In accordance with ASME
Rails	X			In accordance with ASME
Hoist Ropes & Shackles			X	5/8"
Governor & Governor Rope			X	3/8"
Rope Gripper			X	In accordance with ASME
Hoist Motor			X	In accordance with ASME
Hoist Machine			X	In accordance with ASME

Estimated Project Timeline

City of Lockhart Determination / Award: TBD

Estimated manufacturing time: 16 – 18 weeks from submission of approved drawings

Quality Assurance / Quality Check: 3 days from receipt of equipment

Mobilization and start of project: within 10 business days from receipt of equipment

Completion of project: 4 weeks from mobilization and start of project.

AEC to provide project schedule.

Documents/Drawings

DRAWINGS: Contractor shall prepare drawings showing the general arrangement of the elevator equipment. Project drawings provided by Contractor shall be those required for applicable fixture and/or cab approval and elevator permit only.

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Contractor Responsibilities

See description of Work above, Section 2.

Owner / Purchaser Responsibilities (Work by Others)

1. Enclose/relocate all non-elevator oriented conduit, ducts and drains from elevator machine room, where required in the machine hoistway and/or pit. Enclosures, when used, need to be two-hour rated.
2. Provide means to regulate control room temperature and humidity between 55°F and 90°F with relative humidity no more than 85% non-condensing.
3. Provide machine room smoke/heat detector as required by regulation.
4. Provide new electric wiring from the present disconnect switches to the terminals of the new elevator controllers in the new locations, inclusive of a normal/standby 120 VAC, 15 Amp supply at each controller
5. Provide connection at the first elevator controller for fire recall operation, where auto-recall is needed to respond to a life safety/fire alarm system.
6. Provide proper lighting in the elevator machine rooms within the vicinity of every controller and mainline disconnect
7. Provide a fused disconnect switch or circuit breaker and a light switch adjacent to the lock jamb-side of the machine room door for each elevator location, per the NEC.
8. Provide copper wire feeder and branch wiring circuits to the controller, including a main line switch and convenience outlets
9. Provide a self-closing and locking access machine room door.
10. Provide an “ABC” fire extinguisher
11. Provide 75 degree bevel guards on all projections, recesses or setbacks over two inches, except for the loading or unloading side.
12. Provide pit light and GFI outlet. Light switch to be located adjacent to each pit entrance.
13. Provide a legal hoistway inclusive of ventilation and shaftway bevel guards, as required.
14. Cutting and patching walls and floors
15. Provide a pit access ladder for each elevator, where required
16. Provide a lockable, self-closing, fire-rated pit door, where required
17. Hoistway venting or pressurization to prevent accumulation of smoke and gas, as required by local building code
18. Provide sufficient space for storage and security of materials on site throughout the duration of the modernization, AEC shall not be responsible for vandalism or acts of God.

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19. Provide clear floor space to be used as a work area
20. Provide building signage and floor designations related to other building systems, as required
21. Provide building corridor lighting sufficient for illumination of elevator landing sills, as required by code.
22. Provide means to unload freight.
23. Provide pump truck if necessary to vacuum jack hole to acceptable depth.

Regulatory Requirements

All Work shall be performed in accordance with the current edition of American National Standard Safety Code for Elevators, Dumbwaiters, Escalators, and Moving Walks (ANSI A17.1), ANSI A117.1 Barrier Free Code as pertaining to Passenger Elevators, the Americans with Disabilities Act (ADA), the National Electrical Code, and/or such state and local elevator codes that are in effect on the date of this proposal.

Detailed Description of Work Site

217 Main Street, Lockhart TX 78644

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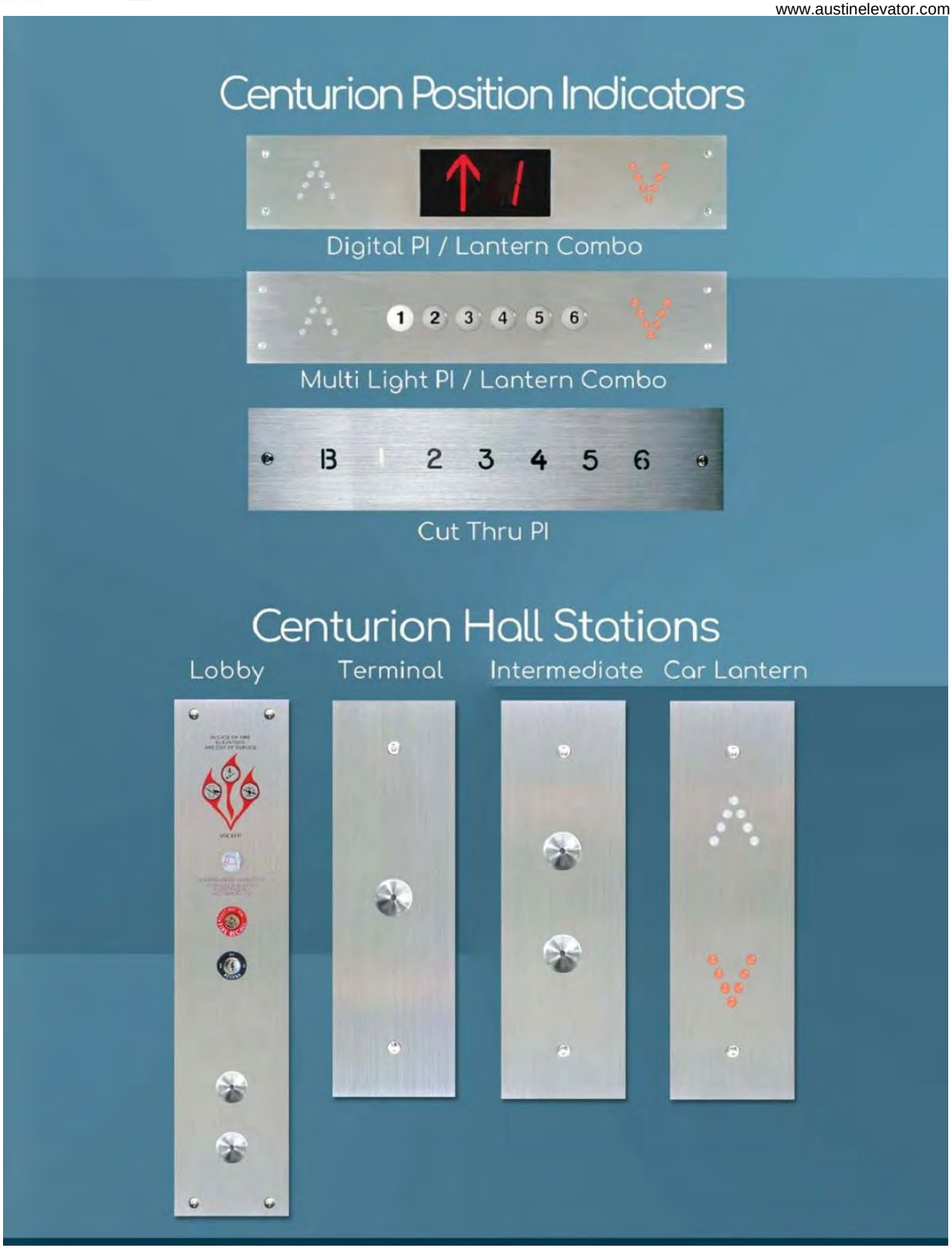
AEC-2 Major Equipment Information



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Preventative Maintenance & Warranty

Austin Elevator Company, LLC
City of Lockhart - Dr. Eugene Clark Library
Elevator Modernization RFP 2026-01

Service	Price	Unit	Frequency	Additional Info
Preventative Maintenance / $125.00 per month (12 months)	$ 1,500.00	1	Monthly	See Preventative Maintenance & Warranty
Annual QEI	$ 525.00	1	One-Time	12 months from date of acceptance inspection

Frequency: MONTHLY

Type: STANDARD

Start Date: **1ST** day of Choose an item., **2026** and shall continue until terminated. Either party may terminate this agreement at the end of the first 3 years or at the end of any subsequent year thereafter by giving the other party thirty (30) days prior written notice.

Contract Price: **$125.00** per **MONTH** for 36 months, payable in advance, due on the 1st day of the month prior to service. Owner/Agent agrees to pay as an addition to the price herein quoted, the amount of any tax based upon the transfer, use, ownership or possession of the equipment of which this proposal relates imposed upon you by present or future laws. Contract price may be adjusted annually upward or downward equal to the percentage of change in Austin Elevator Company's cost of labor for the services rendered. Termination of this agreement prior to the end date above may result in early termination fees.

Equipment Information listed on AEC Attachment – 1 Equipment

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PREVENTATIVE MAINTENANCE:

Austin Elevator Company, LLC shall provide maintenance logs, procedures manual per ASME A17.1 2016 by directly employed and supervised trained elevator technicians. An elevator emergency phone monitoring service by a 3rd party is available*. Specific maintenance guidelines have been set to maintain the following elevator equipment in the proper and safe operation conditions, the applicable equipment listed below shall be visually checked at least once per year or per OEM recommendations:

1. Machines, including worms, gears, thrust bearings, drive sheaves, drive sheave shaft bearings, brake pulleys and all other components and parts of the machine and brake.

2. Hoist and governor ropes, including tension equalization.

3. Hoist motors, including motor windings, solid state power conversion drives, motor generators, rotating elements, including commutators, brushes, brush holders and bearings and all other related components and parts.

4. Motor windings shall be treated as needed with proper insulating compound, which has been approved by the motor manufacturer.

5. Controllers, encoders, transducers, selectors and dispatching equipment, including all relays, solid-state components, resistors, capacitors, transformers, contacts, leads, timing devices, computer devices, steel tape (or cable) and mechanical and electrical driving equipment and all other related components and parts.

6. Pump units, including motors belts, sheaves or pulleys, valves, seals, mufflers, heating elements, tank, tank oil, exposed pipes, shut-off valves and all other components of the pump unit.

7. Plungers, packing, and hydraulic system oil and all above-ground piping and connections.

8. Governors, governor sheave and shaft assemblies, bearings, contacts, governor jaws, car and counterweight safety mechanism, car and counterweight sheave assemblies, deflectors, 2:1 or secondary sheaves including bearings, car and counterweight buffers, car and counterweight guide rails (excluding replacement), top and bottom limit switches, governor tension sheave assembly, compensating sheave assembly, counterweight guide shoes, rollers and liners, inductors, cams and tapes and all other related components and parts.

9. Hoistway door interlocks, hoistway door hangers and rollers, bottom door gibs, door closing devices and all other related components and parts.

10. Door operators, including door drive chains, sheaves, belts, car door hangers, rollers and upthrusts, car door contacts, door protective devices, bottom door guides and all other related components and parts.

11. Load-weighing equipment, car frames, platforms, elevator car roller guides and all other components and parts.

12. Alarm bells, emergency stop switches, emergency car lights and batteries and all other related components and parts.

13. Car fans or exhaust blower, car and corridor signals and fixtures including lights, pushbuttons, contact assemblies, key switches, dials, voice annunciation systems, read-out indicators and audible signaling devices.

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14. Car, hoistway and machine room wiring including traveling cables.
15. All operating features and functions, including firefighters service, emergency power operation and Independent Service, including the operating switches for those features and functions.
16. Escalator driving system, including machine, worms, gears, sprockets, brake, coupling, coil, lining, chains, bearings, motor, stator, rotor and all other related components and parts.
17. Escalator handrail system, including sprockets, handrails, rollers, chains, bearings, brush guards, driving mechanism and all other related components and parts.
18. Escalator step system, including steps, treads, chains comb plates, track, rollers and all other related components and parts.

EXAMINE:

Examinations of the equipment follows the basic procedures recognized by the elevator service industry. Austin Elevator shall examine the elevator equipment at regular intervals sufficient to preserve the life of the equipment.

When, as a result of our examination, corrective action is determined to be the responsibility of the Austin Elevator, we shall proceed to immediately make (or cause to be made) replacements, repair and corrections. When such work is determined not to be Austin Elevator's responsibility, a written report and a repair quote shall be delivered to the Owner/Agent.

CLEANING:

Austin Elevator shall clean all of the elevator equipment as well as the elevator equipment room, hoistway and pits. Cleaning of the equipment shall occur at regular intervals sufficient to maintain a professional appearance and preserve the life of the equipment. Minimum cleaning intervals shall be set forth on the cover page of this agreement.

Austin Elevator shall report to the Owner/Agent the need for cleaning and/or janitorial services for all items not covered by the contract or which is otherwise not the responsibility of Austin Elevator in its opinion.

PAINT:

Austin elevator shall paint the elevator equipment at intervals to maintain a professional appearance, prevent rusting and preserve the equipment. All paint shall be suitable for the purpose intended and be of good quality. Painting shall be done during preventative maintenance interval, if needed, should Owner/Agent request special paint or performance outside of regular working hours, Owner/Agent shall be billed at our current billing rates, cost plus markup. Application of the paint shall in all circumstances, comply with applicable local codes and/or latest edition of ASME/ANSI A17.1 *American National Standard Safety Code for Elevators and Escalators.*

LUBRICATE:

Austin Elevator shall lubricate all moving parts of the equipment. Lubricants shall be applied at intervals recommended by the OEM or as dictated through use of the equipment. All lubricants shall be suitable for the purpose intended and shall meet or exceed the minimum requirements specified by the OEM to with lubricant is applied. All lubricants shall be stored in approved and labeled containers.

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ADJUST:

Austin Elevator shall make the necessary equipment adjustments when the operation of the equipment varies from it's normal design performance standards.

Qualified individuals, employed by Austin Elevator, shall make adjustments with appropriate tools and instruments. Adjustments shall be made at regular intervals to maintain the elevator in optimum operating condition.

PERIODIC TESTING:

Austin Elevator shall conduct periodic testing of the elevators to ensure that they meet the standard requirements of ASME/ANSI A17.1 *Safety Code for Elevators and Escalators*, latest edition (if applicable). Test results shall be notated on the service technicians electronic ticket and can be submitted to customer within 5 business days upon request.

Austin Elevator shall assist with testing of the firemen's emergency operation and emergency power operation in accordance with ASME/ANSI A17.1 as well as inspections required by city, county, state, or federal government and/or insurance agencies or representatives, these tests are to be scheduled by the Owner/Agent during regular hours at the frequency required by code. The Owner/Agent shall pay additional costs for such tests.

Austin Elevator shall provide 3rd party 24/7/365 answering service for the dedicated elevator emergency phone, testing of the emergency phone shall be conducted at the time of the elevator maintenance visits. Austin Elevator shall not be responsible for violations but will assist Owner/Agent in any corrective actions.

PREVENTATIVE MAINTENANCE SCHEDULE:

Maintenance work is to be performed between the hours of 8:00 a.m. – 5:00 p.m., Monday – Friday, excluding the following holidays: New Year's Eve & New Year's Day (Dec. 31st & Jan. 1st), Independence Day (July 4th), Thanksgiving Day & Day After (Nov. 24th & 25th), Christmas Eve & Christmas Day (Dec. 24th & 25th).

AEC staff will pre-schedule preventative maintenance for approximately the same week out of the month, and coordinate with Owner/Agent. Any changes in the schedule shall be made in writing.

CALLBACK SERVICE & NECESSARY REPAIRS

All Minor or Emergency callback services requested (regular or overtime) by the building Owner/Agent will be billed at our current billing rate.

For non-emergency callbacks during AEC normal business hours, Austin Elevator shall respond within 2 hours of call.

For emergency callbacks during AEC normal business hours, Austin Elevator shall respond within 30 minutes of call.

Onsite arrival time may be dependent on traffic flow, AEC shall not be held responsible for such delays.

Available replacement parts will be promptly quoted for approval prior to installation. Any proprietary parts AEC is unable to secure itself that are required for the repair, the Owner/Agent may have to purchase from the Original Elevator Manufacturer (OEM). AEC will assist with the ordering of this equipment if needed. If Owner/Agent refuse quoted repairs, and neglected repairs result in unexpected costs, any of the above specified services found to be above and beyond normal preventative maintenance standards, will be billed to Owner/Agent at our current billing rates.

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EXCLUSIONS

Austin Elevator Company, LLC shall not be responsible for the following:

1. Repairs required because of negligence, accident, or misuse of the equipment by anyone other than the AEC, its employees, subcontractors, servants or agents, or other causes beyond the control of AEC except ordinary wear and tear.
2. Repairs or any service carried out or performed by individuals or companies other than AEC, and may be grounds for early termination of this service agreement.
3. Repair or replacement of car enclosures (including removable panels, door panels, car gates, plenum chambers, hung ceilings, light diffusers, inside car handrail, mirrors, and car flooring), hoistway enclosures, hoistway gates, doors, frames, sills, signal fixture faceplates, rail alignment when affected by building compression or shifting, above or underground hydraulic jack cylinders including underground piping and fittings, hydraulic oil that exceeds 2 gallons per visit, elevator music, two-way communications equipment, answering service fees over $25.00 per phone per month, annunciators, chimes, smoke sensors, cleaning of “interiors” and exposed portions of sills, balustrades, wedge guards, floor plates, keeping elevator machine rooms free of non-elevator equipment and door locking equipment.
4. Elevator security, badging, or keypad operation.
5. Proprietary equipment and obsolete equipment.
6. Making safety tests or installing new attachments on the elevators when recommended by insurance companies or governmental authorities or to meet the current safety codes.
7. For maintaining the main line power feeders and associated disconnect switches and breakers.
8. Lighting for car interior and machine room or pit illumination.
9. Emergency power generator and associated contacts and wiring.
10. Elevator wiring diagrams and drawings, unless installed by AEC, shall be furnished and made available for AEC use by the Owner.
11. Fees and labor associated with annual and 5-year tests witnessed by a certified inspector.
12. Fees associated with Owner/Agent contract management companies. AEC shall comply with such services and maintain current company information, all fees will be billed back to customer and due net 30.

It is agreed, in consideration of our performance of the service enumerated herein at the price stated, that nothing shall be construed to mean that we assume any liability on account of accidents or injury to persons or property, except those directly due to our negligent acts or omissions or those of our employees, and that your own responsibility for accidents or injuries to persons or property while riding on or being in or about the subject elevator(s) and related equipment is in no way affected by this agreement. We shall not be liable for any loss, damage or delay due to any cause beyond our reasonable control including, but not limited to acts of government, strikes, lockouts, fire, explosion, theft, floods, riot, civil commotion, war, malicious mischief, or acts of God. Owner/Agent shall be liable for early termination fees equal to the amount of the remainder of the contract plus 10%. Invoices are due net 30, any past due invoices are subject to 5% late charges per additional 30 days thereafter, cease of maintenance or early termination due to default of Owner/Agent for non-payment.

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding authorizing the City Manager to solicit proposals from qualified firms to develop design plans for City Hall improvements to reconfigure space for staff and customer service needs and approve an amount not to exceed for design and improvements funded from the 2025 Certificates of Obligation.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Roque Salinas

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: The proposed project will focus on upgrading existing facilities and consolidating City staff into a single building to enhance operational efficiency and improve service delivery. Funding for these design services will be supported through the 2025 bond issuance.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: None

COMMITTEE/BOARD/COMMISSION ACTION: None

STAFF RECOMMENDATION/REQUESTED MOTION: Approve

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding a proposed Traffic Calming Policy and guidelines for implementing Speed Cushions as a traffic calming measure.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: On December 16, 2025, council was presented with information regarding a draft Speed Cushion and Traffic Calming Policy. There was some initial confusion regarding the petition requirement to have speed cushions implemented. The policy was revised to clarify when petitions for support were required in the steps of meeting the eligibility requirements. Public Works also purchased new inconspicuous portable traffic speed counters to collect impartial data following requests.

The speed cushion policy outlines the guidelines for the installation, design, and maintenance of speed cushions as a traffic-calming measure. Speed cushions are designed to slow down smaller vehicles while allowing emergency and large vehicles to pass without delay. The policy includes eligibility requirements, petition processes, design standards, prioritization criteria, and funding responsibilities.

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: Staff respectfully recommends adoption of the speed cushion policy.

LIST OF SUPPORTING DOCUMENTS: Speed Cushion Policy v2, Traffic Calming Speed Cushions Presentation

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

CITY OF Lockhart TEXAS

Speed Cushion/Traffic Calming Policy

1. GENERAL

The purpose of this policy is to provide guidelines for the application of speed cushions. A "speed cushion" is a traffic calming device that is raised in the center of a road with gaps on the sides for emergency vehicles, bicycles, and other wide-axle vehicles to pass through at speed without slowing down. This unique design forces cars and other smaller vehicles to slow down as their wheels are forced into the cutouts, while allowing larger vehicles like fire trucks, ambulances, and buses to maintain their speed. They are commonly used on emergency vehicle routes and in residential areas to reduce traffic speed without causing significant delays for emergency services. Common designs of speed cushions include 1) **Length:** Commonly 8 to 10 feet in the direction of travel, 2) **Width:** Typically 6 to 7 feet, which is wider than most passenger cars but narrower than the axle width of large emergency vehicles and 3) **Material Recycled Rubber:** A common choice due to its durability, flexibility, and ease of installation and removal (e.g., for road resurfacing or repairs). They also produce less noise than concrete or asphalt. A speed cushions differs from "speed bumps and humps", which are more abrupt. Due to gentle vehicle rocking, speed cushions cause some drivers discomfort and result in most vehicles slowing down at speed cushions and between properly spaced successive cushions.

Research has shown that speed cushions and other raised traffic calming devices are effective in safely reducing speeds along roadways. There is, however, potential for traffic diversion onto neighboring streets as a result of motorists avoiding roads containing speed cushions.

Multi-way stop signs are traffic control devices and are not traffic calming measures. An engineering study based on criteria outlined in the Texas Manual on Uniform Traffic Control Devices (TMUTCD) is used to determine if a multi-way stop is warranted.

In order for speed cushion installation to be effective, their provisions should be in accordance with established transportation engineering criteria and documented facts. As is the case with all traffic control devices, proper installation will encourage compliance and safe driving practices. This policy provides criteria and procedures for installation of safe and effective speed cushions.

The City of Lockhart (City) reserves the right to change any or all of the criteria and procedures in these guidelines if deemed necessary.

2. ELIGIBILITY REQUIREMENTS

All of the following criteria shall be satisfied for a street to be considered eligible for speed cushion installation.

CITY OF Lockhart TEXAS

Step 1- OPERATIONAL AND GEOMETRIC CHARACTERISTICS OF THE STREET

1. The street shall provide access (via driveway or on-street parking) to abutting residential and/or commercial properties (residential local or low-volume collector streets). Residential properties include multiple dwellings such as apartment complexes.

2. The street shall not have more than one traffic lane in each direction.

3. The street shall have a regulatory speed limit of 30 mph or less as determined in accordance with State Law.

4. The 85th percentile speed on the street section must be at least 35 mph or 5 mph over the regulatory speed limit.

5. The speed cushions should not be located on a horizontal curve, on vertical curves where visibility of the cushion is restricted, or on the approaches to these curves.

6. The street should have curb and gutter. Considerations may be given to streets without curb and gutter. In such cases, special care should be used to accommodate drainage and prevent vehicle run-arounds.

7. The street must be approved by the emergency services departments for installation of speed cushions. Requests closer than 1,500' from an emergency services department building will not be considered.

8. The street must have a 24-hour traffic volume of at least 800 vehicles.

Step 2- PETITION (Criteria in Step 1 must be met first)

1. A petition from the residents and business owners documenting that at least two-thirds of all households and businesses adjacent to the project street support the installation of speed cushions.

2. A verification statement from the contact person confirming that the signatures on the speed cushion petition are valid and represent at least two-thirds of the households/businesses adjacent to the project street (refer to attached verification statements).

3. A statement from the neighborhood association endorsing speed cushion installation on the project street. In the absence of a neighborhood association, the petition area may be extended to include nearby streets that may see an increase in traffic as a result of this project. Staff will determine the petition area.

3. PROJECT PRIORITIZATION

Speed cushion projects are prioritized on a city-wide basis. This ensures proper allocation of the City's resources. The projects will be ranked according to the criteria developed by the staff and funding.

4. COST RESPONSIBILITY

The City will consider designing funds for traffic calming including speed cushions; however, the cost for speed cushions installation (including cushions, signs, pavement markings and if necessary, special features) will be covered by the City.

5. SPEED CUSHION LOCATION

A speed cushion shall not be located in front of a property if the occupant objects to its placement or, in the case of multiple dwellings, if a majority of the households on the property object to its placement. Fulfillment of this requirement is the responsibility of the applicant(s).

6. DESIGN, CONSTRUCTION AND MAINTENANCE

The Public Works Department shall prepare design standards and installation procedures for speed cushions and related features such as signs and pavement markings. The Department will administer construction of speed cushions. The Department will maintain the speed cushions and all related features.

7. SPEED CUSHION REMOVAL AND ALTERATION

The process for speed cushion alteration or removal requested by the residents is the same as the process for installation. A petition approved by the neighborhood association, documenting that at least two-thirds of all households and businesses adjacent to the speed cushion street are in favor of speed cushion removal, will be required.

Speed Cushion Installation Procedure

The following items describe the procedure to be followed for speed cushion installation. A list of the speed cushion installation process is presented.

CITY OF Lockhart TEXAS

1. **PROJECT REQUEST**
   Individual residents or neighborhood associations can initiate requests for speed cushion installation. A request must be made to:

   City of Lockhart
   Attn: Public Works Department
   PO Box 239
   Lockhart, Texas 78644

2. **PRELIMINARY REVIEW**
   A. After a request for speed cushions has been received, City staff will conduct an initial investigation and collect data to determine the street's eligibility regarding the operational and geometric characteristics. This eligibility process includes approval from the emergency services departments.

   B. If the operational and geometric requirements for eligibility are not met, the street will not be considered for speed cushions, and the requestor(s) will be notified.

   C. If after the initial study it is determined that the street qualifies for speed cushion installation, a petition packet consisting of the speed cushion petition, a verification statement for the contact person, and an endorsement statement for the neighborhood association, if applicable, will be provided to the requestor(s). The project requestor(s) will be responsible for circulating the petition in the petition area.

   D. Signatures representing two-thirds of all the households and businesses within the petition area must be in favor of speed cushion installation for the study to proceed further. Multi-family dwellings with more than four units will be counted as one household, with the property owner or manager representing the household.

   E. The cut-off date for receiving requests for speed cushion projects to be undertaken during a particular fiscal year will be March 1st of the preceding fiscal year, the cut-off date for receiving the approved petition, verification statement, and endorsement statement will be May 1st of the preceding fiscal year.

   F. If the approved petition, completed verification statement, and endorsement statement from the neighborhood association (if applicable) is received by the specified date, the street will be placed on the list of streets eligible for speed cushion installation. A priority ranking will be assigned to the street according to the project prioritization criteria.

3. FUNDING

Funding is approved by City Council allowing for a specific amount of money to be allocated to speed cushion installation. City funding will proceed in descending order from the top of the priority list (detailed below).

4. SPEED CUSHION INSTALLATION

Upon allotment of funding, speed cushions will be installed as scheduling permits. The construction of cushions, the placement of signs and marking will conform to the current design standards as established by the City Construction Standards.

Project Prioritization Criteria

Speed cushion projects will be ranked according to the criteria established in this section. Projects will be assigned points on the basis of existing speeds and volumes, average number of speed related accidents reported to the Lockhart Police Department and presence of schools and/or other special pedestrian generators in the area. The project accumulating the greatest number of points will be considered to have the highest priority. Among projects with the same rank, higher priority will be given to the one with the earliest application date.

1. ACCIDENT CRITERIA

All accidents considered for point assignment must be speed-related accidents within the LPD database and on the project street, either at intersections or at mid-block locations.

Total number of reported accidents over a period of 3 consecutive years	Points assigned
3	1
4-6	2
7-9	3
10-12	4
13 or more	5

2. SPEED CRITERIA

The speed criteria considers the difference between the 85th percentile speed during the entire 24-hour period and the regulatory speed limit (85th percentile speed is the speed at or below which 85 percent of the drivers are traveling).

Speed difference between 85th percentile speed and regulatory speed limit (MPH)	Points assigned
5-7	4
8-10	6
Greater than 10	8

3. TRAFFIC VOLUME CRITERIA

Traffic volumes (two-way) during the peak hour are considered.

Hourly volume (veh/hour)	Points assigned
<50	0
50-225	1
226-300	2
301-375	3
376-450	4
Greater than 450	5

4. TYPE OF NEIGHBORHOOD CRITERIA

Points will be assigned to the project if there are schools and/or special pedestrian generators (such as parks, elderly housing, community center, and shopping areas).

1. Schools within a ½ mile radius of the project street. 1 point
2. Special pedestrian generators other than schools within a 1,000-foot radius of the project street. 1 point
3. Absence of sidewalks on the project street. 1 point

Design Standards

1. DIMENSION AND CROSS-SECTION

Speed cushion dimensions vary, but typical specifications include a length between 7 and 21 feet, a width of 6 to 7 feet, and a maximum height of 3 inches. The cross-section has a flat top with ramped sides, and the cushions can be configured with gaps for emergency vehicle passage, though a small lip may exist at the edges of the gaps. Design standards emphasize a gradual slope, proper placement with clear visibility, and consistent use of reflective markings and warning signs.

2. SPACING AND LOCATION

Speed cushions will usually be placed 500 ft. apart on average to maintain consistent speeds. Other spacing may be used based upon engineering judgment. The following guidelines will be considered when determining speed cushion spacing.

1. On single short blocks (300 ft. to 500 ft.) a signal cushion cross-section positioned near midpoint is usually sufficient.

2. On single blocks of moderate length (500 ft. to 1000 ft.) two-cushion cross-section configurations are usually adequate.

3. On very long blocks (1000 ft. to 1600 ft) three or more cushion cross-sections may be necessary.

The following should be considered when locating speed cushions.

1. A speed cushion should not be located in front of a driveway or within an intersection. Speed cushions should not be located within 250 ft. of a traffic signal or within 50 feet of an intersection.

2. Speed cushions should not be located over, or contain manholes, or be located adjacent to fire hydrants.

3. A 12-inch minimum gap may be considered along curbed roadways for drainage. For cushions installed on non-curbed roadways special treatment such as delineator posts should be considered to prevent vehicle run-arounds. For cushions located near drainage inlets the cushion should be placed just downstream of the inlet. If this is not feasible, special treatment should be considered for drainage.

4. If possible, cushions should be located on property lines rather than directly in front of a residence.

5. The advantage of existing or planned street lighting should be taken into consideration when determining speed cushion locations.

3. TRAFFIC CONTROL

Traffic control consisting of signs and markings should be provided to advise roadway users of the presence of a speed cushion and to guide their subsequent action. Traffic signs and pavement markings should conform to Manual of Uniform Traffic Control and Devices Standards (MUTCD).

CITY OF Lockhart TEXAS

Speed Cushion/ Traffic Calming Policy Update

April 7, 2026

Purpose

- Speed cushions reduce vehicle speeds without impeding emergency services.
- Commonly used in residential areas to slow traffic down where persistent speeding occurs.

Design Features

- Typical dimensions: 8–10 ft length, 6–7 ft width, max height 3 inches.
- Made from recycled rubber for durability and noise reduction.
- Includes gaps for emergency vehicles and bicycles.

Design Features





Spacing and Location Standards

- Spacing: ~500 ft apart; varies by block length.
- Placement: Avoid intersections, crosswalks, driveways, signals, manholes, and hydrants.
- Traffic control signs and markings per Texas Manual on Uniform Traffic Control Devices (TMUTCD) standards.

Request Process

Step 1- Request submitted to Public Works Department(Initial Investigation).

Step 2- Preliminary review and data collection for eligibility.

Step 3- Petition circulation and verification.

Step 4- Priority ranking based on speed, volume, accidents, and pedestrian generators.

Step 5- Installation of Speed Cushions.

Eligibility Requirements & Process
STEP 1: Operational and Street Characterizes (DATA Collection)

- Speed limit for the requested area must have a regulatory speed limit of ≤ 30 mph.
- 85th percentile speed ≥ 35 mph or 5 MPH over the speed limit.
- No more than one lane per direction and curb/gutter. Special considerations are needed to accommodate streets with no curbs and to prevent vehicle drive-arounds.
- Daily traffic volume ≥ 800 vehicles per day (both directions of traffic combined).
- Approval from emergency services; not within 1,500 ft of emergency service
- buildings.

Examples of Data Collected

705 South Blanco St.

Feb. 9th-20th, 2026

Speed Limit-30 MPH

- 85th Percentile Speed= 33 MPH
- 85th Percentile Vehicles= 7,046
- 50th Percentile Speed= 27 MPH
- Max Speed 69 MPH
- Total Vehicles= 8,290
- Average Daily Total= 592

Weld Dr. SE corner of Summit Dr.

Feb. 24th-Mar. 3rd, 2026

Speed Limit-30 MPH

- 85th Percentile Speed= 26 MPH
- 85th Percentile Vehicles= 1,832
- 50th Percentile Speed= 22 MPH
- Max Speed 52 MPH
- Total Vehicles= 2,155
- Average Daily Total= 306

Examples of Data Collected

909 Trinity St.

Mar. 10th-17th, 2026

Speed Limit-30 MPH

- 85th Percentile Speed= 32 MPH
- 85th Percentile Vehicles= 9,402
- 50th Percentile Speed= 28 MPH
- Max Speed 62 MPH
- Total Vehicles= 11,061
- Average Daily Total= 1,491

Eligibility Requirements & Process
STEP 2: Petition of Support

- All criteria from Step 1 – Operational and Geometrical Characteristics must be met before petition process. (Applicant to be notified)
- If the street qualifies for speed cushion installation, a petition packet is given to the contact (requestor or HOA).
- The requestor is responsible for circulating the petition.
- Signature representing 2/3 of all household/businesses within the petition area must be in favor of the speed cushions.

Funding & Installation

- Funding for speed cushions to be allocated within the annual Fiscal Year Budget.
- Multiple qualifying requests will be prioritized using the criteria in the policy.
- Upon allotment of funding, speed cushions will be installed as scheduling permits.

Installation





CITY OF Lockhart TEXAS

Questions?

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding Ordinance No. 2026-14 amending Chapter 54, Article IV of the City of Lockhart Code of Ordinances, adding the term short-term rental to the definition of Hotel.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Roque Salinas

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION:
The City of Lockhart currently receives Hotel Occupancy Tax (HOT) revenues from registered short-term rental property owners. Ordinance No. 2026-02 amended Chapter 54 of the City Code to require short-term rental platforms to collect and remit local Hotel Occupancy Tax directly to the City. However, during the adoption of Ordinance No. 2026-02, the term “short-term rental” was inadvertently removed from the definition of “hotel.” This amendment corrects that omission by reinstating and clarifying that short-term rentals are included within the definition of “hotel,” and by providing a definition for “short-term rental” within Chapter 54.

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: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully requests approval of the proposed Ordinance 2026-14

LIST OF SUPPORTING DOCUMENTS: ORDINANCE 2026-14, Exhibit A

ORDINANCE 2026-14

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AMENDING ARTICLE IV CHAPTER 54 - HOTEL OCCUPANT TAX OF THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; AND PROVIDING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Texas Tax Code, Chapter 351 authorizes a governmental entity to allocate hotel occupancy tax funds; and

WHEREAS, it is the desire of the Lockhart City Council to amend Chapter 54- Taxation- Article IV- Hotel Occupancy Tax.

WHEREAS, the City Council finds it in the best interest of the City and its residents to adopt the following ordinance.

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

SECTION 1.

Section Chapter 54- Taxation- Article IV- Hotel Occupancy Tax of the Code of Ordinances, City of Lockhart, Texas, is hereby amended as shown in Exhibit A attached.

SECTION 2. SEVERABILITY

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other provisions, sections, or applications of the ordinance that can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are declared to be severable.

SECTION 3. REPEALER

All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of the conflict only.

SECTION 4. EFFECTIVE DATE

This ordinance shall take effect immediately upon its passage and publication as provided by law.

PASSED AND APPROVED on this ___ day of _____, 2026.

CITY OF LOCKHART, TEXAS

_____

LEW WHITE, Mayor

ATTEST:

_____

JULIE BOWERMON, City Secretary

APPROVED AS TO FORM:

_____

BRADFORD E. BULLOCK, City Attorney

Exhibit A

Sec. 54-116. Definitions.

(a) The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Calendar quarter: A period of three consecutive months of the year.

City finance director: The finance director for the City of Lockhart, Texas, or his agent.

Consideration: The cost of the room or other facility in such hotel only if the room or other facilities are ordinarily used for sleeping. This term shall not include the cost of any food served or personal services rendered to the occupant of the room, not related to the cleaning and readying of the room for occupancy.

Hotel: A building in which members of the public obtain sleeping accommodations for consideration. The term includes a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, bed and breakfast, or Short-term rental. The term does not include a hospital, sanitarium, nursing home, a dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by V.T.C.A., Education Code § 61.003 and used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution, or an oilfield portable unit as defined in V.T.C.A., Tax Code § 152.001.

Occupancy: The use or possession, or the right to use or possession, of any room in a hotel if the room is one ordinarily used for sleeping and if the occupant's use, possession, or right to use or possession extends for a period less than 30 days.

Occupant: Anyone who, for a consideration, uses, possesses, or has a right to use or possess any room or rooms or facilities in a hotel under any lease, concession, permit, right of access, license, contract or agreement if the room or facility is ordinarily used for sleeping.

Permanent resident: A person who has a right to use or possess a room in a hotel for at least 30 consecutive days, so long as there is no interruption of payment for the period.

Person: Any individual, company, partnership, corporation, association or other entity owning, operating, managing or controlling any hotel.

Short-term rental. A dwelling that is (a) used or designed to be used as a place where a person may reside, including a single-family dwelling, garage apartment, guest house or a unit in a multi-unit building, including an apartment, condominium, cooperative or timeshare; and (b) rented wholly or partly for a fee and for a period of less than 30 consecutive days.

Short-term rental *listing service.* A person, company or other legal entity that participates in the short-term rental business by facilitating and/or collecting a fee for booking services through which a person may offer short-term rentals to potential guests. Short-term rental listing services usually, though not necessarily, provide booking services through an online platform that allows a person to advertise the premises through a website or mobile application provided by the short-term rental listing service and the short-term rental listing service conducts a transaction by which potential guests arrange their use and their payment, whether the potential guest pays rent directly to the person or to the short-term rental listing service.

(b) Any other terms or phrases used herein shall be defined and construed in accordance with the definitions and usages given those terms and phrases under V.T.C.A., Tax Code ch. 351.

(Code 1982, § 24-40; Ord. No. 85-1, 3-12-85; Ord. No. 93-02, pt. 1, 2-16-93; Ord. No. 2018-16, 6-19-18)

Cross reference(s)—Definitions generally, § 1-2.

Sec. 54-118. Collection, reimbursement fee; forfeiture.

(a) Every person owning, operating, managing or controlling any hotel shall collect the tax imposed in section 54-117 hereof for the City of Lockhart, Texas, except that any such person shall withhold from the payment to the city, as reimbursement for the cost of collecting the tax, an amount not to exceed one percent of the amount of tax collected and required to be reported herein. Such reimbursement shall be automatically forfeited upon the failure to pay the tax or to file reports as required by this article.

(b) The one-percent reimbursement fee as provided herein shall become effective only on those amounts due and payable after the effective date of this article.

(C) Every short-term rental listing service providing services shall collect the tax imposed in this article for the city.

(Code 1982, § 24-42; Ord. No. 85-1, 3-12-85)

Sec. 54-119. Reports; payment.

By the last day of the month following each calendar quarter, every person required in section 54-118 hereof to collect the tax imposed herein shall file a report with the city finance director showing the consideration paid for all room and sleeping space occupancies in the preceding quarter, the amount of tax collected on such occupancies, and any other information that the city finance director may reasonably require. Such persons shall pay the tax due to the city on such occupancies at the time of filing such report.

~~At the request of T~~the City can audit a Hotel~~, the Short-term rental *listing service* shall provide a detailed report identifying each short-term rental property and the amount of tax remitted for each property.~~ The ~~report~~audit report shall include, but is not limited to, the address of the property and a full calculation of the tax collected.

(Code 1982, § 24-43; Ord. No. 85-1, 3-12-85)

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discussion and/or action to adopt Resolution 2026-17 canvassing the returns for the Special Election held on March 31, 2026 for the purpose of filling the vacancy in the office of City Council, Councilmember District 2, to complete the remaining term of office for Councilmember District 2.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Julie Bowermon

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: A special election was held on March 31, 2026 to fill the unexpired term of Councilmember District 2. In compliance with election regulations, the results of the election must be canvassed no later than 11 days from the day of the election.

Proposed Resolution 2026-17 will provide the final election results to canvass the March 31, 2026 City of Lockhart Special Election. Should a candidate receive a majority of the votes cast, the Oath of Office will be administered to the newly elected official immediately after the canvassing.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Administer Oath of Office to newly elected Councilmember, as a result of the March 31, 2026 Special Election IF NO RUNOFF ELECTION IS NEEDED.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Julie Bowermon

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION:

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item
Cover Sheet

COUNCIL MEETING DATE: April 7, 2026

AGENDA ITEM CAPTION: Discussion and/or action to adopt Ordinance 2026-15 ordering a special election of runoff to be administered by the Caldwell County Elections Administrator on May 2, 2026, for the purpose of electing one member of the Lochart City Council (Councilmember District 2) to fill the vacancy resulting from the constitutional resignation of Councilmember John Castillo; designating early voting polling places and hours; designating election day polling places and hours; ordering notices of election to be given as prescribed by law in connection with such election; providing for the appointment of election judges and clerks; authorizing the Mayor and City Secretary to take all actions necessary to comply with applicable election laws; and providing a savings/repealing clause, severability clause and an effective date; IF A RUNOFF ELECTION IS NEEDED.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Brad Bullock

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: The City of Lockart is required to hold a Special Election due to the vacancy of Councilmember District 2. The vacancy was created when Councilmember John Castillo resigned from his position on the City Council, when he filed for candidacy for another elected office on December 8, 2025. A Special Election will be held on March 31, 2026. In accordance with City Chater Section 5.05, if a candidate does not receive a majority of votes in the special election, a runoff election shall be called.

This item is being placed on the April 7, 2026 City Council agenda, if necessary, should a candidate not receive a majority of the votes cast.

CITY CHARTER
Sec. 5.05. - Election by plurality or majority.
(a) Mayor and councilmember-at-large. At any regular or special municipal election, the candidates for mayor and councilmember-at-large who shall have received the greater number of votes cast in such election for either mayor or the two (2) councilmembers-at-large shall be declared elected. In the event a tie vote makes it impossible to determine the winning candidate, the council shall cause to be held a runoff election between the tied candidates between thirty (30) to forty-five (45) days after said special or regular election, or provide that the winner be determined by a method provided in the Texas Election Code not inconsistent with this method.

(b) District councilmembers. At any regular or special municipal election, the candidates for each district who shall have received the majority of the votes cast in such election for such district shall be declared elected. In the event any candidate running for a district councilmember position on the ballot shall fail to receive a majority of the votes cast for all candidates for such district councilmember position on the ballot at such election, then the

council shall cause to be held a runoff election between the two (2) candidates receiving the highest number of votes for such district councilmember position on the ballot. Such runoff election shall be held between thirty (30) and forty-five (45) days after such regular or special election, or the council shall provide that the winner be determined by a method provided in the Texas Election Code not inconsistent with this method.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: .

Lockhart
TEXAS

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 contraints) 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
Jeffry 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



Facilitated by Opportunity Strategies LLC

Lockhart
TEXAS

City of Lockhart

2020-2021 Strategic Priorities

Prepared by:

Opportunity Strategies LLC