



NOTICE OF MEETING OF THE GOVERNING BODY OF THE CITY OF BURNET

Notice is hereby given that a **Regular Council Meeting** will be held by the governing body of the City of Burnet on the **26th day of July 2022** at **6:00** p.m. in the City of Burnet Council Chambers located at 2402 S. Water Street (Hwy 281 South, Burnet Municipal Airport) Burnet, Tx.

The City of Burnet City Council Meeting will be available for live viewing via the following media connections:

City of Burnet Facebook Page: <https://www.facebook.com/cityofburnet>

City of Burnet Website via Zoom as follows:

<https://us02web.zoom.us/j/81278669602>

Or One tap mobile :

US: 8778535257, 81278669602# (Toll Free) or 8884754499,81278669602# (Toll Free)

Or Telephone: Dial(for higher quality, dial a number based on your current location):

US: 877 853 5257 (Toll Free) or 888 475 4499 (Toll Free)

Webinar ID: 812 7866 9602

International numbers available: <https://us02web.zoom.us/j/81278669602>

The Zoom connection is a live broadcast viewing option only. The option for comments will not be available.

This notice is posted pursuant to the Texas Government Code, Chapter §551-Open Meetings.

The following subjects will be discussed, to-wit:

CALL TO ORDER:

ROLL CALL:

INVOCATION:

PLEDGES (US & TEXAS):

1. SPECIAL REPORTS/RECOGNITION:

1.1) Street Department Quarterly Update Report: M. Miller

1.2) Burnet Municipal Court Quarterly Update Report: Judge Tamara Tinney

1.3) June 2022 Financial Report: P. Langford

2. CONSENT AGENDA ITEMS:

(All of the following items on the Consent Agenda are considered to be self-explanatory by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member, staff member or citizen requests removal of the item from the consent agenda for the purpose of discussion. For removal of an item, a request must be made to the Council when the Consent Agenda is opened for Council Action.)

2.1) Approval of the July 12, 2022, Regular City Council Meeting Minutes

3. PUBLIC HEARINGS/ACTION: None.

4. ACTION ITEMS:

4.1) Discuss and consider action: SECOND AND FINAL READING OF AN ORDINANCE OF THE CITY COUNCIL OF BURNET, TEXAS, AMENDING CITY OF BURNET CODE OF ORDINANCES, CHAPTER 118 (ENTITLED "ZONING") BY AMENDING SEC. 118-25 (ENTITLED "SINGLE-FAMILY RESIDENTIAL – DISTRICT 'R-1') BY INCREASING THE MINIMUM LIVING AREA REQUIRED IN THE SINGLE-FAMILY RESIDENTIAL DISTRICT 'R-1'; PROVIDING FOR PENALTY; PROVIDING CUMULATIVE, REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE: L. Kimbler

4.2) Discuss and consider action: SECOND AND FINAL READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL ZONING MAP OF THE CITY BY ASSIGNING 75.87 ACRES OF REAL PROPERTY LOCATED IN THE CITY LIMITS AND SOUTH OF TEXAS HWY 29 WITH PLANNED UNIT DEVELOPMENT/MANUFACTURE HOUSING ZONING CLASSIFICATION; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE: L. Kimbler

4.3) Discuss and consider action: SECOND AND FINAL READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL ZONING MAP OF THE CITY BY ASSIGNING THE PROPERTY AT 1603 BUCHANAN DRIVE (LEGALLY DESCRIBED AS: ABS A0405 JOHN HAMILTON, 1.036 ACRES) WITH HEAVY COMMERCIAL – DISTRICT "C-3" CLASSIFICATION; PROVIDING

A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

4.4) Discuss and consider action: SECOND AND FINAL READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS AMENDING THE CODE OF ORDINANCES; CHAPTER 18 (ENTITLED "AVIATION") BY AMENDING ARTICLE II (ENTITLED "MUNICIPAL AIRPORT") BY AND PROVIDING REVISIONS TO DIVISION 2 (ENTITLED "RULES AND REGULATIONS"); PROVIDING FOR PENALTY; PROVIDING CUMULATIVE, CORRELATIVE, REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE: A. Field

4.5) Discuss and consider action: Appointments to the Burnet Police Department Citizen Advisory Board: K. Dix

4.6) Discuss and consider action: A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS AMENDING THE CITY'S FINANCIAL POLICY AND ESTABLISHING AN EFFECTIVE DATE: P. Langford

5. REQUESTS FROM COUNCIL FOR FUTURE REPORTS: In accordance with Resolution R2020-28 councilmembers may request the City Manager to prepare and present future report on matters of public interest.

6. ADJOURN:

Dated this the 22nd day of July 2022

**CITY OF BURNET
CRISTA GOBLE BROMLEY, MAYOR**

I, the undersigned authority, do hereby certify that the above NOTICE OF MEETING of the governing body of the above named City, BURNET, is a true and correct copy of said NOTICE and that I posted a true and correct copy of said NOTICE on the bulletin board, in the City Hall of said City, BURNET, TEXAS, a place convenient and readily accessible to the general public at all times, and said NOTICE was posted on July 22, 2022 at or before 6 o'clock p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of said Meeting.

Kelly Dix, City Secretary

NOTICE OF ASSISTANCE AT THE PUBLIC MEETINGS:

The City of Burnet Council Chambers is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services, such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the City Secretary's office (512.756.6093) at least two working days prior to the meeting. Requests for information may be faxed to the City Secretary at 512.756.8560.

RIGHT TO ENTER INTO EXECUTIVE SESSION:

The City Council for the City of Burnet reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).



Streets: New Equipment (21/22 budget)

\$155,239.12



Skid steer loader
and equipment

Ordered 2/22
Expected delivery
July/August 2022
Partial delivery

\$175,133.16



Wheel Loader

Ordered 2/22
Expected delivery
May/June 2022
Delivered

Annual Street Replacement Program

De-
Under Construction 21/22

- Woodlands Subdivision
- Lamar
- Houston/Clinton

Lamar Street Construction

Complete: pending paving schedule



Improvements include:
*widening of road
*Curb and Gutter
*Wastewater
improvements
to existing homes

Woodlands Subdivision Drainage and Paving Improvements



Invert roadways to convey water



repaving



Concrete valley on Cottonwood

Houston Clinton

EDC Project

HOUSTON CLINTON DRIVE STREET IMPROVEMENTS BURNET, TEXAS



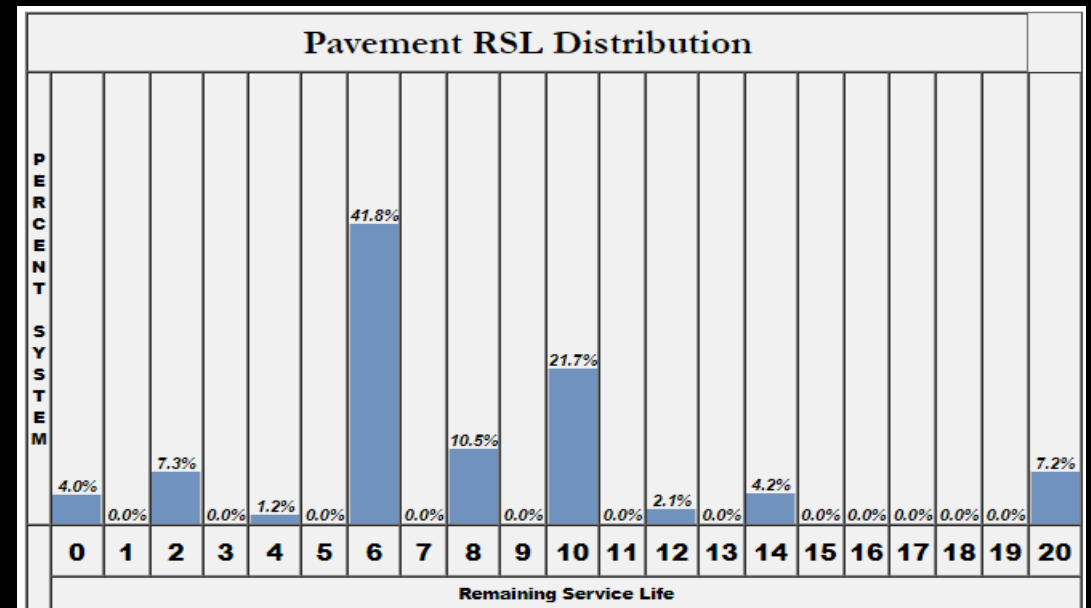
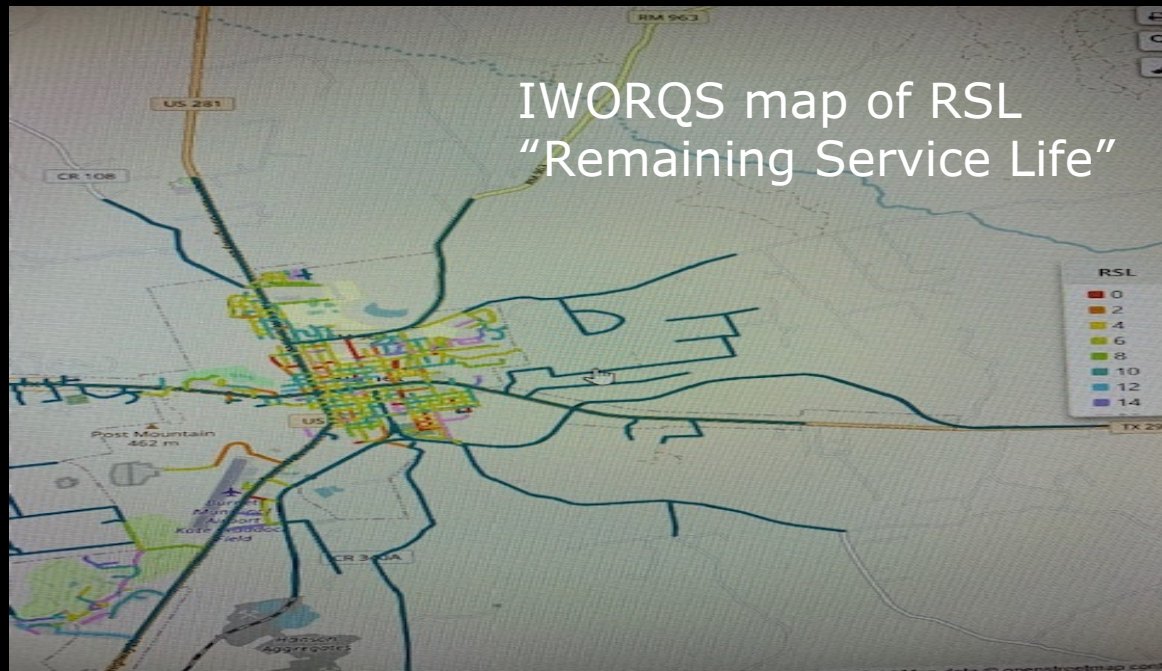
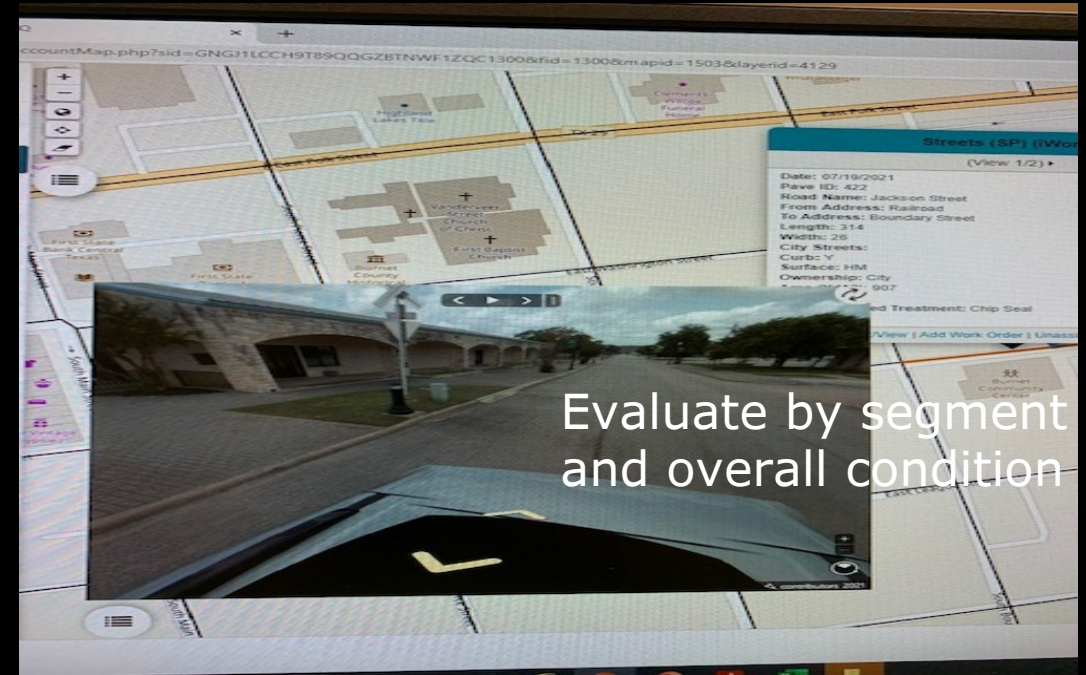
Install 9 - 24 inch drain pipes
Add curb and gutter
Sidewalk on South side
Geogrid subgrade upgrade,
widen and pave
Currently working to resolve
Utility conflicts.

PROJECT SITE

LOCATION MAP
1" = 1,000'

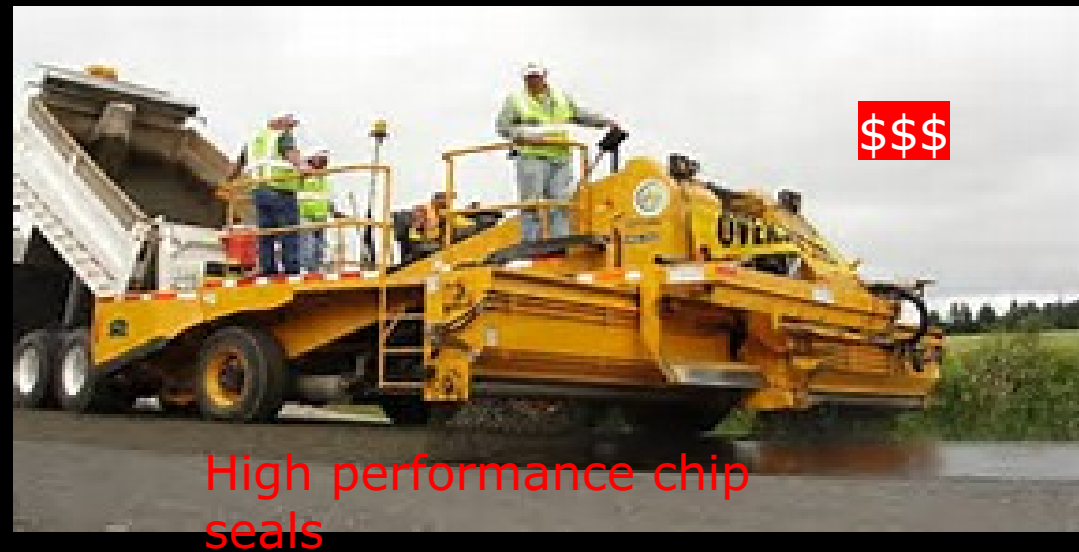
Evaluate Pavements

- Iworq RSL
- Pavement RSL distribution
- Identifying streets for Processes and improvements



The Average RSL for network is: 8.16

Adopt pavement processes



Maintenance update

Mulching Head used on Hamilton Creek, Drainage at Wofford, and Northington

Mulching head and
Cold Planer attachment
received

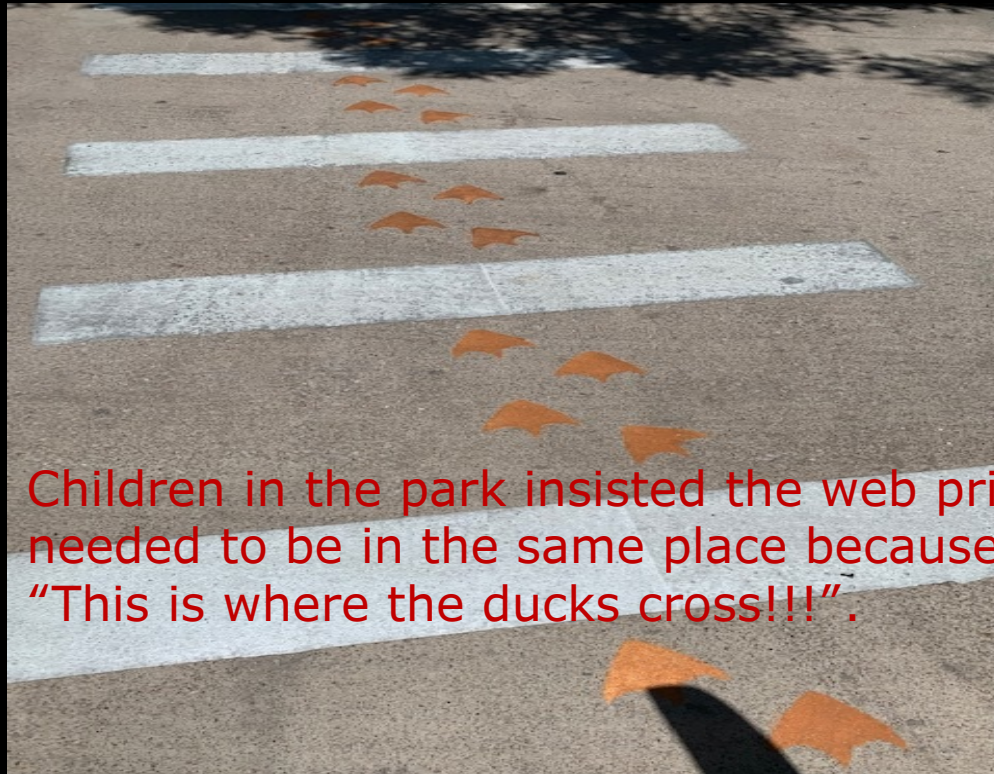
Rotary cutter and auger
attachment
Delivery expected in August



**BRAND NEW
INITIATIVE!**
"Small Steps, Big Difference"

Pedestrian Safety upgrades in Hamilton Park

Located larger pedestrian crossing signs with high visibility crosswalk markings. (human, duck/waterfowl...)



Children in the park insisted the web prints needed to be in the same place because, "This is where the ducks cross!!!".



Parks , Facilities and Grounds Improvements



Parks Improvements



New Shade for Quad Playscape **completed**



Two replacement zero turn mowers (acquired and mowing)

New Swing set for Wallace Riddell **complete**



Mulching all playscapes YMCA, Randy Longoria, Hamilton Creek, Highland Oaks, Wallace Riddell
Estimated completion 4-22



Complete !

Power wash Community Center,
Meeting Center, sidewalks and
Power ports on square



Community Center

Contract signed with Architect Chad Pierce for design of the Community Center's bathroom and Kitchen improvements.



Total Cost: TBD



Kitchen and Bathroom Renovation

Parks Dept Staffing



Two new employees were approved as part of the 21/22 budget. **Positions filled.**

Questions?

BURNET MUNICIPAL COURT

QUARTERLY REPORT – 07/2022

In the second quarter of 2022 we took in 408 new cases, disposed of 291 cases and ended June with 421 active cases. There were 2 appeals this quarter. We attribute the amount of new cases almost doubling from last quarter to Operation Slowdown.

We currently have 2 cases that will be set for trial.

Tina attended her yearly clerk training to keep her Level 2 certification and I attended the C3 training (Councils, Courts and Cities).

Tina has continued to update documents and forms in Incode to help with efficiency.

We had a meeting with Chief Lee, Officer Davis, Habib, Tina and myself regarding Court Security. This was to setup the board and start gathering information to form Court Security policy which is required by the state. The next meeting will be in November to evaluate needs based on the courtroom in the new City Hall.


Tamara Tinney

Burnet Municipal Judge



CITY OF BURNET

FINANCIAL REPORT

FYTD JUNE 2022

Bluebonnet Capital of Texas - Lakes, Hills, History



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GENERAL FUND

The General Fund is showing a year-to-date profit of \$1,605,143 which is better than expected for this time mainly because of strong revenue collections.

The General Fund's primary revenues include:

- **Property tax collections** – tracking ahead of our target budget for this time at 101% and have increased by over \$204,000 compared to last year.
- **Sales tax collections** - have continued to trend upward. They have increased by 17% or \$289,000 compared to last year and are tracking above our target budget by almost \$178,000.
- **EMS transport collections** - have increased by over \$143,000 compared to last year and are tracking above our target budget by almost \$150,000.
- **Transfers In from other funds** - on track with our budget target for this time at 73% and have increased by almost \$116,000 compared to last year.

The General Fund expenditures in total are on track for this time at 73% of budget.

GOLF COURSE

The Golf Course is showing a year-to-date profit of \$308,155 which is an almost \$110,000 improvement over this time last year.

Revenues are tracking higher than expected mainly because Green Fee/Cart Rental revenues have continued to increase. Compared to last year, the number of Green Fee Rounds played have increased by 8%, the average Green Fee "Revenue per Round" has increased from \$32.61 to \$37.41, and Green Fee/Cart Rental revenues have increased by over \$141,000.

Expenses in total are on track for this time at 77% of budget.

ELECTRIC FUND

The Electric fund is showing a year-to-date profit of \$357,232. Electric Consumption for May and June was much higher than anticipated and year to date consumption is now up almost 7% compared to last year. The year-to-date net profit is up almost \$67,000 compared to this time last year.

Compared to budget, both revenues and expenses in total are on track for this time of year.



CITY OF BURNET
FYTD JUNE FINANCIAL SUMMARY

FY 2022

WATER/WASTEWATER

The Water/Wastewater fund is showing a year-to-date profit of \$579,755. Water Consumption for April and May were much higher than anticipated and year to date consumption is now up over 10% compared to last year. The year-to-date net profit is up almost \$89,000 compared to this time last year mainly because of increasing revenues.

Compared to budget, revenues are on track for the period and expenses are tracking better than expected mainly because of savings in personnel costs.

AIRPORT

The Airport Fund is showing a year-to-date profit of \$154,439 which is better than expected for this period because of increasing fuel sales. Compared to last year, Avgas gallons sold have increased by 17% and jet gallons sold have increased by 40%.

UNRESTRICTED CASH RESERVES

Total unrestricted cash for the City as of June 30, 2022 was \$9,044,429. That is \$4,822,429 above our 90-day required reserve amount.

In addition to the unrestricted cash balance, the City has \$2,755,389 remaining in accounts that are "restricted by council". Those accounts include the self-funded equipment reserve, capital equipment reserve, LCRA credit reserve, and the American Rescue Plan funds.

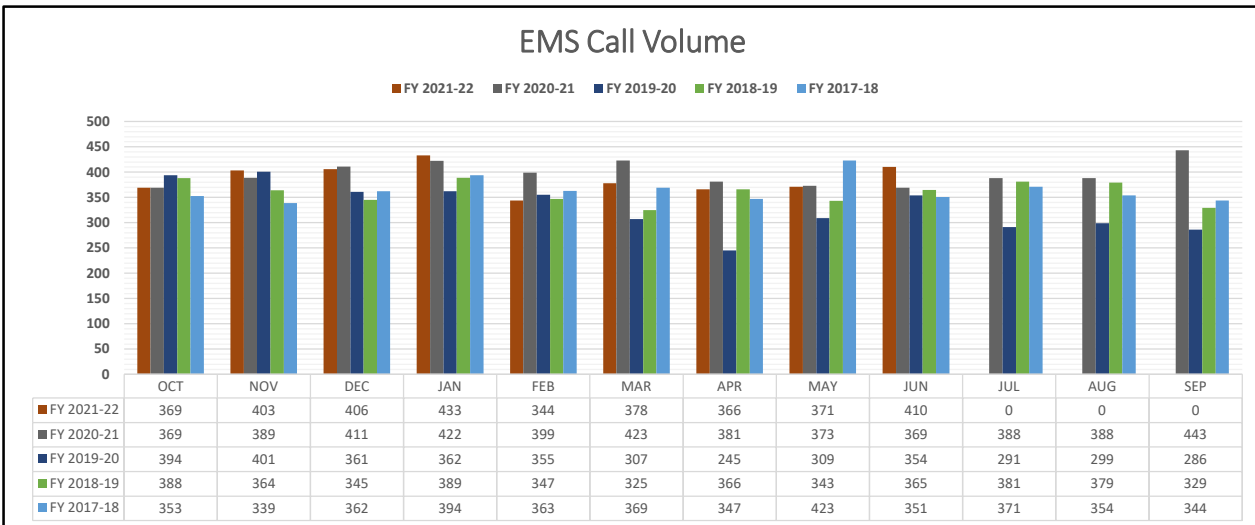
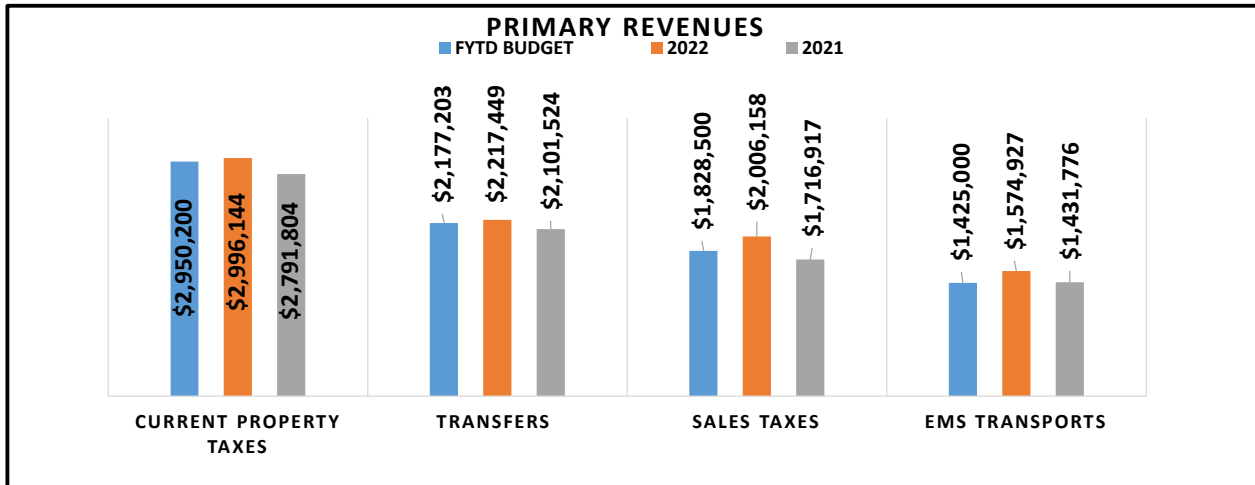
As of June 30, 2022, the City has \$3,142,449 remaining in capital projects to be funded from the unrestricted cash reserves.

GENERAL FUND DASHBOARD

FYTD JUNE 2022

CURRENT RESULTS COMPARISON

	ANNUAL BUDGET		ACTUAL FYTD JUN 2022		PY BUDGET 2020 -2021		ACTUAL FYTD JUN 2021	
REV	\$	13,098,563	\$	11,043,683	\$	11,834,714	\$	10,122,469
EXPENSES		12,873,612		9,438,540		11,488,859		8,613,483
PROFIT (LOSS)	\$	224,951	\$	1,605,143	\$	345,855	\$	1,508,986



	Transports	
FYTD 2022		3,480
FYTD 2021		3,536
Increase (Decrease)		<u>(56)</u>

City of Burnet, Texas
 General Fund
 Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Unaudited)
 FYTD JUNE 2022

	75% of year complete			PY BUDGET 2020 -2021	PY ACTUAL FYTD JUN 2021	% OF BUDGET
	ANNUAL BUDGET 2021-2022	ACTUAL FYTD JUN 2022	% OF BUDGET			
REVENUE						
Ad valorem taxes	\$ 2,980,000	\$ 2,996,144	101%	\$ 2,820,000	\$ 2,791,804	99%
Sales taxes	2,438,000	2,006,158	82%	1,997,573	1,716,917	86%
Interfund Transfers	3,023,893	2,217,449	73%	2,936,301	2,101,524	72%
EMS Transports	1,900,000	1,574,927	83%	1,620,000	1,431,776	88%
Franchise and other taxes	155,000	148,939	96%	155,000	135,193	87%
Court Fines and Fees	130,000	93,212	72%	115,000	81,828	71%
Grants & Donations	10,200	15,939	156%	10,200	117,720	1154%
Licenses & Permits	132,200	180,179	136%	80,700	72,627	90%
Charges for Services	2,199,595	1,626,307	74%	1,960,640	1,506,373	77%
Other Revenue	129,675	184,430	142%	139,300	166,707	120%
Use of Fund Balance	2,028,500	1,185,062	58%	1,669,347	1,796,410	108%
Total Revenue	\$ 15,127,063	\$ 12,228,745	81%	\$ 13,504,061	\$ 11,918,879	88%
<i>Total Revenue less fund balance</i>	<i>\$ 13,098,563</i>	<i>\$ 11,043,683</i>	<i>84%</i>	<i>\$ 11,834,714</i>	<i>\$ 10,122,469</i>	<i>86%</i>
EXPENDITURES						
Personnel Services	\$ 8,462,590	\$ 5,981,406	71%	\$ 7,370,773	\$ 5,563,106	75%
Supplies & Materials	463,779	424,400	92%	427,850	320,606	75%
Repairs & Maint	529,367	442,319	84%	426,420	363,178	85%
Contractual Services	2,011,834	1,579,774	79%	1,959,812	1,511,281	77%
Other Designated Expenses	630,016	499,658	79%	560,930	411,832	73%
Transfers to Self-funded	486,909	365,181	75%	441,600	331,200	75%
Capital Outlay	19,350	20,083	104%	-	-	-
Transfers to Golf Admin & Subsidy	269,767	125,720	47%	301,474	112,280	37%
Sub-total	<u>\$ 12,873,612</u>	<u>\$ 9,438,540</u>	<u>73%</u>	<u>\$ 11,488,859</u>	<u>\$ 8,613,483</u>	<u>75%</u>
CAPITAL/OTHER EXP (USES OF FUND BAL)						
Transfers - Capital/Other Uses of FB	2,028,500	1,185,062	58%	\$ 1,669,347	\$ 1,796,410	108%
	<u>\$ 2,028,500</u>	<u>\$ 1,185,062</u>	<u>58%</u>	<u>\$ 1,669,347</u>	<u>\$ 1,796,410</u>	<u>108%</u>
Total Expenditures	\$ 14,902,112	\$ 10,623,602	71%	\$ 13,158,206	\$ 10,409,893	79%
<i>Total Expenditures less Capital/Other</i>	<i>\$ 12,873,612</i>	<i>\$ 9,438,540</i>	<i>73%</i>	<i>\$ 11,488,859</i>	<i>\$ 8,613,483</i>	<i>75%</i>
NET CHANGE IN FUND BALANCE	\$ 224,951	\$ 1,605,143		\$ 345,855	\$ 1,508,986	

KEY VARIANCES - BUDGET vs ACTUAL (75% of Year Complete)

Revenues

- The bulk of property taxes are collected in December and January of each year.
- Franchise revenues are typically collected quarterly however the largest franchise fee is paid by Atmos annually in February (\$59,659.75) which is why the total is tracking above average for the period.
- Grant revenues are tracking higher than expected because we received \$7,864 from FEMA related to reimbursements from the 2018 flood that the City partnered on with the County.
- Licenses & Permits are tracking higher than the average because of an increase in rezones and permits mostly associated with the new subdivisions and the new student activity center.
- Other Revenues are tracking higher than expected mainly because we received \$43,382 in delinquent field rental fees from the YMCA, increasing cemetery plot sales and almost \$56,000 in delinquent property taxes and penalties.
- Use of Fund Balance offsets Transfers to Capital/Other Exp, therefore the net impact of these adjustments is zero.

Expenditures

- See Expenditures by Department/Category for more detail.

City of Burnet, Texas
 General Fund
 Expenditures by Department/Category
 FYTD JUNE 2022

75% of year complete

	ANNUAL BUDGET 2021-2022			ACTUAL FYTD JUN 2022			% OF BUDGET			
	PY BUDGET 2020 -2021			PY ACTUAL FYTD JUN 2021			% OF BUDGET			
EXPENDITURES (Less transfers to capital/other):										
City Council										
Supplies & Materials	\$	1,000	\$	1,227	123%	\$	1,200	\$	809	67%
Repairs & Maint		1,000		919	92%		1,000		731	73%
Contractual Services		6,720		5,558	83%		6,620		5,231	79%
Other Designated Expenses		5,575		8,740	157%		7,000		1,639	23%
Total Expenditures		14,295		16,445	115%		15,820		8,410	53%
General Administration										
Personnel Services		1,166,889		806,744	69%		1,005,400		779,417	78%
Supplies & Materials		20,980		16,095	77%		36,000		17,119	48%
Repairs & Maint		88,000		81,011	92%		78,000		73,297	94%
Contractual Services		238,995		176,166	74%		231,341		173,786	75%
Other Designated Expenses		409,234		307,436	75%		375,730		272,831	73%
Transfers to Golf Admin & Subsidy		269,767		125,720	47%		301,474		112,280	37%
Total Expenditures		2,193,865		1,513,172	69%		2,027,945		1,428,731	70%
Municipal Court										
Personnel Services		70,974		54,662	77%		34,109		27,084	79%
Supplies & Materials		750		576	77%		750		197	26%
Repairs & Maint		8,500		6,347	75%		5,500		8,076	147%
Contractual Services		14,800		11,602	78%		15,050		11,120	74%
Other Designated Expenses		4,350		3,888	89%		4,350		2,512	58%
Total Expenditures		99,374		77,075	78%		59,759		48,989	82%
Police/Animal Shelter/K-9										
Personnel Services		2,181,749		1,601,994	73%		2,003,758		1,502,044	75%
Supplies & Materials		94,900		87,255	92%		96,500		76,117	79%
Repairs & Maint		108,300		76,075	70%		80,420		86,043	107%
Contractual Services		206,400		160,453	78%		192,819		161,940	84%
Other Designated Expenses		93,200		93,103	100%		73,750		54,631	74%
Transfers to Self-funded		196,567		147,425	75%		136,806		102,605	75%
Total Expenditures		2,881,116		2,166,306	75%		2,584,053		1,983,379	77%
Fire/EMS										
Personnel Services		3,378,222		2,398,118	71%		2,999,966		2,348,958	78%
Supplies & Materials		190,500		174,400	92%		175,300		143,833	82%
Repairs & Maint		151,650		150,202	99%		118,000		109,109	92%
Contractual Services		289,650		211,753	73%		269,260		215,963	80%
Other Designated Expenses		56,500		44,016	78%		45,700		32,285	71%
Transfers to Self-funded		254,786		191,089	75%		289,004		216,753	75%
Capital Outlay		8,350		8,318	100%					
Total Expenditures		4,329,658		3,177,895	73%		3,897,230		3,066,902	79%
Streets										
Personnel Services		698,660		493,108	71%		571,925		366,483	64%
Supplies & Materials		66,329		67,844	102%		47,500		20,957	44%
Repairs & Maint		52,417		41,755	80%		70,000		38,998	56%
Contractual Services		5,630		4,016	71%		7,000		6,282	90%
Other Designated Expenses		4,947		3,678	74%		2,350		448	19%
Transfers to Self-funded		9,021		6,765	75%		-		-	
Total Expenditures		837,004		617,166	74%		698,775		433,168	62%
City Shop										
Personnel Services		76,326		57,897	76%		73,364		58,102	79%
Supplies & Materials		14,000		8,951	64%		14,000		9,969	71%
Repairs & Maint		13,000		8,508	65%		10,500		5,455	52%
Contractual Services		6,700		4,829	72%		6,700		4,650	69%
Other Designated Expenses		5,050		2,957	59%		5,050		4,658	92%
Total Expenditures		115,076		83,143	72%		109,614		82,833	76%
Sanitation										
Contractual Services		921,194		710,755	77%		881,822		669,303	76%
Other Designated Expenses		25,000		1,022	4%		20,000		20,370	102%
Total Expenditures		946,194		711,777	75%		901,822		689,673	76%

City of Burnet, Texas
 General Fund
 Expenditures by Department/Category
 FYTD JUNE 2022

	75% of year complete			PY BUDGET 2020 -2021	PY ACTUAL FYTD JUN 2021	% OF BUDGET
	ANNUAL BUDGET 2021-2022	ACTUAL FYTD JUN 2022	% OF BUDGET			
EXPENDITURES (Less transfers to capital/other):						
Parks						
Personnel Services	502,366	346,742	69%	415,027	317,262	76%
Supplies & Materials	72,500	64,660	89%	52,500	49,814	95%
Repairs & Maint	97,250	69,437	71%	52,750	39,268	74%
Contractual Services	83,575	58,554	70%	130,700	91,353	70%
Other Designated Expenses	6,000	5,925	99%	7,000	6,719	96%
Transfers to Self-funded	26,535	19,901	75%	15,790	11,842	75%
Total Expenditures	788,226	565,219	72%	673,767	516,258	77%
Galloway Hammond						
Repairs & Maint	5,000	1,885	38%	5,000	281	6%
Contractual Services	100,000	75,000	75%	100,000	75,000	75%
Total Expenditures	105,000	76,885	73%	105,000	75,281	72%
Development Services						
Personnel Services	387,404	222,142	57%	267,224	163,756	61%
Supplies & Materials	2,820	3,390	120%	4,100	1,790	44%
Repairs & Maint	4,250	6,179	145%	5,250	1,920	37%
Contractual Services	138,170	161,088	117%	118,500	96,654	82%
Other Designated Expenses	20,160	28,895	143%	20,000	15,739	79%
Capital Outlay	11,000	11,765	107%	-	-	#DIV/0!
Total Expenditures	563,804	433,458	77%	415,074	279,858	67%
TOTAL EXPENDITURES	\$ 12,873,612	\$ 9,438,540	73%	\$ 11,488,859	\$ 8,613,483	75%

KEY VARIANCES - BUDGET vs ACTUAL (75% of Year Complete)

Expenditures

- Council Expenses are tracking over budget mainly due to "travel and training" for TML which was held in October, and due to purchases of small capital equipment (camera equipment for council meetings).
- Admin R&M are tracking higher than average mainly because of the timing of the annual software payments. Annual maintenance for Tyler/Incode was paid in April.
- Municipal Court R&M Software is tracking higher than the average because the annual software maintenance payment was made in April.
- Municipal Court Designated Expenses are tracking higher than expected due to the timing of Travel expenses. Both the Court Clerk and the Judge have completed the majority of their training for the year.
- Police Supplies and Materials are tracking higher than average mainly because of increasing fuel costs.
- Police Other Designated Expenses are tracking higher than the average because of the purchase of non-capital equipment and travel and training. Ballistic vests were purchased in October and additional weapons were purchased in November. Officers attended several trainings and programs including Police Week (honoring Jose Meza), Sergeant Academy, FTO training, and Detective school. In addition, Code Enforcement was moved from Development Svcs to PD and abatement expenses are tracking higher than expected because of a large clean up at a residence.
- Fire/EMS Supplies and Materials are tracking higher than average mainly because of increasing fuel costs.
- Fire/EMS Repairs and Maintenance are tracking higher than average mainly because they had to replace a Water Heater at Station 1, they paid for annual Fire reporting software maintenance in full in December, and had major repairs to Engine1, 2, and 3.
- Street Supplies and Materials are tracking higher than average because of the purchase of new traffic control signs in October, an increase in fuel costs mainly from hauling base to Rhomberg and Cemetery, and the purchase of salt supplies in January for icy roads.
- Parks Supplies and Materials are tracking higher than the average because of increasing fuel costs and the timing of the use of chemicals and fertilizers for the ball fields.
- Parks Other Designated expenses is tracking above average mainly due to the Rainbow Trout event that was held at Hamilton Creek.
- Development Services supplies are tracking higher than average mainly because of postage for a large mailout and increasing fuel costs.
- Development Services R&M is tracking higher than average mainly due to increasing software maintenance costs.
- Development Services Contractual Services are tracking higher than expected because of increases in inspections and engineering services for development activity.
- Development Services Designated expenses include non capital small equipment which is tracking higher than expected due to the purchase of new computers. In addition, it includes credit card services fees which are up because of increasing permit and development revenues.

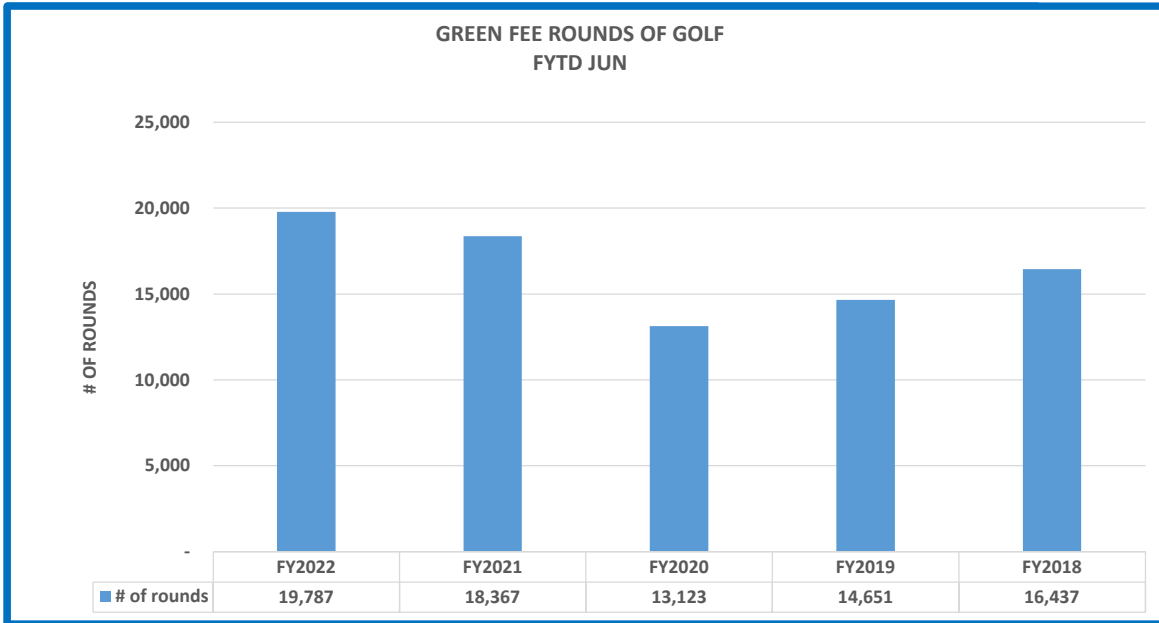
GOLF COURSE FUND DASHBOARD

FYTD JUNE 2022

CURRENT RESULTS COMPARISON

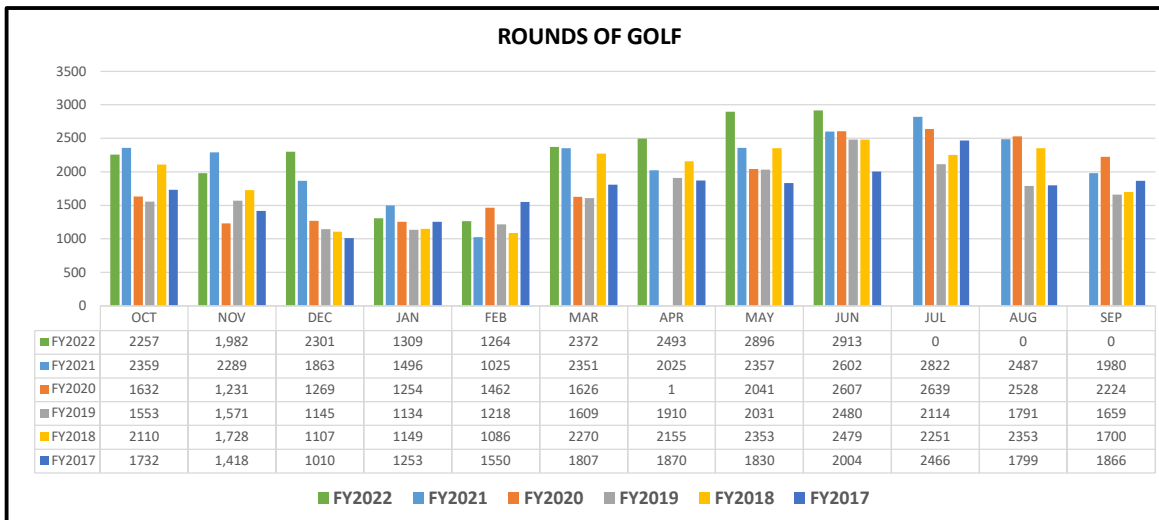
	ANNUAL BUDGET	ACTUAL FYTD JUN 2022	% OF BUDGET	PY BUDGET 2020-2021	ACTUAL FYTD JUN 2021	% OF BUDGET
REV (net of cogs/tourn exp)	\$ 1,470,651	\$ 1,507,319	102%	\$ 1,325,684	\$ 1,257,293	95%
EXPENSES	1,562,218	1,199,164	77%	1,460,821	1,059,035	72%
PROFIT (LOSS)	\$ (91,567)	\$ 308,155		\$ (135,137)	\$ 198,258	

TABLES/CHARTS



	FYTD
Rounds of Golf*	
2021-2022	19,787
2020-2021	18,367
OVER (UNDER)	1,420
	7.73%

*Does not include annual dues or tournament rounds played.



Notes:

April of 2020 golf course was closed for the month due to the Covid Pandemic.

Feb of 2021 golf course was closed for 11 days because of Severe Winter Storm.

City of Burnet, Texas
 Golf Fund (Delaware Springs)
 Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual (Unaudited)
 FYTD JUNE 2022

	75% of year complete			PY BUDGET 2020-2021	PY ACTUAL FYTD JUN 2021	% OF BUDGET
	ANNUAL BUDGET 2021-2022	ACTUAL FYTD JUN 2022	% OF BUDGET			
Revenues						
Charges for Services:						
Green Fees/Cart Rentals	\$ 696,600	\$ 740,266	106%	\$ 559,000	\$ 598,866	107%
Annual Charges	224,000	225,558	101%	218,000	219,654	101%
Net Tournament Fees	112,000	141,058	126%	110,000	95,694	87%
Driving Range	53,000	47,007	89%	53,000	41,471	78%
Net Charges for Services	1,085,600	1,153,889	106%	940,000	955,685	102%
Pro Shop Merchandise Sales (Net)	48,750	62,739	129%	47,000	38,185	81%
Snack Bar Sales (Net)	129,600	119,112	92%	109,500	84,400	77%
Transfer from GF (Admin/Use of FB)	192,701	137,544	71%	219,684	166,627	76%
Other Revenue	14,000	34,035	243%	9,500	12,395	130%
Total Revenues	1,470,651	1,507,319	102%	1,325,684	1,257,293	95%
Expenses						
Personnel Services	924,829	720,121	78%	896,092	660,283	74%
Supplies & Materials	119,050	89,149	75%	107,300	72,918	68%
Repairs & Maint	82,500	57,633	70%	67,950	48,813	72%
Contractual Services	59,000	51,341	87%	61,500	40,507	66%
Other Designated Expenses	45,050	40,009	89%	43,750	35,815	82%
Transfers to Self-funded	153,588	115,191	75%	117,892	88,419	75%
Admin Allocation	178,201	125,720	71%	166,337	112,280	68%
Total Expenses	1,562,218	1,199,164	77%	1,460,821	1,059,035	72%
Change in Net Position	(91,567)	308,155		(135,137)	198,258	
Operating Subsidy from General Fund	91,567	-		135,137	-	
Net Position	-	308,155		-	198,258	
Green Fee Rounds	21,500	19,787			18,367	
Green Fee Rev Per Round	\$ 32.40	\$ 37.41			\$ 32.61	

KEY VARIANCES - BUDGET vs ACTUAL (75% of Year Complete)

Revenues

- Green Fee and Cart Rental fees are tracking higher than expected mainly due to the increasing average revenue per round. "Avg Rev per Round" has increased by \$4.81 over last year mainly due to less discounting of rounds during prime tee times.
- The bulk of Annual Charges which include pre-paid green fees, trail fees, annual cart rental and storage are collected in October each year.
- The golf course is seeing an increase in new tournaments this year and has increased tournament charges.
- Transfer from GF is used to offset the admin allocation and includes an additional transfer from fund balance to cover the final payouts to retirees. In the current year the transfer for payouts was \$11,824; in the py the transfer was \$54,347.
- Other revenues include GHIN fees \$6,605, credit card convenience fees \$15,423, club repairs of \$7,599, pavilion rental of \$225, misc revenues of \$1,602, and sale of tables and chairs of \$2,581.

Expenses

- Contractual Services are tracking higher than average mainly because of increasing Dues and Subscriptions relating to the Texas Golf Association and Professional Services for Stump Grinding.
- Other Designated Expenses are tracking higher than average mainly because credit card service fees have increased with the increase in revenues for the year.

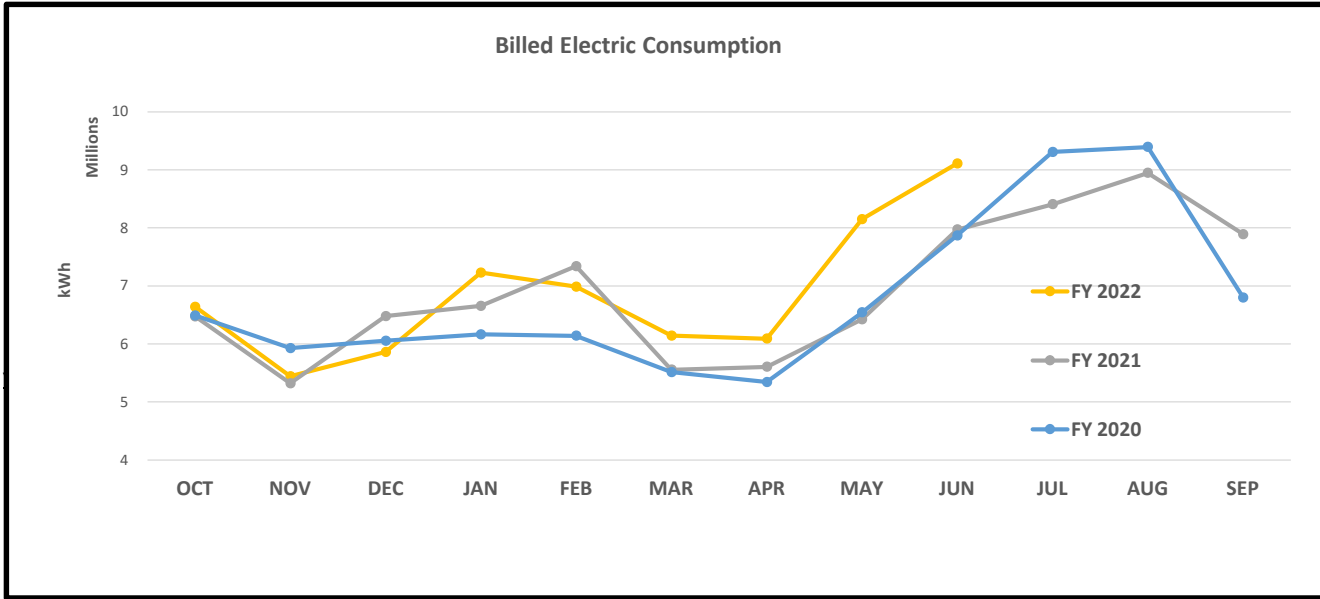
ELECTRIC FUND DASHBOARD

FYTD JUNE 2022

CURRENT RESULTS COMPARISON

	ANNUAL BUDGET	ACTUAL FYTD JUN 2022	% OF BUDGET	PY BUDGET 2020-2021	ACTUAL FYTD JUN 2021	% OF BUDGET
REV (net of cogs)	\$ 4,034,144	\$ 3,025,776	75%	\$ 4,012,175	\$ 2,798,973	70%
EXPENSES	3,635,322	2,668,544	73%	3,625,824	2,508,561	69%
PROFIT (LOSS)	\$ 398,822	\$ 357,232		\$ 386,351	\$ 290,411	

TABLES/CHARTS



FYTD 2022	61,653,547
FYTD 2021	<u>57,823,529</u>
ytd variance	<u>3,830,018</u>
% variance	6.62%

City of Burnet, Texas
 Electric Fund
 Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual (Unaudited)
 FYTD JUNE 2022

	75% of year complete			PY BUDGET 2020-2021	PY ACTUAL FYTD JUN 2021	% OF BUDGET
	ANNUAL BUDGET 2021-2022	ACTUAL FYTD JUN 2022	% OF BUDGET			
REVENUES						
Electric Sales	\$ 9,000,000	\$ 6,773,640		\$ 8,816,400	\$ 6,268,599	
Less Cost of Power	5,166,000	3,937,739		4,959,225	3,593,838	
Net Electric Sales	3,834,000	2,835,901	74%	3,857,175	2,674,761	69%
Penalties	85,000	69,460	82%	85,000	47,566	56%
Pole Rental	47,000	48,397	103%	47,000	48,341	103%
Credit Card Convenience Fees	45,144	27,496	61%	-	-	
Other Revenue	23,000	44,522	194%	23,000	28,305	123%
Use of Fund Balance	230,000	141,070	61%	75,000	52,712	70%
Total Revenue	\$ 4,264,144	\$ 3,166,847	74%	\$ 4,087,175	\$ 2,851,685	70%
<i>Total Revenue less fund balance</i>	<i>\$ 4,034,144</i>	<i>\$ 3,025,776</i>	<i>75%</i>	<i>\$ 4,012,175</i>	<i>\$ 2,798,973</i>	<i>70%</i>
EXPENSES						
Personnel Services	1,000,827	671,225	67%	\$ 937,909	732,253	78%
Supplies & Materials	51,000	43,183	85%	44,000	34,338	78%
Repairs & Maint	180,000	134,384	75%	208,000	93,782	45%
Contractual Services	133,900	129,238	97%	137,700	100,274	73%
Other Designated Expenses	87,714	59,893	68%	91,810	52,330	57%
Capital Outlay	35,000	38,300	109%	35,000	3,259	9%
Transfers to Debt Service	49,350	37,013	75%	51,740	38,805	75%
Transfers to Self-funded	19,780	14,835	75%	32,999	24,749	75%
Return on Investment	1,639,441	1,233,432	75%	1,665,263	1,156,595	69%
Admin Allocation	409,541	286,746	70%	394,000	284,181	72%
Shop Allocation	28,769	20,296	71%	27,403	20,708	76%
Transfer to Capital	230,000	141,070	61%	75,000	20,000	27%
Total Expenses	\$ 3,865,322	\$ 2,809,615	73%	\$ 3,700,824	\$ 2,561,273	69%
<i>Total Expenses less xfers to capital and other uses of fund balance</i>	<i>\$ 3,635,322</i>	<i>\$ 2,668,544</i>	<i>73%</i>	<i>\$ 3,625,824</i>	<i>\$ 2,508,561</i>	<i>69%</i>
Change in Net Position	\$ 398,822	\$ 357,232		\$ 386,351	\$ 290,411	

KEY VARIANCES - BUDGET vs ACTUAL (75% of Year Complete)

Revenues

- Pole Rental Charges are typically invoiced in February and received by April or May.
- Credit Card Convenience fees were not implemented until January 1, 2022.
- Other Revenues are tracking higher than expected mainly because of the connect fees received from new subdivision - Peppermill Phase III.
- Use of Fund Balance offsets Transfers to Capital/Other Exp, therefore the net impact of these adjustments is zero.

Expenses

- Supplies and Materials are tracking above average because of increased fuel costs and shipping costs.
- Contractual Services are tracking above the average because of the timing of payments on the interlocal agreements with local nonprofits.
The majority of one-time contributions to local nonprofits were paid in October and November. Also included in this line item are expenses for staff development meetings with Cuatro Consulting which are tracking slightly higher than budget.
- Capital Outlay is tracking higher than normal mainly due to the purchase of Christmas displays early in the year.

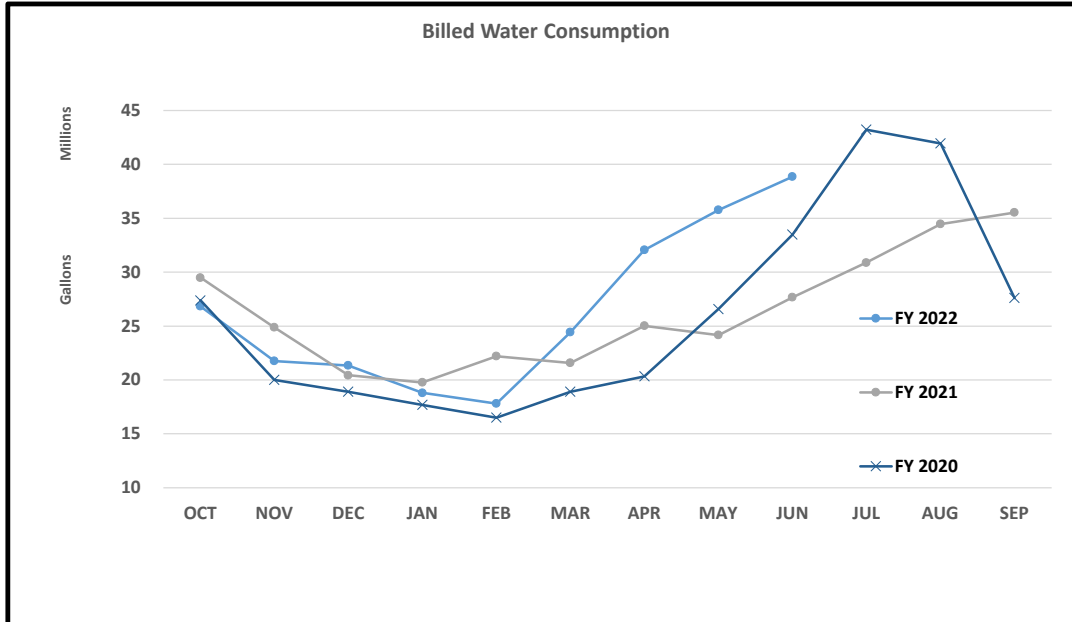
WATER/WW FUND DASHBOARD

FYTD JUNE 2022

CURRENT RESULTS COMPARISON

	ANNUAL BUDGET	ACTUAL FYTD JUN 2022	% OF BUDGET	PY BUDGET 2020-2021	ACTUAL FYTD JUN 2021	% OF BUDGET
REV	\$ 4,500,420	\$ 3,384,347	75%	\$ 4,265,500	\$ 3,212,200	75%
EXPENSES	4,096,025	2,804,592	68%	3,868,980	2,721,280	70%
PROFIT (LOSS)	\$ 404,395	\$ 579,755		\$ 396,520	\$ 490,920	

TABLES/CHARTS



Billed Consumption in gallons:	
FYTD 2022	237,625,340
FYTD 2021	215,182,284
Variance	22,443,056
% variance	10.43%

City of Burnet, Texas
 Water/Wastewater Fund
 Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual (Unaudited)
 FYTD JUNE 2022

	75% of year complete			PY BUDGET 2020-2021	PY ACTUAL FYTD JUN 2021	% OF BUDGET
	ANNUAL BUDGET 2021-2022	ACTUAL FYTD JUN 2022	% OF BUDGET			
REVENUE						
Water Sales	\$ 2,400,000	\$ 1,844,618	77%	\$ 2,300,000	\$ 1,727,011	75%
Wastewater Sales	1,920,000	1,433,066	75%	1,840,000	1,412,748	77%
Penalties	46,000	34,477	75%	46,000	27,801	60%
Water/Sewer Connects	30,000	36,677	122%	30,000	24,409	81%
Credit Card Convenience Fees	19,920	14,211	71%	-	-	
Other Revenue	9,500	21,299	224%	9,500	20,231	213%
Use Impact Fees	75,000	-	0%	40,000	-	0%
Use of Fund Balance	1,135,000	663,853	58%	35,000	76,737	219%
Total Revenue	\$ 5,635,420	\$ 4,048,200	72%	\$ 4,300,500	\$ 3,288,936	76%
<i>Total Revenue less fund balance</i>	<i>\$ 4,500,420</i>	<i>\$ 3,384,347</i>	<i>75%</i>	<i>\$ 4,265,500</i>	<i>\$ 3,212,200</i>	<i>75%</i>
EXPENSES						
Personnel Services	1,328,086	833,830	63%	\$ 1,104,176	793,053	72%
Supplies & Materials	171,550	132,767	77%	153,750	122,955	80%
Repairs & Maint	407,750	227,928	56%	416,500	252,135	61%
Contractual Services	316,680	243,412	77%	328,500	224,003	68%
Cost of Water	70,000	45,228	65%	70,000	51,400	73%
Other Designated Expenses	105,474	80,325	76%	127,942	55,686	44%
Transfers to Debt Service	944,764	709,061	75%	976,759	732,569	75%
Transfers to Self-funded	73,692	55,269	75%	68,504	51,378	75%
In Lieu of Taxes	354,034	270,745	76%	338,040	256,976	76%
Admin Allocation	289,227	180,318	62%	257,405	188,951	73%
Shop Allocation	28,768	20,296	71%	27,404	20,708	76%
Capital Outlay	6,000	5,414	90%	-	-	0%
Transfer to Capital	1,135,000	663,853	58%	35,000	34,080	97%
Leak Adjustments					14,123	
Total Expenses	\$ 5,231,025	\$ 3,468,445	66%	\$ 3,903,980	\$ 2,798,017	72%
<i>Total Expenses less Transfers to Capital and other uses of fund balance</i>	<i>\$ 4,096,025</i>	<i>\$ 2,804,592</i>	<i>68%</i>	<i>\$ 3,868,980</i>	<i>\$ 2,721,280</i>	<i>70%</i>
Change in Net Position	\$ 404,395	\$ 579,755		\$ 396,520	\$ 490,920	

KEY VARIANCES - BUDGET vs ACTUAL (75% of Year Complete)

Revenues

- Water/Sewer Connects are tracking higher than expected because of the fees received from new subdivision - Peppermill Phase III.
- Credit Card Convenience fees were not implemented until January 1, 2022.
- Other Revenues have increased and consist mainly of bulk water sales to the public.
- Use of Impact fees will be transferred later in the year after the majority of Impact fees have been collected.
- Use of Fund Balance offsets Transfers to Capital/Other Exp, therefore the net impact of these adjustments is zero.

Expenses

- Personnel Services are tracking under budget because the department had several vacancies from October - February.
- Capital Outlay includes the purchase and installation of new ac/heater in the amount \$5,414 for the Eagle's Nest pump station.

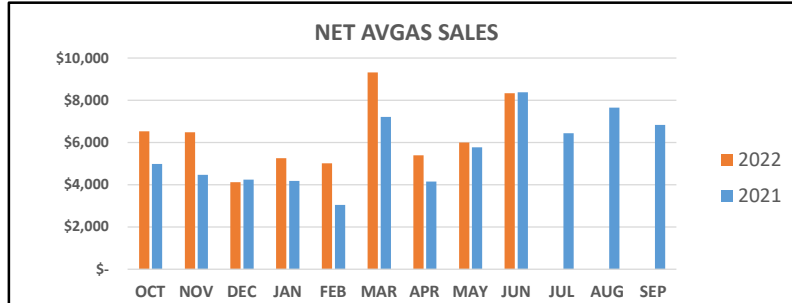
AIRPORT FUND DASHBOARD

FYTD JUNE 2022

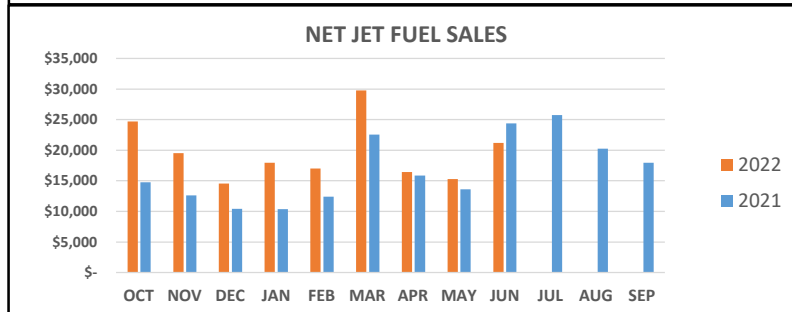
CURRENT RESULTS COMPARISON

	ANNUAL BUDGET	ACTUAL FYTD JUN 2022	% OF BUDGET	PY BUDGET 2020-2021	ACTUAL FYTD JUN 2021	% OF BUDGET
REV (net of cogs)	\$ 428,729	\$ 389,511	91%	\$ 347,654	\$ 341,094	98%
EXPENSES	376,330	235,072	62%	254,295	197,923	78%
PROFIT (LOSS)	\$ 52,399	\$ 154,439		\$ 93,359	\$ 143,171	

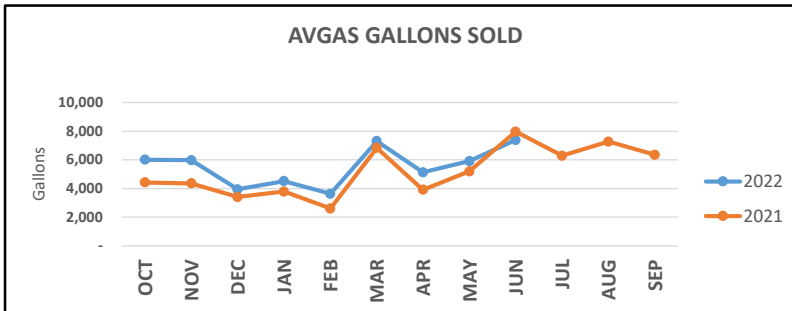
TABLES/CHARTS



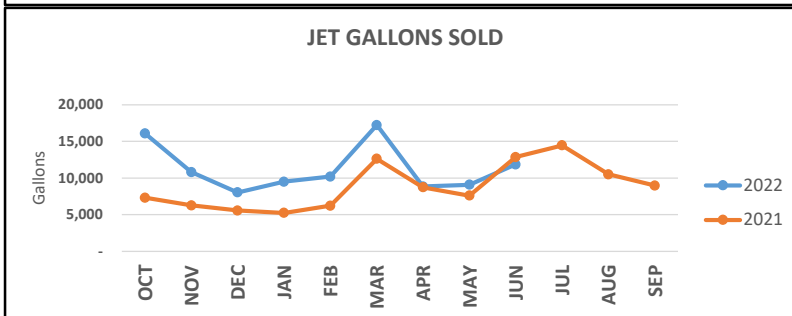
	FYTD 2022	FYTD 2021
Av Sales	\$ 266,176	\$ 174,653
Av Purchases	209,727	128,187
Profit	\$ 56,449	\$ 46,466
%	21.21%	26.60%



	FYTD 2022	FYTD 2021
Jet Sales	\$ 510,748	\$ 274,900
Jet Purchases	334,281	137,869
Profit	\$ 176,467	\$ 137,031
%	34.55%	49.85%



Avgas Gallons Sold:	
FYTD 2022	49,776
FYTD 2021	42,486
Increase(decrease)	7,290
	17.16%



Jet Gallons Sold:	
FYTD 2022	101,695
FYTD 2021	72,456
Increase(decrease)	29,239
	40.35%

City of Burnet, Texas
 Airport Fund
 Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual (Unaudited)
 FYTD JUNE 2022

	75% of year complete			PY BUDGET 2020-2021	PY ACTUAL FYTD JUN 2021	% OF BUDGET
	ANNUAL BUDGET 2021-2022	ACTUAL FYTD JUN 2022	% OF BUDGET			
REVENUE						
Av Gas Sales	\$ 233,000	\$ 266,176		\$ 170,500	\$ 174,653	
Av Gas Purchases	174,750	209,727		127,875	128,187	
Net Sales	58,250	56,449	97%	42,625	46,466	109%
Jet Gas Sales	367,000	510,748		210,000	274,900	
Jet Gas Purchases	201,850	334,281		115,500	137,869	
Net Sales	165,150	176,467	107%	94,500	137,031	145%
Penalties	450	425	94%	450	375	83%
All Hangar Lease	125,000	98,648	79%	125,000	97,201	78%
CAF Admissions	5,066	3,989	79%	5,066	3,799	75%
McBride Lease	45,893	30,671	67%	45,893	30,728	67%
Thru the Fence Lease	12,020	8,479	71%	12,020	12,312	102%
Airport Parking Permit	2,000	120	6%	2,000	2,110	106%
Hanger Lease - Faulkner	14,400	10,800	75%	14,400	10,800	75%
Interest Earned	500	3,101	620%	5,700	272	5%
Other	-	360		-		
Use of Fund Balance	493,069	182,471	37%	200,000	21,949	11%
Total Revenue	\$ 921,798	\$ 571,982	62%	\$ 547,654	\$ 363,043	66%
<i>Total Revenue less fund balance</i>	<i>\$ 428,729</i>	<i>\$ 389,511</i>	<i>91%</i>	<i>\$ 347,654</i>	<i>\$ 341,094</i>	<i>98%</i>
EXPENSES						
Personnel Services	\$ 97,884	\$ 72,588	74%	\$ 92,879	\$ 73,610	79%
Supplies & Materials	4,000	2,428	61%	3,800	2,050	54%
Repairs & Maint	3,000	3,945	132%	3,000	538	18%
Contractual Services	164,400	62,272	38%	63,400	47,859	75%
Other Designated Expenses	38,600	33,270	86%	30,959	21,156	68%
Transfers to Debt Service	58,069	43,552	75%	-	-	
Admin Allocation	39,646	38,968	98%	31,457	31,111	99%
Av fuel truck lease	12,000	9,000	75%	12,000	9,000	75%
Jet fuel truck lease	16,800	12,600	75%	16,800	12,600	75%
Transfers to Capital	435,000	138,919	32%	200,000	21,949	11%
Total Expenses	\$ 869,399	\$ 417,543	48%	\$ 454,295	\$ 219,872	48%
<i>Total Exp - xfers to capital and debt svc.</i>	<i>\$ 376,330</i>	<i>\$ 235,072</i>	<i>62%</i>	<i>\$ 254,295</i>	<i>\$ 197,923</i>	<i>78%</i>
Change in Net Position	\$ 52,399	\$ 154,439		\$ 93,359	\$ 143,171	

KEY VARIANCES - BUDGET vs ACTUAL (75% of Year Complete)

Revenues

- Sales revenues have increased mainly because gallons of fuel sold have increased 17% for av gas and 40% for jet fuel.
- Use of Fund Balance offsets Transfers to Capital and Debt Svc, therefore the net impact of these adjustments is zero.

Expenses

- Increase in maintenance is mainly due to new annual fuel software maintenance agreement paid in May.
- Overall expenses are tracking slightly higher than average mainly because as revenues increase so do related expenses. For example, as revenues increase, the admin allocation increases and credit card processing fees increase.

City of Burnet, Texas
Other Funds
Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual (Unaudited)
FYTD JUNE 2022

	ANNUAL BUDGET 2021-2022			ACTUAL FYTD JUN 2022			PY BUDGET 2020-2021			PY ACTUAL FYTD JUN 2021		
			% OF BUDGET								% OF BUDGET	
HOTEL/MOTEL FUND												
Revenues	\$	171,281		\$	162,169	94.68%	\$	111,000	\$	140,511	126.59%	
Expenses		157,465			89,997	57.15%		107,191		77,023	71.86%	
Net Profit (Loss)	\$	13,816		\$	72,172		\$	3,809	\$	63,488		
BEDC												
Revenues	\$	4,009,417		\$	1,566,521	39.07%	\$	3,020,858	\$	721,432	23.88%	
Expenses		3,795,481			1,261,723	33.24%		2,743,111		285,960	10.42%	
Net Profit (Loss)	\$	213,936		\$	304,797		\$	277,747	\$	435,472		
SELF FUNDED EQUIPMENT FUND												
Revenues	\$	1,034,800		\$	571,687	55.25%	\$	708,000	\$	496,456	70.12%	
Expenses		1,034,800			225,226	21.77%		708,000		230,541	32.56%	
Net Profit (Loss)	\$	-		\$	346,461		\$	-	\$	265,915		
DEBT SERVICE FUND												
Revenues	\$	1,052,683		\$	789,750	75.02%	\$	1,029,098	\$	771,778	75.00%	
Expenses		1,052,183			794,353	75.50%		1,028,499		827,921	80.50%	
Net Profit (Loss)	\$	500		\$	(4,604)		\$	599	\$	(56,143)		
INTEREST & SINKING DEBT FUND												
Revenues	\$	490,178		\$	531,489	108.43%	\$	366,049	\$	344,444	94.10%	
Expenses		489,978			97,038	19.80%		366,049		206,346	56.37%	
Net Profit (Loss)	\$	200		\$	434,451		\$	-	\$	138,098		

City of Burnet, Texas
Cash and Investment Accounts
FYTD JUNE 2022

Acct #	Bank	Account Name	Account Type	Balance as of JUNE 2022
Unrestricted Accounts				
984/2410	FSB	Operating Cash	Checking	\$ 4,580,538.00
		Add or Subtract Claim on Cash for Airport		274,902.43
2329	FSB	Golf Course Petty Cash	Checking	597.63
2535	FSB	Operating Reserve	M/M	-
2352	FSB	Delaware Springs-Credit Card Acct	Checking	-
2378	FSB	Airport - Credit Card Acct	Checking	-
2386	FSB	Utility - Credit Card Acct	Checking	-
2469	FSB	Court - Credit Card Acct	Checking	-
2711100002	TexPool	Operating Reserve	Investment	4,188,390.70
Total Unrestricted				\$ 9,044,428.76

75 Day Reserve Requirement	3,518,000.00
Unrestricted Cash over 75 day reserve	\$ 5,526,428.76
90 Day Reserve Requirement	4,222,000.00
Unrestricted Cash over 90 day reserve	\$ 4,822,428.76

Restricted by Council

2711100004	TexPool	Capital Reserve	Investment	\$ -
2711100011	TexPool	Capital Equipment Reserve	Investment	551,758.80
2711100012	TexPool	Capital - LCRA Credit	Investment	-
2188	FSB	Self Funded Equipment	M/M	742,838.05
2711100014	TexPool	Self Funded Equipment Reserve	Investment	665,598.81
2711100016	TexPool	CLFRF - American Rescue Plan	Investment	795,193.57
Total Restricted by Council Action				\$ 2,755,389.23

City of Burnet, Texas
Cash and Investment Accounts
FYTD JUNE 2022

Restricted by Purpose or Law

Acct #	Bank	Account Name	Account Type	Balance as of JUNE 2022
1453	FSB	Bond Reserve	M/M	\$ 423,041.31
2402	FSB	Hotel Motel	M/M	181,245.18
2711100005	TexPool	Hotel Motel	Investment	60,389.64
2451	FSB	Construction Account	Checking	
2485	FSB	PD Seizure	M/M	119.87
2493	FSB	Municipal Court Special Revenue	M/M	70,804.45
2519	FSB	Impact Fees - Water	M/M	412,799.63
2543	FSB	Airport Reserve	M/M	-
		Add or Subtract Airport Claim on Cash		(274,902.43)
2711100009	TexPool	Airport Reserve	Investment	1,629,136.17
2568	FSB	Benevolent Fund	Checking	-
2576	FSB	Interest & Sinking Acct	M/M	507,439.23
2584	FSB	Impact Fees - Wastewater	M/M	128,161.00
2592	FSB	BEDC	Super NOW	984,396.10
2711100008	TexPool	BEDC Project Fund	Investment	-
2711100010	TexPool	BEDC	Investment	630,830.67
70516	FSB	BEDC Commercial Park Project	M/M	191,178.73
2634	FSB	Benefit Trust Account	M/M	-
2675	FSB	Police Department Explorer Program	M/M	6,069.20
2691	FSB	Fire Department Explorer Program	M/M	3,528.62
3012	FSB	Franchise Fee Account	Super NOW	123,574.79
3053	FSB	Parks Fund	M/M	18,286.99
58776	FSB	Fire Dept. Community Acct	M/M	12,015.39
2711100007	TexPool	TWDB	Investment	1,193.66
2711100006	TexPool	TWDB	Investment	1,048.32
		City of Burnet, Texas Combination Tax and Surplus Revenue Certificates of Obligation, Series 2010		
143033000	US Bank	Escrow Account	Investment	3,201.61
82-020-01-0	Bank of	City of Burnet 2012 TWDB Escrow	Investment	20,206.52
2711100013	TexPool	PD Bonds	Investment	-
2711100017	TexPool	2021 CO - City Hall	Investment	4,013,558.09
62026	FSB	Escrow Honey Rock Phase #2	M/M	16,211.61
62315	FSB	BEDC Bond Fund (Badger Bldg DS)	Checking	172,666.17
62364	FSB	BEDC Project Fund	Checking	-
Total Restricted Cash				\$ 9,336,200.52
Total All Cash				\$ 21,136,018.51

ACCOUNT NUMBER	INVESTMENT TYPE	DESCRIPT/LOC	MATURITY	BEGINNING BALANCES 04/01/2022	QUARTERLY ACTIVITY	INTEREST EARNINGS	ENDING BALANCE 06/30/2022	BEGINNING MARKET 01/01/2022	ENDING MARKET 03/31/2022	CHANGE IN MARKET VALUE	AVG YIELD
984 & 2410	OPERATING	FIRST STATE BANK	na	\$ 5,450,152.76	\$ (869,979.06)	\$ 364.30	\$ 4,580,538.00	na	na	na	0.0003
1453	DEBT SERVICE	FIRST STATE BANK	na	160,534.18	262,475.63	31.50	423,041.31	na	na	na	0.0004
2188	SELF FUNDED ACCT	FIRST STATE BANK	na	649,157.31	93,597.87	82.87	742,838.05	na	na	na	0.0005
2329	GOLF COURSE PETTY CASH	FIRST STATE BANK	na	825.20	(227.57)	-	597.63	na	na	na	-
2402	HOTEL/MOTEL	FIRST STATE BANK	na	205,607.53	(24,387.71)	25.36	181,245.18	na	na	na	0.0005
2485	PD SEIZURE	FIRST STATE BANK	na	119.87	-	-	119.87	na	na	na	-
2493	COURT MONIES	FIRST STATE BANK	na	63,438.90	7,357.05	8.50	70,804.45	na	na	na	0.0005
2519	IMPACT FEES WATER	FIRST STATE BANK	na	395,397.46	17,352.00	50.17	412,799.63	na	na	na	0.0005
2576	I & S SINKING FUND	FIRST STATE BANK	na	487,783.86	19,593.64	61.73	507,439.23	na	na	na	0.0005
2584	IMPACT FEE W/W	FIRST STATE BANK	na	116,415.94	11,730.00	15.06	128,161.00	na	na	na	0.0005
2592	BEDC	FIRST STATE BANK	na	868,942.42	115,382.48	71.20	984,396.10	na	na	na	0.0003
2675	PD EXPLORER PROGRAM	FIRST STATE BANK	na	6,956.28	(887.56)	0.48	6,069.20	na	na	na	0.0003
2691	FD EXPLORER PROGRAM	FIRST STATE BANK	na	4,191.69	(663.35)	0.28	3,528.62	na	na	na	0.0003
3012	CABLE FRANCHISE FEES	FIRST STATE BANK	na	119,455.29	4,110.40	9.10	123,574.79	na	na	na	0.0003
3053	PARKS FUND	FIRST STATE BANK	na	18,284.71	0.00	2.28	18,286.99	na	na	na	0.0005
58776	FD COMMUNITY FUND	FIRST STATE BANK	na	12,015.39	-	-	12,015.39	na	na	na	-
62315	BEDC BOND FUND	FIRST STATE BANK	na	86,602.21	86,056.26	7.70	172,666.17	na	na	na	0.0002
70516	281 COMM PARK PROJECT	FIRST STATE BANK	na	312,068.35	(120,916.77)	27.15	191,178.73	na	na	na	0.0004
62026	ESCROW HONEY ROCK PHASE 2	FIRST STATE BANK	na	\$ 16,209.58	\$ 0.00	\$ 2.03	\$ 16,211.61				
	SUBTOTAL - FIRST STATE BANK			\$ 8,957,949.35	\$ (399,406.69)	\$ 759.71	\$ 8,575,511.95	\$ -	\$ -	\$ -	0.0003
2711100002	TEXPOOL - GF RESERVE	TEXPOOL	na	\$ 4,181,688.44	\$ 0.00	\$ 6,702.26	\$ 4,188,390.70	\$ 4,181,688.44	\$ 4,188,390.70	\$ 6,702.26	0.0064
2711100005	TEXPOOL - HOT	TEXPOOL	na	60,293.02	0.00	96.62	60,389.64	60,293.02	60,389.64	96.62	0.0064
2711100006	TEXPOOL - TWDB	TEXPOOL	na	1,046.56	(0.00)	1.76	1,048.32	1,046.56	1,048.32	1.76	0.0067
2711100007	TEXPOOL - TWDB	TEXPOOL	na	1,191.90	(0.00)	1.76	1,193.66	1,191.90	1,193.66	1.76	0.0059
2711100008	TEXPOOL - BEDC PROJECT FUND	TEXPOOL	na	-	-	-	-	-	-	-	#DIV/0!
2711100009	TEXPOOL - AIRPORT	TEXPOOL	na	1,626,529.26	(0.00)	2,606.91	1,629,136.17	1,626,529.26	1,629,136.17	2,606.91	0.0064
2711100010	TEXPOOL - BEDC RESERVE	TEXPOOL	na	629,821.20	0.00	1,009.47	630,830.67	629,821.20	630,830.67	1,009.47	0.0064
2711100011	TEXPOOL - CAPITAL EQUIPMENT RESERVE	TEXPOOL	na	957,383.03	(407,460.77)	1,836.54	551,758.80	957,383.03	551,758.80	(405,624.23)	0.0097
2711100012	TEXPOOL- ELECTRIC RESERVE	TEXPOOL	na	442,194.69	(442,539.23)	344.54	-	442,194.69	-	(442,194.69)	0.0062
2711100013	TEXPOOL - PD BOND PROCEEDS	TEXPOOL	na	-	-	-	-	-	-	-	#DIV/0!
2711100014	TEXPOOL - SELF FUNDED EQUIPMENT	TEXPOOL	na	664,533.72	0.00	1,065.09	665,598.81	664,533.72	665,598.81	1,065.09	0.0064
2711100017	TEXPOOL - 2021 CO - CITY HALL	TEXPOOL	na	4,007,135.62	(0.00)	\$ 6,422.47	4,013,558.09				0.0064
2711100016	TEXPOOL - CLFRF AMERICAN RESCUE PLAN	TEXPOOL	na	793,921.08	(0.00)	\$ 1,272.49	795,193.57				0.0064
	SUBTOTAL - TEXPOOL			\$ 13,365,738.52	\$ (850,000.00)	\$ 21,359.91	\$ 12,537,098.43	\$ 8,564,681.82	\$ 7,728,346.77	\$ (836,335.05)	0.0065
143033000	US BANK LOAN		na	\$ 3,199.67	\$ 0.00	\$ 1.94	\$ 3,201.61	\$ 3,199.67	\$ 3,201.61	\$ 1.94	0.0024
82-0220-01-0	BANK OF TEXAS - TWDB #2		na	20,197.20	(0.00)	9.32	20,206.52	20,197.20	20,206.52	9.32	0.0018
	SUBTOTAL - OTHERS			\$ 23,396.87	\$ (0.00)	\$ 11.26	\$ 23,408.13	\$ 23,396.87	\$ 23,408.13	\$ 11.26	0.0019
	TOTALS			\$ 22,347,084.74	\$ (1,249,406.69)	\$ 22,130.88	\$ 21,136,018.51	\$ 8,588,078.69	\$ 7,751,754.90	\$ (836,323.79)	0.0040
	PERFORMANCE MEASURES:				Benchmark	Actual					
			Avg Yield (Benchmark at 12/31/20)		0.1000%	0.4038%					
			Benchmark=90 day T-Bill Rate								
			WAM		Max 365						
			Diversification:								
			Other			0.11%					
			FSB			40.57%					
			TexPool		Max 100%	59.32%					

Collateral Adequacy - All funds are fully collateralized and/or insured.

Statement of Compliance - All investment transactions of the City meet the requirements set forth in Chapter 2256, Texas Govt. Code, as amended and are in compliance with the City's Investment Policy.

Patricia Langford
Patricia Langford, Finance Director

Stephani Wright
Stephani Wright, Senior Accountant

7/20/22
Date

City of Burnet, Texas
 Capital Projects
 FYTD JUNE 2022

GENERAL CAPITAL PROJECT FUND						
DESCRIPTION			CURRENT BUDGET 2021-2022	FYTD JUN ACTUAL EXPENSES	% complete	REMAINING BALANCE FOR 2021-2022
<u>CAPITAL PROJECTS:</u>						
INCODE 10 UPGRADE	ADMIN	46-1111-58397	\$ 38,000	\$ 21,160	56%	\$ 16,840
CITY COMP PLAN/UTILITY MAPS	ADMIN	46-1111-58550	300,000	23,307	8%	276,693
SERVERS AND COMPUTERS	ADMIN	46-1111-58000	75,000	44,675	60%	30,325
NEW CITY HALL	ADMIN	46-1111-58810	5,000,000	96,439	2%	4,903,561
PD Tasers	POLICE	46-1600-58000	60,000	57,304	96%	2,696
PD Ticket Writers	POLICE	46-1600-58399	26,000	23,042	89%	2,958
REMODEL FD SUBSTATION	FIRE	46-1640-58489	100,000	46,730	47%	53,270
COVID EXPENSES ¹	FIRE	46-1640-57030	146,000	98,153	67%	47,847
FIRE TRUCK ¹	FIRE	46-1640-58000	850,000	849,971	100%	-
DONATED FUNDS PD ¹	POLICE		50,000	-	0%	50,000
DONATED FUNDS FD ¹	FIRE		50,000	-	0%	50,000
TASSPP ANNUAL FEE	FIRE	46-1640-54500	47,250	37,322	79%	-
STREETS	STREETS	46-1700-58700	400,000	485,598	121%	-
TRACKED SKID STEER - STREETS ¹	STREETS	46-1700-58000	155,250	-	0%	155,250
LOADER - STREETS	STREETS	46-1700-58000	175,000	175,133	100%	-
DE-ICING EQUIP STREETS	STREETS	46-1700-58000	30,000	20,921	70%	9,079
PARK IMPROVEMENTS	PARKS	46-1800-58800	100,000	25,140	25%	74,860
COMMUNITY CENTER IMPROVEMENTS	PARKS	46-1800-58800	100,000	-	0%	100,000
DOWNTOWN RESTROOMS	PARKS	46-1800-58400	100,000	-	0%	100,000
ENGINEERING SOFTWARE ¹	ENG		65,000	-	0%	65,000
GHRC IMPROVEMENTS	GHRC	46-1813-58478	50,000	-	0%	50,000
GHRC TEEN CENTER	GHRC	46-1813-58461	20,000	20,000	100%	-
TOTAL			\$ 7,937,500	\$ 2,024,895	26%	\$ 5,988,378

BALANCE TO BE FUNDED FROM:		
OPERATING RESERVES	OTHER SOURCES	TOTAL
\$ 16,840	\$ -	\$ 16,840
276,693		276,693
30,325		30,325
903,561	4,000,000	4,903,561
2,696		2,696
2,958		2,958
53,270		53,270
47,847		47,847
-	-	-
50,000		50,000
50,000		50,000
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
\$ 1,988,378	\$ 4,000,000	\$ 5,988,378

GOLF COURSE CAPITAL PROJECT FUND						
DESCRIPTION			CURRENT BUDGET 2021-2022	FYTD JUN ACTUAL EXPENSES	% complete	REMAINING BALANCE FOR 2021-2022
<u>CAPITAL PROJECTS:</u>						
CLUB HOUSE IMPROVEMENTS			\$ 250,000	\$ 132,074	53%	\$ 117,926
OTHER IMPROVEMENTS			370,000	-	0%	370,000
TOTAL			\$ 620,000	\$ 132,074	21%	\$ 487,926

BALANCE TO BE FUNDED FROM:		
OPERATING RESERVES	OTHER SOURCES	TOTAL
\$ 117,926	\$ -	\$ 117,926
370,000	-	370,000
\$ 487,926	\$ -	\$ 487,926

ELECTRIC CAPITAL PROJECT FUND						
DESCRIPTION			CURRENT BUDGET 2021-2022	FYTD JUN ACTUAL EXPENSES	% complete	REMAINING BALANCE FOR 2021-2022
<u>CAPITAL PROJECTS:</u>						
SOFTWARE - ELSTER UPGRADES			\$ 55,000	\$ 8,648	16%	\$ 46,352
SCADA/RE closERS			100,000	27,025	27%	72,975
DEVELOPMENT PROJECTS			150,000	105,397	70%	44,603
TOTAL			\$ 305,000	\$ 141,070	46%	\$ 163,930

BALANCE TO BE FUNDED FROM:		
OPERATING RESERVES	OTHER SOURCES	TOTAL
\$ 46,352	\$ -	\$ 46,352
72,975	-	72,975
(30,397)	75,000	44,603
\$ 88,930	\$ 75,000	\$ 163,930

W/WW CAPITAL PROJECT FUND						
DESCRIPTION			CURRENT BUDGET 2021-2022	FYTD JUN ACTUAL EXPENSES	% complete	REMAINING BALANCE FOR 2021-2022
<u>CAPITAL PROJECTS:</u>						
CAMERA TRUCK		45-4210-58000	\$ 225,000	226,500	101%	\$ -
VAC TRUCK		45-4210-58000	450,000	420,004	93%	29,996
GENERATORS - WATER FUND BAL		45-4210-58000	200,000	7,317	4%	192,683
GENERATORS - WATER IMPACT FEES		45-4210-58000	300,000	-	0%	300,000
FACILITY UPGRADES FOR ZEBRA MUSSELS		45-4200-58400	50,000	-	0%	50,000
HWY 29 WATER LINE EXT		45-4210-58600	100,000	2,747	3%	97,253
VFW SEWER UPGRADE		45-4210-58800	30,000	-	0%	30,000
RANCH LIFT STATION UPGRADE		45-4210-58800	100,000	-	0%	100,000
RISK AND RESILIENCE STUDY		45-4200-58551	30,000	5,018	17%	24,983
OVERSIZE WATER MAIN TO CREEKFALL ¹		45-4210-58600	102,301	-	0%	102,301
WATER SYSTEM IMPROVEMENTS		45-4200-58880	10,000	-	0%	10,000
TRANSFER OUT WW IMPACT FEES		45-4210-59042	75,000	-	0%	75,000
TOTAL			\$ 1,672,301	\$ 661,585	40%	\$ 1,012,216

BALANCE TO BE FUNDED FROM:		
OPERATING RESERVES	OTHER SOURCES	TOTAL
\$ -	\$ -	\$ -
29,996	-	29,996
192,683	-	192,683
-	300,000	300,000
-	50,000	50,000
97,253	-	97,253
30,000	-	30,000
100,000	-	100,000
24,983	-	24,983
102,301	-	102,301
-	10,000	10,000
-	75,000	75,000
\$ 577,216	\$ 435,000	\$ 1,012,216

City of Burnet, Texas
 Capital Projects
 FYTD JUNE 2022

AIRPORT CAPITAL PROJECT FUND					
DESCRIPTION		CURRENT BUDGET 2021-2022	FYTD JUN ACTUAL EXPENSES	% complete	REMAINING BALANCE FOR 2021-2022
CAPITAL PROJECTS:					
RAMP GRANT	47-2310-53300	\$ 100,000	\$ 97,552.36	98%	\$ 2,448
C/O EQUIPMENT - JET TUG AND GPU	47-2300-58000	75,000	-	0%	75,000
CAPITAL OUTLAY	47-2300-58174	200,000	8,259	4%	191,741
C/O BLDG & FACILITY - JET HANGAR	47-2300-58400	1,000,000	33,439	3%	966,561
C/O LAND - DECEL LANE	47-2300-58500	90,000	-	0%	90,000
GUIDING DOCUMENTS	47-2300-58550	22,000	-	0%	22,000
FUTURE PLAN	47-2300-58550	20,000	-	0%	20,000
CARES ACT GRANT	47-2300-58550	30,000	-	0%	30,000
		1,537,000	139,250	9%	\$ 1,397,750
		-			

BALANCE TO BE FUNDED FROM:		
OPERATING RESERVES	OTHER SOURCES	TOTAL
\$ -	\$ 2,448	\$ 2,448
-	75,000	75,000
-	191,741	191,741
-	966,561	966,561
-	90,000	90,000
-	22,000	22,000
-	20,000	20,000
-	30,000	30,000
\$ -	\$ 1,397,750	\$ 1,397,750

TOTAL CAPITAL/OTHER PROJECTS					
		CURRENT BUDGET 2021-2022	FYTD JUN ACTUAL EXPENSES	% complete	REMAINING BALANCE FOR 2021-2022
TOTAL CAPITAL/OTHER PROJECTS		\$ 12,071,801	\$ 3,098,875	26%	\$ 9,050,200
TRANSFER TO CAP EQUIP RESERVES		-	-	0%	-
TOTAL CAPITAL/OTHER		\$ 12,071,801	\$ 3,098,875	26%	\$ 9,050,200

BALANCE TO BE FUNDED FROM:		
OPERATING RESERVES	OTHER SOURCES	TOTAL
\$ 3,142,449	\$ 5,907,750	\$ 9,050,200
-	-	-
\$ 3,142,449	\$ 5,907,750	\$ 9,050,200

¹ Updated per Budget Amendments.

City of Burnet

Financial Report

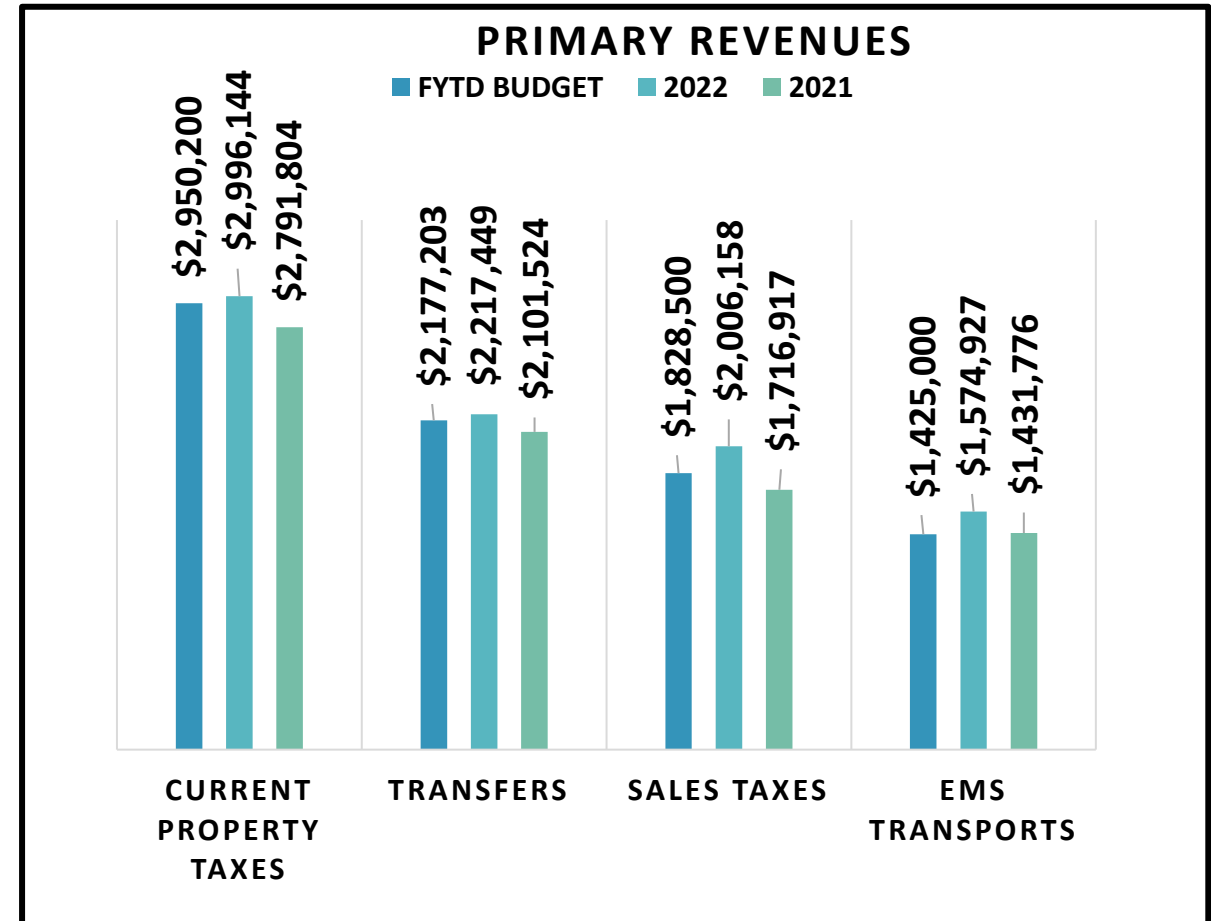
YTD June 30, 2022

FY 2022

General Fund

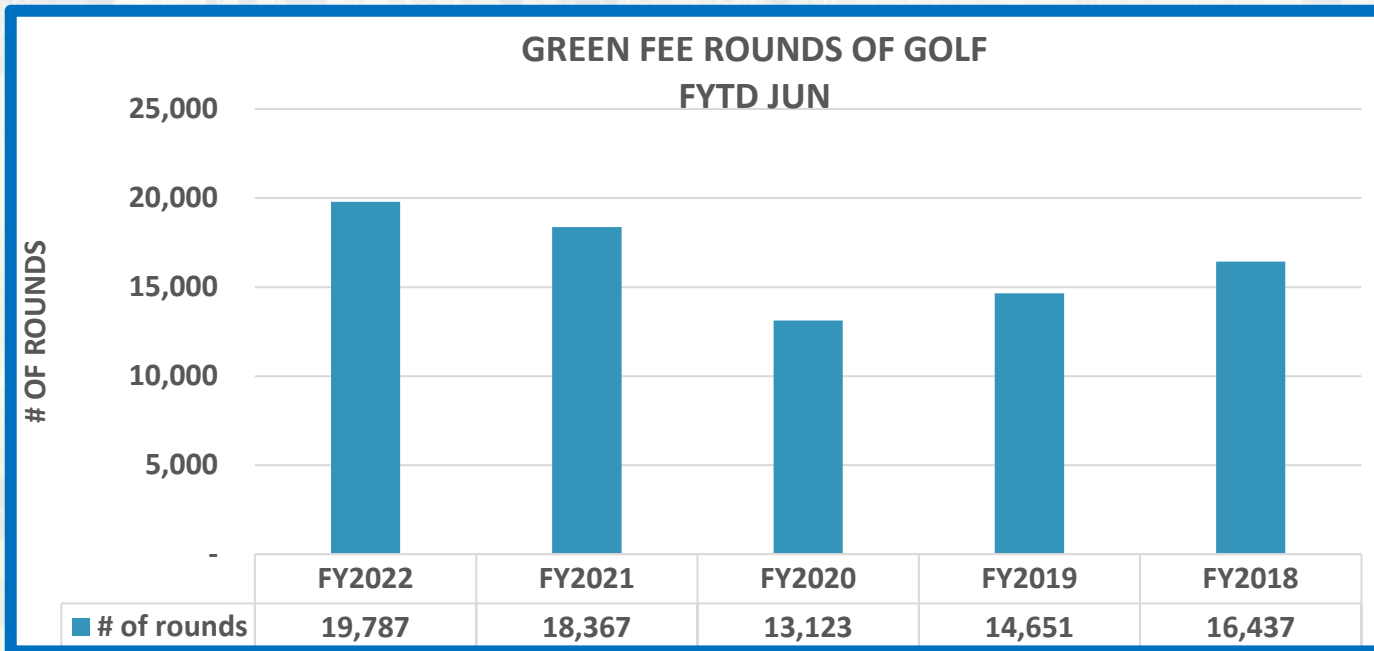
	Annual Budget	Actual FYTD June 2022	% of Budget
Revenues	\$13,098,563	\$11,043,683	84%
Expenses	12,873,612	9,438,540	73%
Profit(Loss)	\$224,951	\$1,605,143	

- Revenues – tracking above budget at 84%
 - *Property Tax Collections*
Equal to 101% of budget: Increased \$204,000 over prior year
 - *Transfers In*
Increased \$116,000 over prior year, on track with budget
 - *Sales Tax Collections*
Increased \$289,000 over prior year, above budget by \$178,000
 - *EMS Transport Revenues*
Increased \$143,000 over prior year, above budget by \$150,000
- Expenses – on track for the period at 73%



Golf Fund

	Annual Budget	Actual FYTD June 2022	% of Budget
Revenues	\$1,470,651	\$1,507,319	102%
Expenses	1,562,218	1,199,164	77%
Profit(Loss)	\$(91,567)	\$308,155	



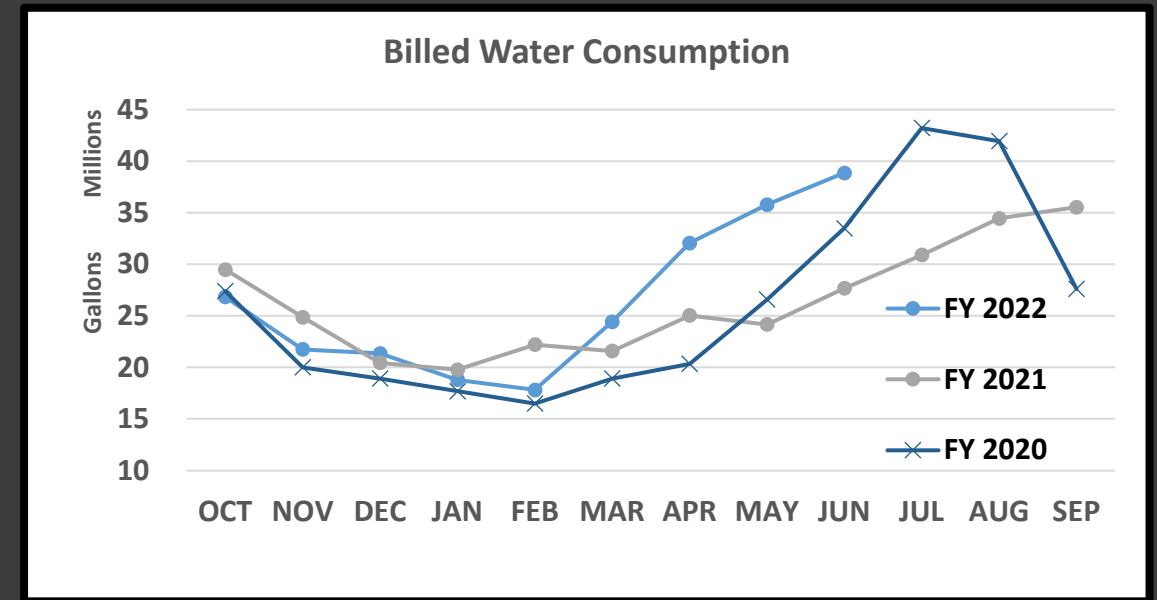
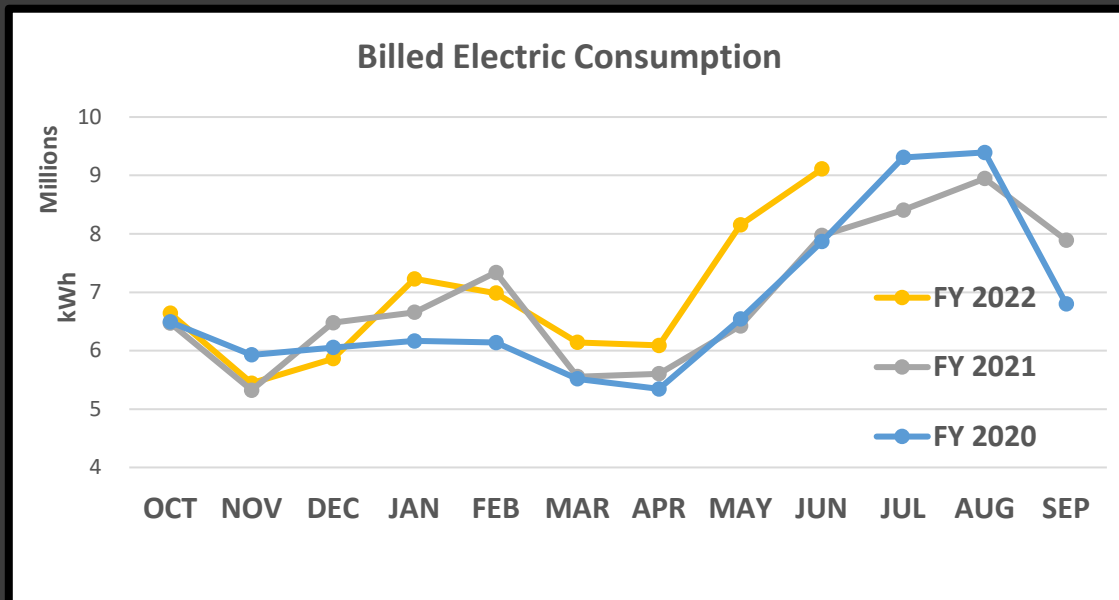
YTD Average Revenue Per Round*
Current Year \$37.41
Prior Year \$32.61

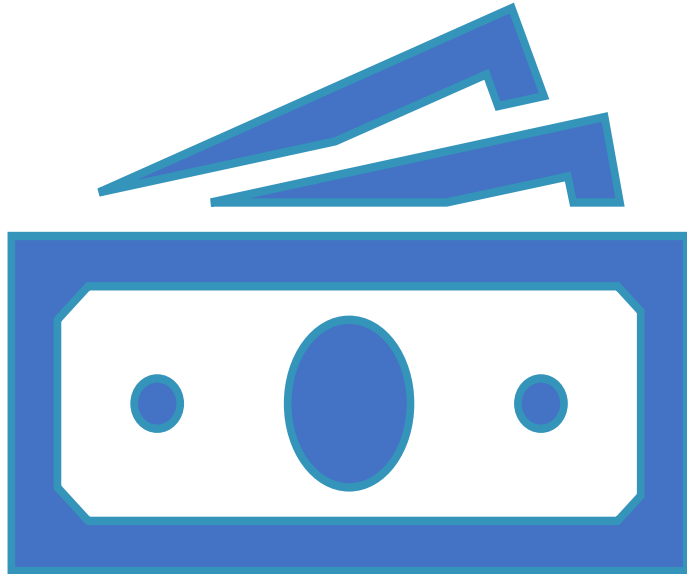
**Increase due to fewer rounds being traded with Golf Now; and a decrease in the number of "prime time" green fee rounds being discounted.*

Utility Funds

ELECTRIC FUND	Annual Budget	Actual FYTD June 2022	% of Budget
Revenues	\$4,034,144	\$3,025,776	75%
Expenses	3,635,322	2,668,544	73%
Profit(Loss)	\$398,822	\$357,232	

WATER FUND	Annual Budget	Actual FYTD June 2022	% of Budget
Revenues	\$4,500,420	\$3,384,347	75%
Expenses	4,096,025	2,804,592	68%
Profit(Loss)	\$404,395	\$579,755	





As of June 30, 2022

Unrestricted Cash Balance

Unrestricted Cash	\$ 9,044,429
Less 90-day Reserve	<u>4,222,000</u>
Unrestricted Cash Over Reserve	<u>\$ 4,822,429</u>

Note: There is \$3.1M remaining in budgeted capital projects for this fiscal year.

Restricted by Council Cash Balance

Capital Equipment Reserve	\$ 551,759
Self Funded Equip. Reserve	1,408,437
SLFRF – American Rescue Plan Funds	<u>795,193</u>
	<u>\$ 2,755,389</u>

Questions?



STATE OF TEXAS {}
COUNTY OF BURNET {}
CITY OF BURNET {}

On this the 12th day of July, 2022, the City Council of the City of Burnet convened in Regular Session, at 6:00 p.m. the City of Burnet Council Chambers located at 2402 S. Water Street (Hwy 281 South, Burnet Municipal Airport) Burnet, Tx. thereof with the following members present, to-wit:

Mayor Crista Goble Bromley
Council Members Dennis Langley, Philip Thurman, Mary Jane Shanes, Cindia Talamantez, Ricky Langley, Joyce Laudenschlager
City Manager David Vaughn
City Secretary Kelly Dix

Guests: Habib Erkan, Mark Miller, Patricia Langford, Tony Nash, Leslie Kimbler, Brian Lee, Alan Burdell, Maria Gonzales, Valerie Barbarec, Ron Bourue, Josh Godwin, Nathan Bush

Call to Order: Mayor Bromley called the meeting to order at 6:00 p.m.

INVOCATION: Led by Mayor Crista Goble Bromley

PLEDGES (US & TEXAS): Led by Council Member Cindia Talamantez

SPECIAL REPORTS/RECOGNITION: None.

CONSENT AGENDA ITEMS:

(All of the following items on the Consent Agenda are considered to be self-explanatory by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member, staff member or citizen requests removal of the item from the consent agenda for the purpose of discussion. For removal of an item, a request must be made to the Council when the Consent Agenda is opened for Council Action.)

Approval of the June, 28, 2022, Regular City Council Meeting Minutes:

Council Member Cindia Talamantez made a motion to approve the consent agenda as presented. Council Member Joyce Laudenschlager seconded. The motion carried unanimously.

PUBLIC HEARINGS/ACTION:

FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING CODE OF ORDINANCES, CHAPTER 118 (ENTITLED "ZONING") FOR THE PURPOSE OF RESTRICTING TRAILER CAMPS AND RV PARK USES TO HEAVY COMMERCIAL – DISTRICT "C-3" WITH A CONDITIONAL USE PERMIT; PROVIDING FOR PENALTY; PROVIDING CUMULATIVE, REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE: Council passed on this item. No action taken.

FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF BURNET, TEXAS, AMENDING CITY OF BURNET CODE OF ORDINANCES, CHAPTER 118 (ENTITLED "ZONING") BY AMENDING SEC. 118-25 (ENTITLED "SINGLE-FAMILY RESIDENTIAL — DISTRICT 'R-1') BY INCREASING THE MINIMUM LIVING AREA REQUIRED IN THE SINGLE-FAMILY RESIDENTIAL DISTRICT 'R-1'; PROVIDING FOR PENALTY; PROVIDING CUMULATIVE, REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE: Leslie Kimbler, City Planner presented the item to Council to conduct the public hearing, discuss and take action on the first reading of Ordinance 2022-35.

Public Hearing: Mayor Bromley opened the public hearing at 6:06 p.m. and asked if anyone was interested in speaking, if so to approach the podium. Council Member Philip Thurman requested clarification on implementation pertaining to currently approved plans. Ms. Kimbler responded that this would not apply to already approved construction projects. There being no one else wishing to speak, Mayor Bromley closed the public hearing at 6:08

Consideration and action: Council Member Cindia Talamantez moved to approve the first reading of Ordinance No. 2022-35 as presented. Council Member Mary Jane Shanes seconded. The motion carried unanimously.

FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL ZONING MAP OF THE CITY BY ASSIGNING 75.87 ACRES OF REAL PROPERTY LOCATED WEST OF THE CITY LIMITS AND SOUTH OF TEXAS HWY 29 WITH PLANNED UNIT DEVELOPMENT/MANUFACTURE HOUSING ZONING CLASSIFICATION; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE: Leslie Kimbler, City Planner presented the item to Council to conduct the public hearing, discuss and take action on the first reading of Ordinance 2022-36.

Public Hearing: Mayor Bromley opened the public hearing at 6:12 p.m. and asked if anyone was interested in speaking, if so to approach the podium. There being no one else wishing to speak, Mayor Bromley closed the public hearing at 6:13.

Consideration and action: Council Member Mary Jane Shanes moved to approve the first reading of Ordinance No. 2022-36 as presented. Council Member Cindia Talamantez seconded. The motion carried unanimously.

FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL ZONING MAP OF THE CITY BY ASSIGNING THE PROPERTY AT 1603 BUCHANAN DRIVE (LEGALLY DESCRIBED AS: ABS A0405 JOHN HAMILTON, 1.036 ACRES) WITH HEAVY COMMERCIAL – DISTRICT “C-3” CLASSIFICATION; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE: Leslie Kimbler, City Planner presented the item to Council to conduct the public hearing, discuss and take action on the first reading of Ordinance 2022-37.

Public Hearing: Mayor Bromley opened the public hearing at 6:14 p.m. and asked if anyone was interested in speaking, if so to approach the podium. There being no one else wishing to speak, Mayor Bromley closed the public hearing at 6:16.

Consideration and action: Council Member Cindia Talamantez moved to approve the first reading of Ordinance No. 2022-37 as presented. Council Member Joyce Laudenschlager seconded. The motion carried unanimously.

ACTION ITEMS:

Discuss and consider action: Request to purchase breaching equipment, shields, distractionary devices and an under-door camera for the Burnet Police Department: B. Lee: Council Member Philip Thurman made a motion to approve the purchase of the breaching equipment, shields, distractionary devices and an under-door camera for the Burnet Police Department as presented in an amount not to exceed \$25,000.00. Council Member Dennis Langley seconded. The motion carried unanimously.

Discuss and consider action: Appointment of a City Council Committee to collaborate with staff regarding a possible expansion of Entegris: D. Vaughn: Mayor Crista Goble Bromley called for nominations to serve on the Council/Staff Committee for the Entegris Expansion Project. Council Member Philip Thurman nominated Council Member Ricky Langley. Council Member Cindia Talamantez nominated Council Member Joyce Laudenschlager. Council Member Philip Thurman moved to appoint Council Members Ricky Langley and Joyce Laudenschlager to serve on the Council/Staff Committee for the Entegris Expansion Project. Council Member Mary Jane Shanes seconded. The motion carried unanimously.

Discuss and consider action: A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, TERMINATING A PROFESSIONAL SERVICE AGREEMENT WITH THE FIRM FREESE AND NICHOLS TO PROVIDE PROFESSIONAL PLANNING SERVICES RELATED TO CREATING A NEW COMPREHENSIVE PLAN FOR THE CITY OF BURNET: H. Erkan: Council Member Mary Jane Shanes moved to adopt Resolution R2022-58 as presented. Council Member Joyce Laudenschlager seconded. The motion carried unanimously.

Discuss and consider action: Proposed contract with Burnet County for 2022/2023 Election Services: K. Dix: Council Member Philip Thurman moved to approve the 2022/2023 Election Services Contract with Burnet County Election Administration as presented. Council Member Mary Jane Shanes seconded. The motion carried unanimously.

Discuss and consider action: FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS AMENDING THE CODE OF ORDINANCES; CHAPTER 18 (ENTITLED “AVIATION”) BY AMENDING ARTICLE II (ENTITLED “MUNICIPAL AIRPORT”) BY AND PROVIDING REVISIONS TO DIVISION 2 (ENTITLED “RULES AND REGULATIONS”); PROVIDING FOR PENALTY; PROVIDING CUMULATIVE, CORRELATIVE, REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE: A. Field: Council Member

Joyce Laudenschlager moved to approve the first reading of Ordinance No. 2022-33 as presented. Council Member Cindia Talamantez seconded. The motion carried unanimously.

REQUESTS FROM COUNCIL FOR FUTURE REPORTS: In accordance with Resolution R2020-28 councilmembers may request the City Manager to prepare and present future report on matters of public interest:
None.

ADJOURN: There being no further business a motion to adjourn was made by Council Member Mary Jane Shanes at 6:33 p.m. seconded by Council Member Cindia Talamantez. The motion carried unanimously.

Crista Goble Bromley, Mayor

ATTEST:

Kelly Dix, City Secretary



Development Services

ITEM 4.1

Leslie Kimbler
Planner
512-715-3215
lkimbler@cityofburnet.com

Action

Meeting Date: July 26, 2022

Agenda Item: Discuss and consider action: SECOND AND FINAL READING OF AN ORDINANCE OF THE CITY COUNCIL OF BURNET, TEXAS, AMENDING CITY OF BURNET CODE OF ORDINANCES, CHAPTER 118 (ENTITLED "ZONING") BY AMENDING SEC. 118-25 (ENTITLED "SINGLE-FAMILY RESIDENTIAL — DISTRICT 'R-1') BY INCREASING THE MINIMUM LIVING AREA REQUIRED IN THE SINGLE-FAMILY RESIDENTIAL DISTRICT 'R-1'; PROVIDING FOR PENALTY; PROVIDING CUMULATIVE, REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE: L. Kimbler

Background: On February 22, 2022, City Council adopted Ordinance No. 2022-15 which increased the minimum lot size of Single-Family Residential – District "R-1" properties.

Information: In order to facilitate compatibility between the increased R-1 lot size requirement and the size of residential structures to be constructed on such zoned lots, it would be appropriate to increase the minimum living area square footage in the R-1 Zoning District.

The proposed amendment increases the minimum living area for R-1 zoned lots from 1100 square feet to 1350 square feet.

This amendment also helps to ensure that any future growth continues to preserve the hill country atmosphere that individuals and families, who reside and move to Burnet, enjoy.

Fiscal Impact No fiscal impact is anticipated.

P&Z Report Planning and Zoning is meeting on Monday, July 11th; staff will present P&Z's recommendation at the City Council meeting.

Recommendation: Approve and adopt Ordinance 2022-35 as presented.

ORDINANCE NO. 2022-35

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING CITY OF BURNET CODE OF ORDINANCES, CHAPTER 118 (ENTITLED “ZONING”) BY AMENDING SEC. 118-25 (ENTITLED “SINGLE-FAMILY RESIDENTIAL — DISTRICT “R-1”) BY INCREASING THE MINIMUM LIVING AREA REQUIRED IN THE SINGLE-FAMILY RESIDENTIAL DISTRICT “R-1”; PROVIDING CUMULATIVE, REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Code of Ordinances provides for “R-1”, “R-1 E”, and “R-6” single family zoning districts, and

WHEREAS, City Council finds that individuals and families reside and move to Burnet to enjoy the agrarian hill country atmosphere the community provides; and

WHEREAS, City Council adopted Ordinance No. 2022-15, inter alia to preserve the community’s agrarian hill country ambiance, which its citizens enjoy, by increasing the minimum lot width and lot size in the R-1 Single Family Zoning District; and

WHEREAS, City Council finds, in order to facilitate compatibility between the increase R-1 lot size requirement and the size of residential structures to be constructed on lots so zoned it appropriate to increase the minimum living area square footage in the density the R-1 Single Family Zoning District; and

WHEREAS, on July 5, 2022, the Planning and Zoning Commission conducted a public hearing to receive comments and testimony on the merits of the code amendments proposed by this ordinance; and

WHEREAS, at the conclusion of the public hearing, the Planning and Zoning Commission made a recommendation to City Council as to the merits of the proposed code amendments; and

WHEREAS, on July 12, 2022, City Council conducted a public hearing; to receive comments and testimony on the merits of the proposed code amendments; and

WHEREAS, the City Council, after due consideration of the Planning and Zoning Commission recommendation; the comments and testimony of public; and the recommendation of City staff; finds adoption of the proposed code amendments will promote the public health, safety, morals, and the general welfare; and

WHEREAS, City Council, finds, determines, and declares that publication of notice of this Ordinance, as required by Section 3.14 of the City Charter and the laws of the State of Texas, was made by the City Secretary within the period prescribed by Section 3.14; and.

WHEREAS, City Council, finds, determines, and declares that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given as required by Chapter 551 of the Texas Government Code.

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

Section one. Amendment. The City Code of Ordinances Sec. 118-25 (entitled “Single-family residential 1—District “R-1””) is hereby amended by replacing subsection (a) in its entirety with the following:

Sec. 118-25. Single-family residential — District "R-1" and District “R-6”:

- (a) *Purpose and permitted uses.* Single-family residential District "R-1" and District “R-6” permits detached single-family dwellings with a minimum living area and minimum lot size as follows:

Table 118-25(1)

Single-family residential — District	Minimum living area:	Minimum lot size:
"R-1"	1350 square feet	9000 square feet
"R-6"	1100 square feet	7600 square feet

Note to publisher: Section 118-25 subsections (b) (c) and (d) shall remain in full force and effect as stated prior to the adoption of this ordinance. This note shall not be published in Code.

Section two. Findings. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

Section three. Penalty. A violation of this ordinance is unlawful and subject to City Code of Ordinances Sec. 1-6 (entitled “general penalty”).

Section four. Cumulative. This ordinance shall be cumulative of all provisions of all ordinances and codes, or parts thereof, except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinances, in which event Section 5, (entitled “Repealer”) shall be controlling.

Section five. Repealer. All ordinances and codes, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters resolved herein.

Section six. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Ordinance would have been enacted without such invalid provision.

Section seven. Publication. The publishers of the City Code are authorized to amend said Code to reflect the changes adopted herein and to correct typographical errors and to format and number paragraphs to conform to the existing Code.

Section eight. Effective Date. This Ordinance shall be effective upon the date of final adoption hereof and publication as required by law.

Passed on first reading on the 12th day of July 2022

Passed, Approved and Adopted on the 26th day of July 2022

CITY OF BURNET

Crista Goble Bromley, Mayor

ATTEST:

Kelly Dix, City Secretary



Development Services

ITEM 4.2

Leslie Kimbler
Planner
512-715-3215
lkimbler@cityofburnet.com

Action

Meeting Date: July 26, 2022

Agenda Item: Discuss and consider action: SECOND AND FINAL READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL ZONING MAP OF THE CITY OF BURNET BY ASSIGNING 75.87 ACRES OF REAL PROPERTY LOCATED IN THE CITY LIMITS AND SOUTH OF TEXAS HWY 29 WITH PLANNED UNIT DEVELOPMENT/MANUFACTURED HOUSING ZONING CLASSIFICATION; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE: L. Kimbler

Background: On September 24, 2021, City Council approved the annexation of 75.87 acres located west of the city limits and south of Hwy 29 (Exhibit A), to be known as Hilltop Oaks Subdivision. This subdivision entered into a Development Agreement, with Council, that would allow up to 92 one-half acre lots zoned as Planned Unit Development/Manufactured Home Subdivision.

Information: This tract is currently undeveloped; at the time of annexation, it was assigned a temporary zoning of R-1 for Single-Family Residential. Per the Development Agreement, this is a city-initiated request to assign permanent PUD/Manufactured Housing zoning of the 75.87-acre tract. The purpose of the PUD zoning is to ensure the requirements set out in the Development Agreement are met.

The details of the Planned Unit Development are outlined below:

(a) **Lots.** All lots within the Property shall conform to the lot dimension requirement in Table 1 below:

Front Yard Setback	Side Yard Setback	Street Side Yard Setback	Rear Yard Setback	Min. Lot Area ¹	Min. Lot Width	Max. Height Limit	Minimum street frontage ²
30'	15'	15'	25'	21,780'	60'	35'	100' ³

- 1 Minimum area shall be measured in square feet and all other measurements on table one shall be measured by linear feet.
- 2 Minimum street frontage width shall not apply to lots fronting subdivision.

(b) **Use.** Permitted uses are those uses authorized in City Code of Ordinances Sec. 118-25 (entitled “single-family residential – Districts “R-1”, “R—6”, R-15”, and “R-20”; and those uses authorized in City Code of Ordinances Sec. 118-38 (entitled “*manufactured home – district ‘M-1’*”).

(c) **Dwelling unit requirements.** Dwelling units (“homes”) established within the Property shall comply with the following:

- (1) Each home shall be located on a separate subdivided lot with a minimum lot size of not less than one-half acre.
- (2) All homes shall be placed on a permanent concrete foundation;
- (3) All homes shall have a 2 car garage;
- (4) All homes shall have rock underpinning on front and two sides;
- (5) All homes shall have covered front decks at entry;
- (6) All homes shall be restricted from having anything placed or stored in front yard; and
- (7) All homes shall install privacy fence if anything is placed or stored in back or side yards so as not to be visible from the street.

(d) **Infrastructure requirements:** Infrastructure supporting the Property shall comply with the following:

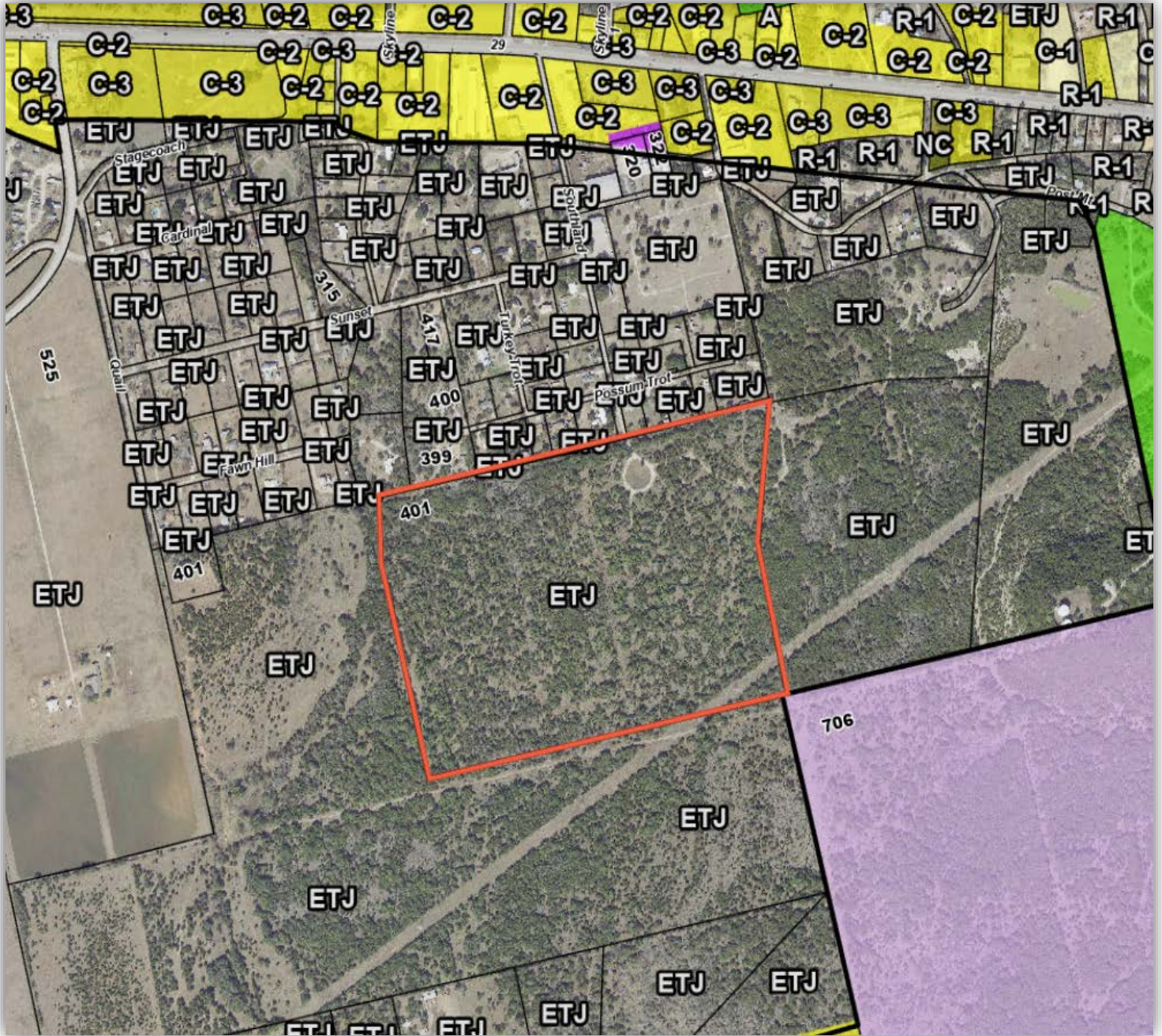
- (1) Streets shall be constructed to city code standards but shall be private streets maintained by a homeowners association (“HOA”) that shall be established in accordance with Title 11 of the Texas Property Code;
- (2) Drainage facilities shall be constructed to city code standards but shall be maintained by the HOA;
- (3) Water service to be provided by city in accordance with city code construction standards and fee requirements;
- (4) Park fee shall be paid in lieu of parkland dedication; and
- (5) Sanitary sewer will be served by onsite septic systems constructed and maintained to city code and state laws and administrative standards.

Public Notification: Written notices were mailed to two (2) surrounding property owners within 200 feet of the subject property within the city limits. There have been zero responses in favor and zero responses in opposition.

P&Z Report Planning and Zoning is meeting on Monday, July 11th; staff will present P&Z’s recommendation at the City Council meeting.

Recommendation: Approve and Adopt Ordinance 2022-36 as presented.

Exhibit "A"
Location



ORDINANCE NO. 2022-36

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL ZONING MAP OF THE CITY BY ASSIGNING 75.87 ACRES OF REAL PROPERTY LOCATED IN THE CITY LIMITS AND SOUTH OF TEXAS HWY 29 WITH PLANNED UNIT DEVELOPMENT/MANUFACTURED HOUSING ZONING CLASSIFICATION; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council, by the passage and approval of Ordinance No. 2021-01, affixed the zoning classifications for each and every property located within the city in accordance with the Official Zoning Map as approved with said ordinance; and

WHEREAS, the purpose of this Ordinance is to amend the Official Zoning Map by amending the zoning classification of the Real Property (“Property”) described herein; and

WHEREAS, by that certain Development Agreement recorded in the Public Records of Burnet County, Texas, on April 20, 2021, as Document No. 202106364, the property owner and City Council agreed that an ordinance designating the Property as a Planned Unit Development/Manufactured Housing would be presented to City Council; and

WHEREAS, City Council by entering into the Development Agreement did not bargain away its discretion to approve or reject this ordinance, but rather agreed to consider this ordinance; and

WHEREAS, the Planning and Zoning Commission, after conducting a public hearing on the matter, deliberated the merits of the proposed amendment of zoning classification and has made a report and recommendation to City Council; and

WHEREAS, in passing and approving this ordinance it is legislatively found the Planning and Zoning Commission and City Council complied with all notice, hearing and meetings requirements set forth in Texas Local Government Chapter 211; Texas Government Code Chapter 551, the City Charter; and Chapter 118, of the Code of Ordinances; and

WHEREAS, it is further legislatively found that this proposed zoning reclassification of property does not require an amendment to the Future Land Use Plan; and

WHEREAS, City Council, after considering the testimony and comments of the public, reports and recommendations of City Staff and the Planning and Zoning Commission, and the deliberation of its members, by passage and approval of this Ordinance hereby determines the action taken herein is meritorious and beneficial to the public health, safety and welfare.

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

Section one. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted and made a part hereof for all purposes as findings of fact.

Section two. Property. The Property that is the subject to this Zoning District Reclassification is a 75.87-acre tract of land out of the John Hamilton Survey No. 1, Abstract No. 405, Burnet County, Texas as shown on **Exhibit “A”** hereto.

Section three. Zoning District Reclassification. Pursuant to City Code Section 118-51(entitled “*Planned Unit Development – “PUD” district*) the Property shall be classified as a Planned Unit Development Manufactured Homes Zoning District; and pursuant to City Code Section 118-51(d) “Rules” applicable to the Property shall be as follows:

(e) **Lots.** All lots within the Property shall conform to the lot dimension requirement in Table 1 below:

Front Yard Setback	Side Yard Setback	Street Side Yard Setback	Rear Yard Setback	Min. Lot Area ¹	Min. Lot Width	Max. Height Limit	Minimum street frontage ²
30'	15'	15'	25'	21,780'	60'	35'	100' ³

¹ Minimum area shall be measured in square feet and all other measurements on table one shall be measured by linear feet.

² Minimum street frontage width shall not apply to lots fronting subdivision.

(f) **Use.** Permitted uses are those uses authorized in City Code of Ordinances Sec. 118-25 (entitled “single-family residential – Districts “R-1”, “R—6”, R-15”, and “R-20”); and those uses authorized in City Code of Ordinances Sec. 118-38 (entitled “*manufactured home – district ‘M-1’*”).

(g) **Dwelling unit requirements.** Dwelling units (“homes”) established within the Property shall comply with the following:

(8) Each home shall be located on a separate subdivided lot with a minimum lot size of not less than one-half acre.

(9) All homes shall be placed on a permanent concrete foundation;

(10) All homes shall have a 2 car garage;

(11) All homes shall have rock underpinning on front and two sides;

(12) All homes shall have covered front decks at entry;

(13) All homes shall be restricted from having anything placed or stored in front yard; and

(14) All homes shall install privacy fence if anything is placed or stored in back or side yards so as not to be visible from the street.

(h) **Infrastructure requirements:** Infrastructure supporting the Property shall comply with the following:

- (6) Streets shall be constructed to city code standards but shall be private streets maintained by a home owners association ("HOA ") that shall be established in accordance with Title 11 of the Texas Property Code;
- (7) Drainage facilities shall be constructed to city code standards but shall be maintained by the HOA;
- (8) Water service to be provided by city in accordance with city code construction standards and fee requirements;
- (9) Park fee shall be paid in lieu of parkland dedication; and
- (10) Sanitary sewer will be served by onsite septic systems constructed and maintained to city code and state laws and administrative standards.

Note: The Rules applicable to this PUD in no ways waives the requirements of the City's subdivision ordinance and the subdivision of the property shall be required to comply with the requirements of said subdivision ordinance.

Section four. Zoning Map Revision. The City Secretary is hereby authorized and directed to revise the Official Zoning Map to reflect the change in Zoning District Classification approved by this Ordinance.

Section five. Repealer. Other ordinances or parts of ordinances in conflict herewith are hereby repealed only to the extent of such conflict.

Section six. Severability. City Council's approval of the annexation facilitating the creation of this PUD, and the adoption of this PUD ordinance is given in reliance on the Property Owner's representation in that certain Development Agreement recorded as Document No. 202106364 of the Public Records of Burnet County, Texas. Therefore, this Ordinance is not severable; and should any word, phrase or provision of this Ordinance be invalidated by a court of competent jurisdiction the actions taken by this Ordinance shall become void and the Property shall be reclassified as single-family residential R-20; it being the intent of Council, after compliance with the notice and hearing requirements of Texas Local Government Code Chapter 211, that this Property only receive the PUD designation if all requirements of this Ordinance are follow; and, that should any requirement of this Ordinance not be followed the zoning classification of the Property shall be single-family residential R-20.

Section seven. Effective Date. This ordinance is effective upon final passage and approval.

PASSED on First Reading the 12th day of July 2022.

PASSED AND APPROVED on this the 26th day of July 2022.

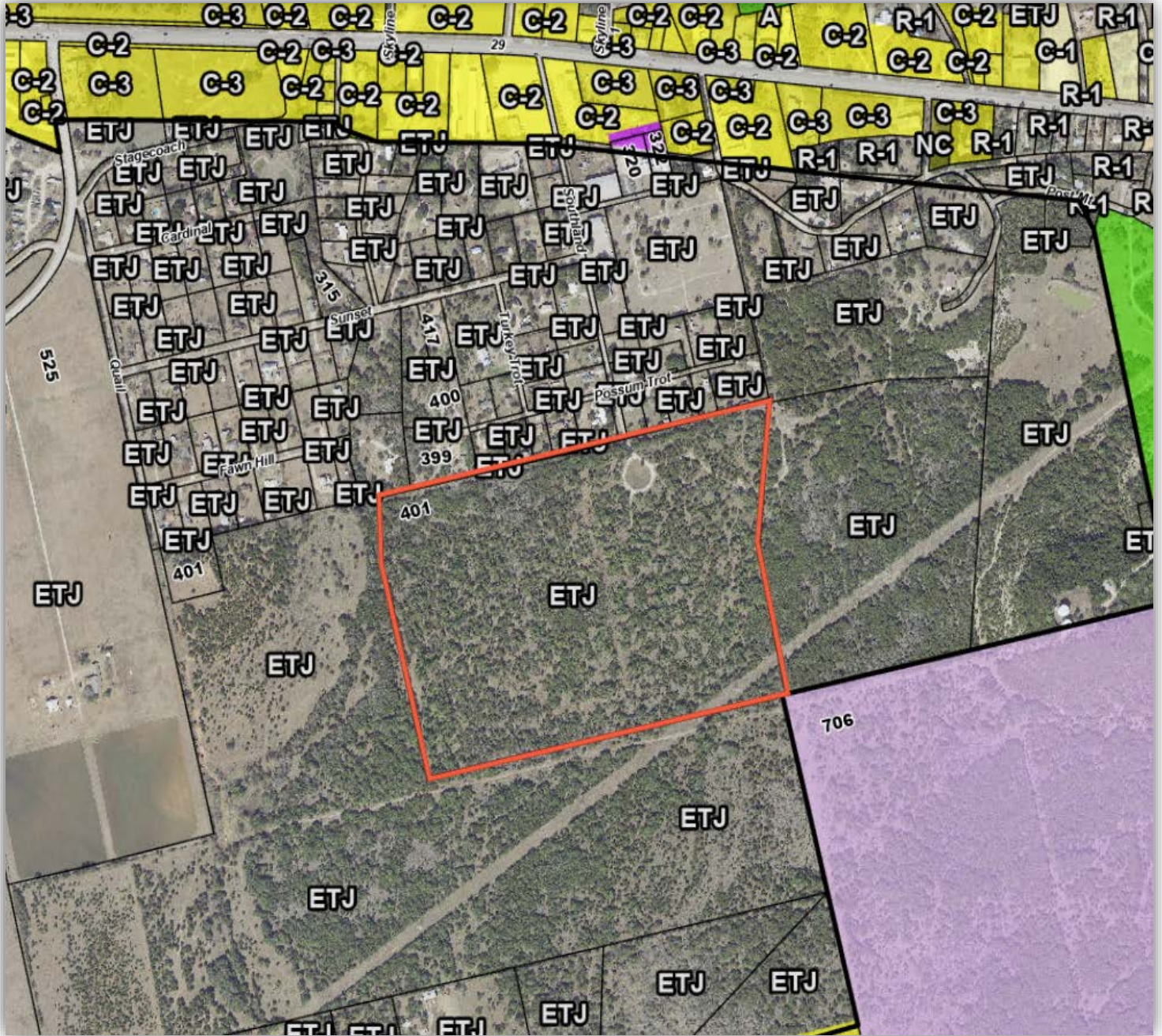
CITY OF BURNET, TEXAS

Crista Goble Bromley, Mayor

ATTEST:

Kelly Dix, City Secretary

Exhibit "A"
Location



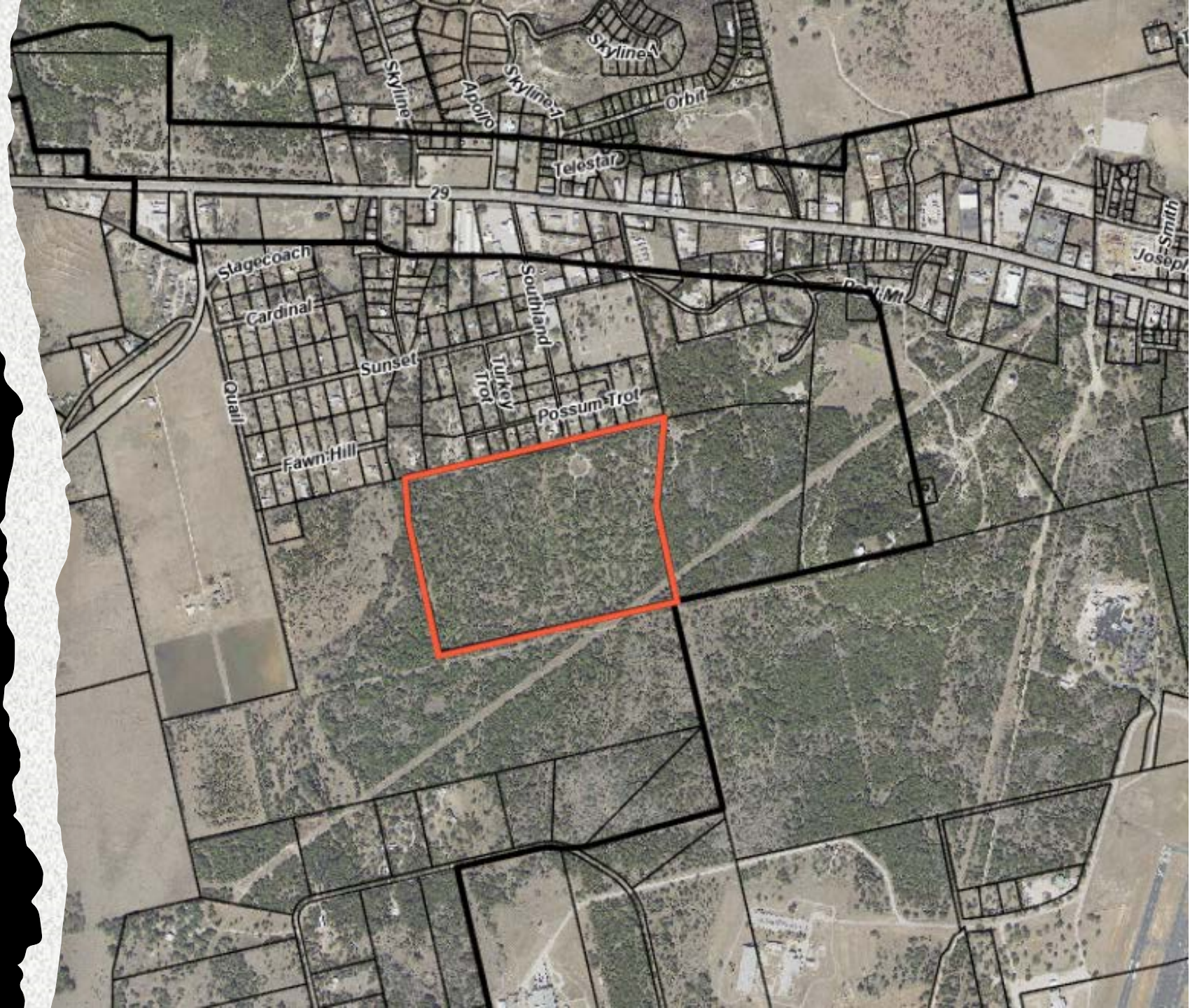
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL ZONING MAP OF THE CITY OF BURNET BY ASSIGNING 75.87 ACRES OF REAL PROPERTY LOCATED IN THE CITY LIMITS AND SOUTH OF TEXAS HWY 29 WITH PLANNED UNIT DEVELOPMENT/MANUFACTURED HOUSING ZONING CLASSIFICATION; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

▪ **Council approved annexation of 75.87 acres on 9/24/2021**

▪ **Development agreement allows 92 ½-acre lots**

Details set out in Development Agreement:

- **Lot dimensions & setbacks**
- **Permitted Uses**
- **Dwelling Unit Requirements**
- **Infrastructure Requirements**





Discuss

Approve and adopt
Ordinance 2022-36 as
presented



Development Services

ITEM 4.3

Leslie Kimbler
Planner
512-715-3215
lkimbler@cityofburnet.com

Action/Public Hearing

Meeting Date: July 26, 2022

Agenda Item: Discuss and consider action: SECOND AND FINAL READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL ZONING MAP OF THE CITY OF BURNET BY ASSIGNING THE PROPERTY AT 1603 BUCHANAN DRIVE (LEGALLY DESCRIBED AS: ABS A0405 JOHN HAMILTON, 1.036 ACRES) WITH HEAVY COMMERCIAL – DISTRICT “C-3” CLASSIFICATION; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE: L. Kimbler

Background: The subject property is located along State Highway 29 West (Exhibit A). The property is currently zoned as Neighborhood Commercial – District “NC” with a vacant small commercial building that had once been utilized as an eye clinic.

Information: The applicant owns the Bluebonnet Veterinary Clinic at the adjacent property located to the east of the subject property; this adjacent property is zoned as Heavy Commercial – District “C-3”. The applicant is requesting the rezone of the subject property to allow them to expand their existing business (Exhibit C).

Section 118-47: Heavy Commercial - District “C-3”, of the City Code, allows for “Veterinary services and hospital” which is defined as:
“An establishment offering veterinary services and clinics for pets, small and/or large animals. Typical uses include pet clinics, care, treatment and temporary housing of livestock and large animals, with temporary housing of large animals permitted in an attached or adjacent roofed building, with three or more sides having walls or a solid fence extending from the foundation to at least $\frac{3}{4}$ of the distance to the roof line”

Additionally, Section 118-46: Medium Commercial – District “C-2”, of the City Code, allows for “Small animal clinic/veterinary services” which is defined as:
“An establishment offering veterinary services and clinics for pets and small domestic animals, with all activities and work in-doors.”

Minimum lot size for District “C-3” is 15,000 square feet with a minimum lot width of 50 feet. The subject property is 45,128 square feet and an approximate lot width of 100 feet; therefore, this lot does meet the minimum size requirements for District “C-3”.

The property abuts a major arterial road and the existing water, sewer, and electric services in the area are adequate to serve the proposed use.

Staff Analysis: The Future Land Use Map (Exhibit B) designation for the area is Commercial. The request for the Commercial designation is appropriate.

Properties adjacent to the subject property are zoned as follows:

	North	South	East	West
Zoning	“C-2”	“ETJ”	“C-3”	“C-3”
FLUM	Commercial	Residential	Commercial	Commercial
Land Use	Residential	Residential	Veterinary Clinic	Welding Shop

Public Notification: Written notices were mailed to eleven (11) surrounding property owners within 200 feet of the subject property within the city limits. There have been zero responses in favor and zero responses in opposition.

P&Z Report Planning and Zoning is meeting on Monday, July 11th; staff will present P&Z’s recommendation at the City Council meeting.

Recommendation: Discuss and consider first reading of Ordinance 2022-37 as presented.

Exhibit "A"
Location & Current Zoning Map

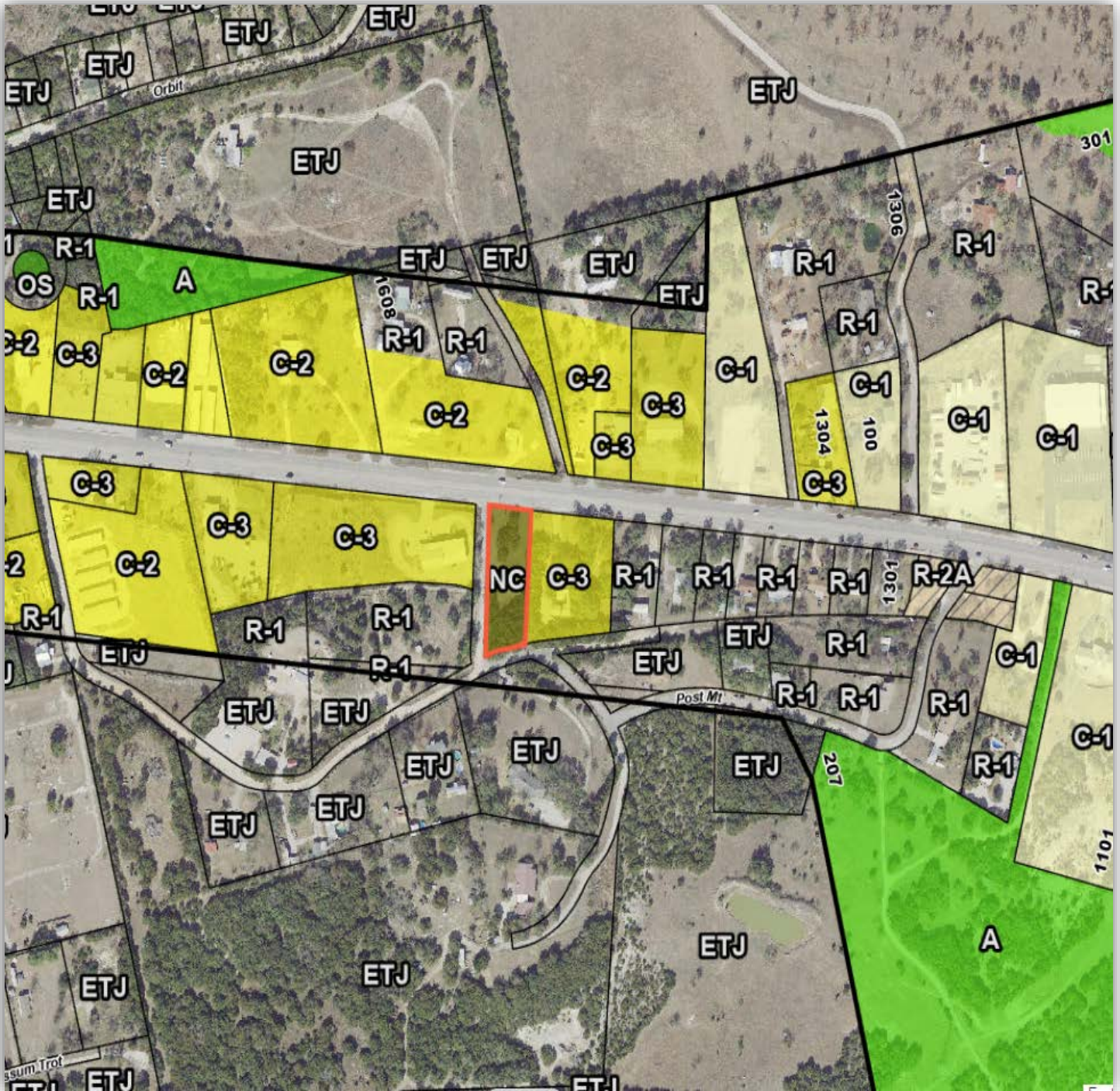


Exhibit "B"
Future Land Use Map



Exhibit "C"
Letter from applicant

June 23, 2022

City of Burnet,

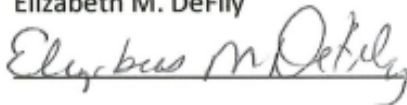
We wish to have the building at 1603 Buchanan Dr., Burnet, TX 78611 rezoned to C-3. Our intent is to use the building to expand our existing business, Bluebonnet Veterinary Clinic, LLC, which is located at 1601 Buchanan Dr, Burnet, TX 78611. By having the building at 1603 Buchanan zoned the same as the clinic we would have the flexibility to expand any of our services, including but not limited to, grooming, office space, exam rooms, surgery or indoor kennel space.

Thank you,

David V. DeFily



Elizabeth M. DeFily



DeS Properties, LLC

PO Box 957, Burnet, TX 78611

ORDINANCE NO. 2022-37

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL ZONING MAP OF THE CITY BY ASSIGNING THE PROPERTY AT 1603 BUCHANAN DRIVE (LEGALLY DESCRIBED AS: ABS A0405 JOHN HAMILTON, 1.036 ACRES) WITH HEAVY COMMERCIAL – DISTRICT “C-3” CLASSIFICATION; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council, by the passage and approval of Ordinance No. 2021-001, affixed the zoning classifications for each and every property located within the city in accordance with the Official Zoning Map as approved with said ordinance; and

WHEREAS, the purpose of this Ordinance is to amend the Official Zoning Map by amending the zoning classification of the Real Property (“Property”) described herein; and

WHEREAS, the Planning and Zoning Commission, after conducting a public hearing on the matter, deliberated the merits of the proposed amendment of zoning classification and has made a report and recommendation to City Council; and

WHEREAS, in passing and approving this ordinance it is legislatively found the Planning and Zoning Commission and City Council complied with all notice, hearing and meetings requirements set forth in Texas Local Government Chapter 211; Texas Government Code Chapter 551, the City Charter; and Chapter 118, of the Code of Ordinances; and

WHEREAS, it is further legislatively found that this proposed zoning reclassification of property does not require an amendment to the Future Land Use Plan; and

WHEREAS, City Council, after considering the testimony and comments of the public, reports and recommendations of City Staff and the Planning and Zoning Commission, and the deliberation of its members, by passage and approval of this Ordinance hereby determines the action taken herein is meritorious and beneficial to the public health, safety, and welfare.

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

Section one. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted and made a part hereof for all purposes as findings of fact.

Section two. Property. The Property that is the subject to this Zoning District Reclassification is 1603 BUCHANAN DRIVE (LEGALLY DESCRIBED AS: ABS A0405 JOHN HAMILTON, 1.036 ACRES) as shown on **Exhibit “A”** hereto.

Section three Zoning District Reclassification. HEAVY COMMERCIAL – DISTRICT “C-3” Zoning District Classification is hereby assigned to the Property described in section two.

Section four. Zoning Map Revision. The City Secretary is hereby authorized and directed to revise the Official Zoning Map to reflect the change in Zoning District Classification approved by this Ordinance.

Section five. Repealer. Other ordinances or parts of ordinances in conflict herewith are hereby repealed only to the extent of such conflict.

Section six. Severability. This Ordinance is severable as provided in City Code Section 1-7 as same may be amended, recodified or otherwise revised.

Section seven. Effective Date. This ordinance is effective upon final passage and approval.

PASSED on First Reading the 12th day of July 2022

PASSED AND APPROVED on this the 26th day of July 2022.

CITY OF BURNET, TEXAS

Crista Goble Bromley, Mayor

ATTEST:

Kelly Dix, City Secretary

Exhibit "A"
Location



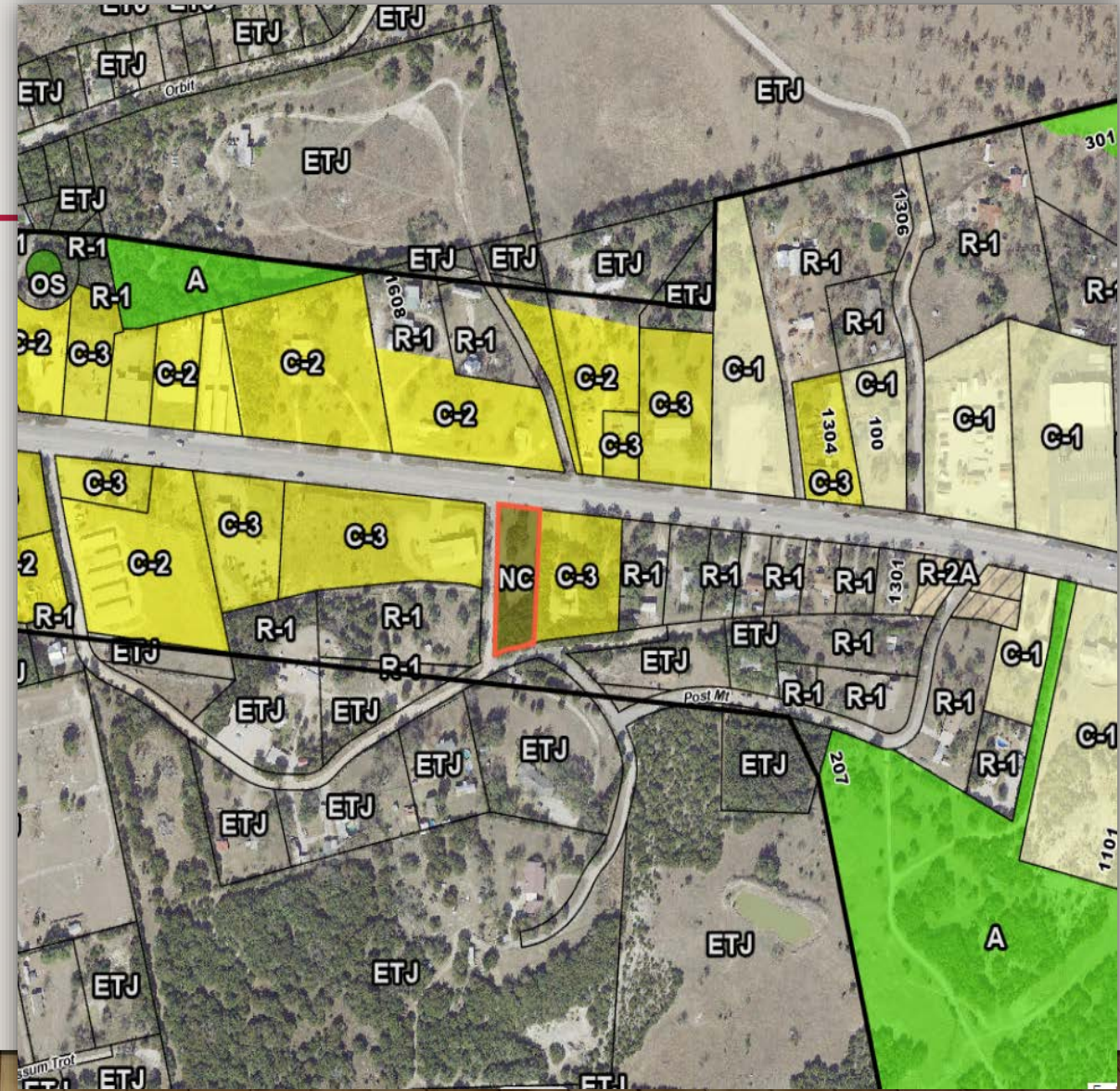
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET,
TEXAS, AMENDING ORDINANCE NO. 2021-01 AND THE OFFICIAL
ZONING MAP OF THE CITY OF BURNET BY ASSIGNING THE
PROPERTY AT 1603 BUCHANAN DRIVE (LEGALLY DESCRIBED AS:
ABS A0405 JOHN HAMILTON, 1.036 ACRES) WITH HEAVY
COMMERCIAL – DISTRICT “C-3” CLASSIFICATION; PROVIDING A
REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND
PROVIDING AN EFFECTIVE DATE

Information:

- Current Zoning:
Neighborhood Commercial – District “NC”
- Requested Zoning:
Heavy Commercial – District “C-3”
Applicant is requesting the zoning change to allow them to expand their existing business at the neighboring property - Bluebonnet Veterinary Clinic.

	North	South	East	West
Zoning	“C-2”	“ETJ”	“C-3”	“C-3”
FLUM	Commercial	Residential	Commercial	Commercial
Land Use	Residential	Residential	Veterinary Clinic	Welding Shop

The Future Land Use Map designation for the area is Commercial. The proposed Heavy Commercial – District “C-3” zoning is appropriate for this area.

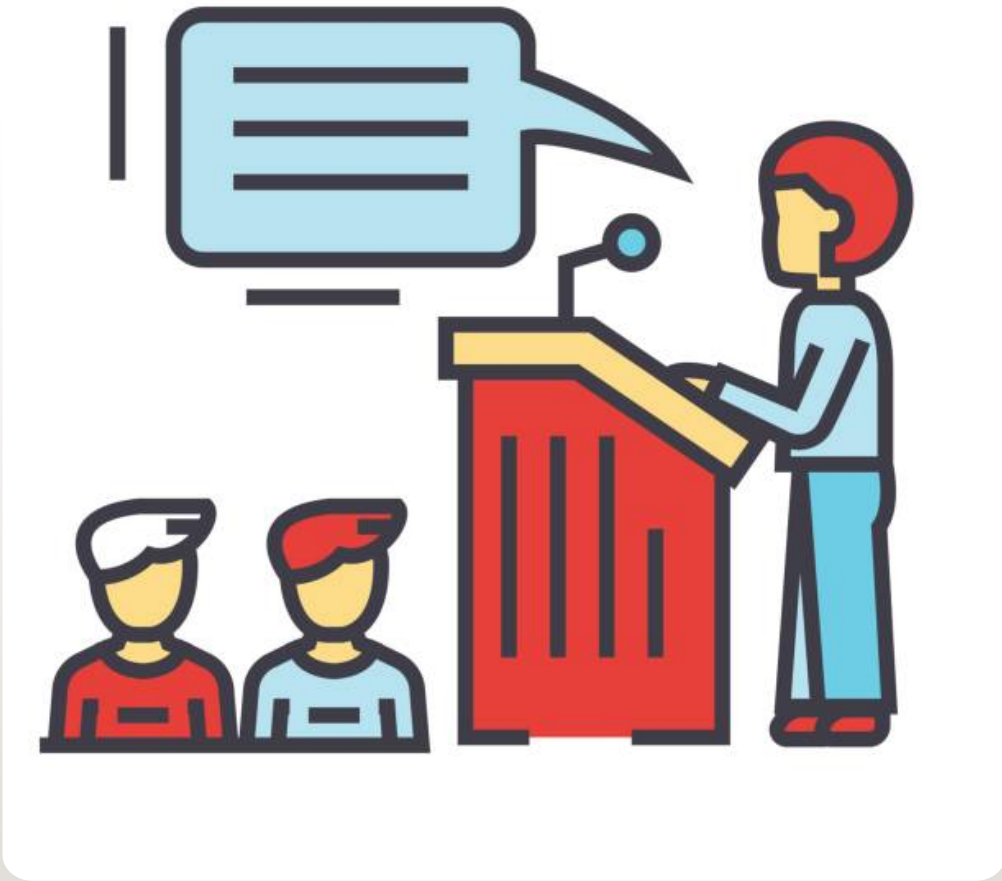


Public Notification:

- Written notices were mailed to 11 surrounding property owners
- No responses in support or opposition have been received

Planning and Zoning Recommendation





Discuss

Approve and adopt
Ordinance 2022-37 as
presented



Administration

ITEM 4.4

Adrienne Feild
Admin Services/Airport Manager
512.715.3214
afeild@cityofburnet.com

Agenda Item Brief

Meeting Date: July 26, 2022

Agenda Item: Discuss and consider action: SECOND AND FINAL READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS AMENDING THE CODE OF ORDINANCES; CHAPTER 18 (ENTITLED "AVIATION") BY AMENDING ARTICLE II (ENTITLED "MUNICIPAL AIRPORT") BY AND PROVIDING REVISIONS TO DIVISION 2 (ENTITLED "RULES AND REGULATIONS"); PROVIDING FOR PENALTY; PROVIDING CUMULATIVE, CORRELATIVE, REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE: A.Feild

Background: City staff has been tasked with preparing a comprehensive revision to the City Code Chapter 18, Articles I and II. Although the entire revision to the Articles is not ready for presentation to Council the revisions to the fee schedule are completed. The existing rates were last updated by ordinance in 2011. Staff conducted a survey of surrounding and similar size airports for comparable rates.

Information: Staff will notify the tenants of the rate increase by mail and by email 30 days before the effective date of the proposed increase.

Fiscal Impact:

	Term (months)	# of Leases	FY 22 Current Rate (monthly)	FY 23 (monthly)	FY 24 (monthly)		Current FY	FY 22/23	FY 23/24
Sun Shelters (1-20)	12	20	\$ 100	\$ 125	\$ 150		\$ 24,000	\$ 30,000	\$ 36,000
D Sun Shelters (DSS04 – DSS07)	12	4	200	200	200		9,600	9,600	9,600
Standard T-hangars	12	28	250	275	300		84,000	92,400	100,800
Community Hangar (DH01 – DH03)	12	3	250	275	300		9,000	9,900	10,800
Large T- hangar(B-9)	12	1	600	600	650		7,200	7,200	7,800
							\$ 133,800	\$ 149,100	\$ 165,000
								\$ 15,300	\$ 15,900

Recommendation: Approve and adopt Ordinance No. 2022-33 as presented.

ORDINANCE NO. 2022-33

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS AMENDING THE CODE OF ORDINANCES; CHAPTER 18 (ENTITLED "AVIATION") BY AMENDING ARTICLE II (ENTITLED "MUNICIPAL AIRPORT") BY AND PROVIDING REVISIONS TO DIVISION 2 (ENTITLED "RULES AND REGULATIONS"); PROVIDING FOR PENALTY; PROVIDING CUMULATIVE, CORRELATIVE, REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, City staff has been tasked with preparing a comprehensive revision to City Code Chapter 18, Articles I and II; and

WHEREAS, although the entire revision to the Articles is not ready for presentation to Council the revisions to the fee schedule are completed; and

WHEREAS, the existing rates were last updated in 2011.

WHEREAS, the Airport Manager conducted a survey of surrounding and similar size airports for comparable rates;

WHEREAS, to minimize the impact to tenants, the City desires to implement the new rates in two phases beginning October 1, 2022 and October 1, 2023; and

WHEREAS, City Council, finds, determines, and declares that publication of notice of this Ordinance, as required by Section 3.14 of the City Charter and the laws of the State of Texas, was made by the City Secretary within the period prescribed by Section 3.14; and

WHEREAS, City Council, finds, determines, and declares that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given as required by Chapter 551 of the Texas Government Code.

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

Section one. Findings. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

Section two. Amendment. The Code of Ordinances, Chapter 18 (entitled "*aviation*") is hereby amended by replacing the existing language in Section 18-41(3)c with the language that follows:

c. *Rent.* Storage hangar rent shall be paid monthly in advance in accordance

with the fee schedule included herein. Rent is due by the first day of the month and shall be considered past due at midnight on the tenth day of the month. A late charge of \$25.00 will be assessed for any monthly payment not received at the city hall by the tenth day of the month.

Fee Schedule A:

Note. Fee Schedule A shall be effective October 1, 2022 to September 30, 2023.

<u>Lease Description</u>	<u>Rate</u>	<u>Deposit*</u>
Short term Tie-down	\$0.00 Daily	\$0.00
Long term Tie-down**	\$75.00/month	\$75.00
Sun Shelters (1-20)	\$125.00/month	\$125.00
D Sun Shelters (DSS04 – DSS07)	\$200.00/month	\$200.00
Standard T-hangars	\$275.00/month	\$275.00
Community Hangar (DH01 – DH03)	\$275.00/month	\$275.00
Large T- hangar(B-9)	\$600.00/month	\$600.00
Long Term Auto Parking	\$240/year	\$0.00

*New deposit not applicable for Lessees which paid deposit prior to October 1, 2022.

**If aircraft remains over 7 days, the long-term lease charge will be assessed.

Fee Schedule B:

Note. Fee Schedule B shall be effective October 1, 2023 until such time as amended by City Council.

<u>Lease Description</u>	<u>Rate</u>	<u>Deposit*</u>
Short term Tie-down	\$0.00 Daily	\$0.00
Long term Tie-down**	\$100.00/month	\$100.00
Sun Shelters (1-20)	\$150.00/month	\$150.00

D Sun Shelters (DSS04 – DSS07)	\$200.00/month	\$200.00
Standard T-hangars	\$300.00/month	\$300.00
Community Hangar (DH01 – DH03)	\$300.00/month	\$300.00
Large T- hangar(B-9)	\$650.00/month	\$650.00
Long Term Auto Parking	\$240/year	\$0.00

*New deposit not applicable for Lessees which paid deposit prior to October 1, 2023.

**If aircraft remains over 7 days, the long-term lease charge will be assessed.

Section three. Penalty. A violation of this ordinance is unlawful and subject to the penalties prescribed in City Code Section 1-6.

Section four. Cumulative. This ordinance shall be cumulative of all provisions of all ordinances and codes, or parts thereof, except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinances, in which event the more restrictive provision shall apply.

Section five. Repealer. All ordinances and codes, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters resolved herein.

Section six. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Ordinance would have been enacted without such invalid provision.

Section eight. Publication. The publishers of the City Code are authorized to amend said Code to reflect the changes adopted herein and to correct typographical errors and to format and number paragraphs to conform to the existing Code. On October 1, 2023 the publisher is authorized and directed to remove the “Fee Schedule A” effective October 1, 2022 to September 30, 2023; and upon the removal of “Fee Schedule A”, “Fee Schedule B” shall be renamed “Fee Schedule”

Section nine. Effective Date. This Ordinance shall be effective upon the date of final adoption hereof and publication as required by law, save and except “Fee Schedule A” shall be effective October 1, 2022 to September 30, 2023, and “Fee Schedule B” shall be effective October 1, 2023 until such time as amended by City Council.

Passed and approved on first reading on the 12th day of July 2022

Passed, approved and adopted on the 26th day of July 2022

CITY OF BURNET

Crista Goble Bromley, Mayor

ATTEST:

Kelly Dix, City Secretary



Administration

ITEM 4.5

Kelly Dix
City Secretary
512-715-3209
kdix@cityofburnet.com

Agenda Item Brief

- Meeting Date:** July 26, 2022
- Agenda Item:** Discuss and consider action: Appointments to the Burnet Police Department Citizen Advisory Board: K. Dix
- Background:** On September 28, 2021 City Council approved Ordinance 2021-36 creating a Citizen Advisory Board for the Burnet Police Department.
- Upon approval of the Ordinance, City staff launched the application process for citizens interested in serving. Earl Dunagan and Greg Jenkins were appointed by City Council to the Burnet Police Department Advisory Board January 11, 2022. Mr. Dunagan and Mr. Jenkins never acknowledged their appointments and have not attended a meeting. The Board recommended that Mr. Dunagan and Mr. Jenkins be removed from the board roster and to proceed with the process to appoint two new members to fill the vacancies.
- Three applications have been received and reviewed by the Burnet Police Department. Two did not meet the criteria.
- Information:** The Burnet Police Department is recommending appointment of Buddy Coker to serve on the Burnet Police Department Citizen Advisory Board.
- Fiscal Impact:** None
- Recommendation:** To be determined by Council.



Finance

ITEM 4.6

Patricia Langford
Finance Director
512-715-3205
plangford@cityofburnet.com

Action

- Meeting Date:** July 26, 2022
- Agenda Item:** Discuss and consider action: A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS AMENDING THE CITY'S FINANCIAL POLICY AND ESTABLISHING AN EFFECTIVE DATE: P. Langford
- Background:** The City adopted the attached financial policies on October 25, 2016. These policies provide guidelines for managing risk and assisting the City in complying with established public management best practices. During the S&P Global credit rating process, it was recommended that the City establish a policy specifically governing long term debt to improve their bond rating.
- Information:** This resolution amends the current City of Burnet Financial Policies by replacing Article XI (entitled "Debt Management") with a new Article XI (entitled "Long Term Debt Management") as recommended by our financial advisors.
- In addition, we reviewed and updated Article IV (entitled "Expenditure Policies"). Under Section A "Check Signing Authority", we added the language that was adopted by Ordinance 2016-32 and we corrected the lettering of Sections C "Purchasing" through Section G "Purchasing for Electric Utility Distribution" which was amended by Resolution R2022-22.
- Fiscal Impact:** No fiscal impact.
- Recommendation:** Adopt Resolution R2022-59 as presented.

RESOLUTION NO. R2022-59

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BURNET,
TEXAS, AMENDING THE CITY'S FINANCIAL POLICY AND
ESTABLISHING AN EFFECTIVE DATE**

Whereas, it is the responsibility of municipal government to ensure that public funds are managed in a prudent and financially sound manner; and

Whereas, in accordance with such responsibility it is incumbent on a municipality's governing body to adopt financial policies to provide guidelines for managing risk and assisting the City in complying with established public management best practices, while ensuring compliance with federal, state, and local laws and reporting requirements; and

Whereas, to meet such responsibility City Council adopted a Financial Policy on October 25, 2016; and

Whereas, City Council deems it appropriate, and beneficial to the public general welfare, safety and health to amend the Financial Policy as provided herein:

NOW, THEREFORE, BE IT RESOLVED BY CITY COUNCIL OF THE CITY OF BURNET, TEXAS, THAT:

Section one. Findings. The recitals to this resolution are deemed to be the findings of City Council and incorporated herein for all purposes.

Section two. Amendment. The Financial Policy adopted on October 25, 2016, is hereby amended and adopted in its' entirety as attached hereto and incorporated by reference herein for all purposes.

Section three. Authorization. The City Manager is hereby authorized and directed to take such actions as may be reasonably necessary to implement the aforementioned amendment to the Financial Policy adopted on October 25, 2016, and to facilitate the purpose of this resolution.

Section four. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Texas Open Meetings Act.

Section five. Effective Date. That this resolution shall take effect immediately upon its passage, and approval as prescribed by law.

PASSED AND APPROVED this the 26th day of July, 2022.

CITY OF BURNET, TEXAS

ATTEST:

Crista Goble Bromley, Mayor

Kelly Dix, City Secretary

City of Burnet Fiscal and Budgetary Policy

I. PURPOSE

The City of Burnet is committed to financial management through integrity, prudent stewardship, planning, accountability, full disclosure and communication. The broad purpose of this Fiscal and Budgetary Policy is to enable the City to achieve and maintain a long-term stable and positive financial condition, and provide guidelines for the day-to-day planning and operations of the City's financial affairs.

The scope of this policy generally spans areas of accounting and financial reporting, internal controls, both operating and capital budgeting, revenue management, investment and asset management, debt management and forecasting. This is done in order to:

- A. Demonstrate to the citizens of Burnet, the investment community, and the bond rating agencies that the City is committed to a strong fiscal operation;
- B. Provide precedents for future policy-makers and financial managers on common financial goals and strategies;
- C. Fairly present and fully disclose the financial position of the City in conformity to generally accepted accounting principles (GAAP), as applicable to governmental accounting; and
- D. Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code and other legal mandates.

These policies should be reviewed and updated annually as part of the audit preparation process.

The budgeted funds for the City of Burnet include:

Governmental Funds: **General Fund** accounts for all financial resources except those required to be accounted for in another fund, and include basic governmental services, such as Fire/EMS, Police, Streets, Parks, and Administrative functions among others.

Debt Service Fund is used to account for the payment of general short-term and long-term debt principal and interest.

Capital Project Funds are used to account for the acquisition or construction of major capital facilities and equipment.

Special Revenue Funds account for specific revenues that are legally restricted for specific purposes. These currently include the Hotel Occupancy Tax, Police Seizure, Court Security and Technology.

Proprietary Funds: **Enterprise Funds** include the City's "business type" activities currently including utility funds and golf course.

Basis of Accounting and Basis of Budgeting

For internal reporting purposes, the City accounts and budgets for all funds using a modified cash method of accounting (hybrid blend of cash and accrual methods). This basis means that revenue is recognized in the accounting period in which it becomes available, while expenditures are recognized in the accounting period in which they are paid. Because the appropriated budget is used as the basis for control and comparison of budgeted and actual amounts, the basis for preparing the budget is the same as the basis of accounting.

For external reporting purposes, the modified accrual basis of accounting is used to present data in the governmental fund financial statements, while the accrual basis of accounting is used to present data in the Enterprise Fund financial statements.

II. OPERATING BUDGET

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The operating budget is the City's annual financial operating plan. The annual budget includes the operating departments of the General Fund, Enterprise Funds, Debt Service Funds and Special Revenue Funds.

- A. **Preparation** – The Charter (Section 7.02) requires that "on or before the 15th day of August of each fiscal year, the City Manager shall submit to the City Council a budget for the ensuing fiscal year". Therefore, the budget will be presented to the City Council no later than the 15th of August to provide the City Council time to adopt the budget in the required time frame. A copy of the proposed budget will be filed with the City Secretary when it is submitted to the City Council. A copy will also be available on the City website for citizen review.

1. *Proposed Budget* –A proposed budget shall be prepared by the City

Manager with the participation of all City Division Directors within the provision of the Charter.

2. *The budget shall include four basic elements for review and evaluation:*
 - a) Revenues
 - b) Personnel costs
 - c) Operations and maintenance
 - d) Capital and other non-project costs

3. *The budget shall provide a complete financial plan of all City funds and activities for the ensuing fiscal year and, except as required by law or the Charter, shall be in such form as the City Manager deems desirable or the City Council may require. The budget shall begin with a clear general summary of its contents; shall show in detail all estimated income, indicate the proposed property tax levy, all proposed expenditures including Debt Service; and shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. It shall indicate in separate sections as follows:*
 - a) Goals and Objectives. The proposed goals, objectives and expenditures for current operations during the ensuing fiscal year, detailed for each fund by department or program, purpose or activity, and the method of financing such expenditures;
 - b) Capital Budget. Proposed capital expenditures during the ensuing fiscal year, detailed for each fund by department when practicable, and the proposed method of financing each capital expenditure; and
 - c) Enterprise Funds. The anticipated income and expense and profit and loss for the ensuing year for each public utility or other enterprise fund operated by the City.

4. Adoption – Upon finalization of the budget appropriations, the City Council will hold a public hearing, and subsequently adopt by Ordinance the final budget as amended. The budget will be effective for the fiscal year beginning October 1st.

5. *The Charter (Section 7.06) further states “a tax levy ordinance shall be made authorizing the property tax levy or levies and setting the tax rate or rates” prior to the beginning of the ensuing fiscal year.*

- B. **Balanced Budget** – The goal of the City is to balance the operating budget with current revenues, whereby, current revenues would match and fund on-going expenditures/expenses.
- C. **Planning** – The budget process will be coordinated so that major policy issues are identified prior to the budget approval date. This will allow City Council adequate time for consideration of appropriate decisions and analysis of financial impacts.
- D. **Five-Year Financial Forecast** – A five-year financial forecast will be created and updated annually that will identify potential tax impacts, rate adjustments, capital improvements, equipment requirements, personnel and other factors that could impede the implementation of the City financial plans.
- E. **Reporting** – Reports comparing actual to budget will be presented to the City Council monthly. These reports will be in a format appropriate to enable the City Council to understand the overall budget and financial status.
- F. **Control and Accountability** – Each Division Director, appointed by the City Manager, will be responsible for the administration of his/her departmental budget. This includes accomplishing the goals and objectives adopted as part of the budget and monitoring each department budget for compliance with spending limitations.
- G. **Amendment by Council Before Adoption** - After public hearings, the Council may adopt the budget with or without amendment. It may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for Debt Service or for estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than the total of estimated income plus funds available from prior years.
- H. **Budget Amendments After Adoption** –The budget may be amended after adoption for unusual and unforeseen conditions that were not known at the time the budget was adopted.

All line item transfers require certification of availability of funds by the Finance Department. The City Manager shall have the authority to transfer within funds and from the General Fund to the Golf Course Fund.

The City Council may, by ordinance, amend the budget for expenditures in excess of the adopted budget, or revenue shortfalls that occur throughout the fiscal year.

The City will amend the budget at fiscal year's end, if needed, for revenue based expenditures that exceeded budgeted amounts due to increased revenue and grant funded expenditures for grants and policy driven expenditures previously approved by the City Council after the budget was adopted or last amended. The City will also amend the budget if necessary for any capital project timing adjustments, as well as any other known adjustments needed and approved.

- I. **Contingency Appropriations** – The budget may include contingency appropriations which could be used to offset unanticipated expenditures that might occur during the year.

- J. **Fund Balance Policies** – The City's fund balance is the accumulated difference between assets and liabilities within governmental funds and it allows the City to meet its contractual obligations, fund disaster or emergency costs, provide cash flow for timing purposes and fund non-recurring expenses appropriated by City Council. This policy establishes limitations on the purposes for which fund balances can be used in accordance with Governmental Accounting Standards Board (GASB) Statement Number 54.
 1. The City's fund balance will report up to five components:
 - a) Non-spendable Fund Balance – includes inherently non-spendable assets that will never convert to cash, as well as, assets that will not convert to cash soon enough to affect the current financial period. Assets included in this category are prepaid items, inventory and non-financial assets held for resale.
 - b) Restricted Fund Balance – describes the portion of fund balance that is subject to legal restrictions, such as grants or hotel/motel tax and bond proceeds.
 - c) Committed Fund Balance – describes the portion of fund balance that is constrained by limitations that the City Council has imposed upon itself, and remains binding unless the City Council removes the limitation.
 - d) Assigned Fund Balance – is that portion of fund balance that reflects the City's intended use of the resource and is established in a less formal method by the City of that designated purpose.

- e) Unassigned Fund Balance – represents funds that cannot be properly classified in one of the other four categories.
2. After fiscal year end, staff will report the projected fund balances to Council. In the event that unexpected, unbudgeted amounts are determined to be available in the general fund after year end, these funds may be used for any of the following purposes as approved by the City Council:
- a) To fund capital projects and non-recurring expenditures/expenses;
 - b) To fund equipment purchases in lieu of issuing debt;
 - c) To reduce outstanding City debt, including bonded indebtedness and unfunded pension liabilities;
 - d) To fund contingent liabilities and other similar obligations of the City;
 - e) To take other steps to reduce property tax rates or mitigate any future increases;
 - f) To hold those funds in reserve for future commitments or contingencies that may be pending;
 - g) To fund an economic uncertainty reserve of annual general fund operating expenditures;
 - h) Any other purpose as approved by the City Council.
- K. **Failure to Adopt** – In accordance with Section 7.05 of the Charter, in the event the City Council fails to adopt a budget by September 30th, the City Manager proposed budget shall be considered adopted until such time as Council adopts a new budget or amends the City Manager’s proposed budget.

III. REVENUE MANAGEMENT

- A. **Characteristics** – The City will strive for the following optimum characteristics in its revenue system:
- 1. **Simplicity** – The City, where possible and without sacrificing accuracy, will strive to keep the revenue system simple in order to reduce compliance costs for the taxpayer or service recipient.

2. Certainty – The City will understand its revenue sources and enact consistent collection policies to provide assurances that the revenue base will materialize according to budget.
3. Equity – The City shall make every effort to maintain equity in its revenue system; i.e., the City should seek to minimize subsidization between entities, funds, services, utilities, and customer classes, and ensure an on-going return on investment for the City.
4. Revenue Adequacy – The City should require there be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.
5. Realistic and Conservative Estimates – Revenues will be estimated realistically, and conservatively, taking into account the volatile nature of various revenue streams.
6. Administration – The benefits of a revenue source should exceed the cost of levying and collecting that revenue.
7. Diversification and Stability – A diversified revenue system with a stable source of income shall be maintained. This will help avoid instabilities in two particular revenue sources due to factors such as fluctuations in the economy and variations in the weather.

B. Internal Cost Recovery Fees –

1. **General and Administrative Charges** – Administrative costs should be allocated to funds for services of general overhead. All expenses charged to the Administration and Mayor and Council departments are allocated out. These charges will be determined through an indirect cost allocation following accepted practices and procedures and reviewed by the City's external auditors. Currently, this allocation of overhead is made to the Hotel/Motel Fund, Airport Fund, Electric Fund, Water/Wastewater Fund and the Golf Course Fund.
2. **Payment for Return on Investment, Fee In-Lieu of Franchise, and Fee In-Lieu of Property Taxes** – the intent of these transfers to General Fund are to provide a benefit to the citizens for the ownership of the various utility operations they own and to receive taxes and franchise fees similar to those paid by other privately owned utilities. These rates will be reviewed periodically by the City and, with Council action, may be amended as deemed necessary.
 - a) Electric Fund

- 1) The Return On Investment (ROI), Fee In-Lieu of Franchise, and Fee In-Lieu of Property Taxes is a combined rate of \$0.020 per kWh sold.
- b) Water/Wastewater Fund
 - 1) *Fee In-Lieu of Franchise*. This transfer is currently calculated at 5% of the gross operating revenues.
 - 2) *Fee In-Lieu of Property Tax*. This transfer is currently calculated at 3% of the gross operating revenues.
 - 3) *Return on Investment*. There is currently no ROI calculated on the Water/Wastewater Fund.
3. **Shop Allocation** – all charges to the City Shop are allocated on a prorated basis to those departments utilizing shop services. The percentage of proration is reviewed during the budgeting process and is meant to be a reasonably fair allocation based on the services provided.

C. Other Considerations – The following considerations and issues will guide the City in its revenue policies concerning specific sources of funds:

1. Cost/Benefit of Incentives for Economic Development – The City will use due caution in the analysis of any incentives that are used to encourage development. A cost/benefit (fiscal impact) analysis will be performed as part of the evaluation.
2. Non-Recurring Revenues – One-time or non-recurring revenues should not be used to finance current ongoing operations.
3. Property Tax Revenues – All real and business personal property located within the City will be valued based on the current appraisal supplied by the Burnet County Appraisal District.

Conservative budgeted revenue estimates result in not less than 97% of budgeted collection rate for current Ad Valorem taxes. For budgeting purposes, the City will forecast the proposed property tax rate using the effective maintenance and operations (M&O) rate plus the interest & sinking (I&S) rate needed to fund tax supported Debt Service. Increases to the M&O rate will be deliberated and determined by the City Council.

4. Interest Income – When applicable, interest earned from investments will be distributed to the funds in accordance with the cash balance of the fund from which the monies were provided to be invested.

5. User-Based Fees and Service Charges – For services associated with a City imposed user fee or charge, the direct or indirect costs of that service will be offset by a fee where possible. The City will review fees and charges periodically to ensure that fees provide adequate coverage for the cost of services. The City Council will determine how much of the cost of a service should be recovered by fees and charges.
6. Utility Fund Rates – The City will review and adopt rates as needed to generate revenues required to cover operating expenses, meet the legal requirements of all applicable bond covenants, and provide for an adequate level of working capital. A utility rate study will be conducted periodically to review rate methodology and ensure revenues will meet future needs.
7. Grants – All potential grants will be examined for matching requirements and must be approved by the City Council prior to making application of the grant.
8. Revenue Monitoring – Revenues, as they are received, will be regularly compared to budgeted revenues and variances will be investigated, and any significant abnormalities will be included in the monthly report to the City Council.

IV. EXPENDITURE POLICIES

- A. Check Signing Authority – All checks, vouchers, or warrants for the withdrawal of money from the City depositories shall be in accordance with all policies, ordinances and Charter as amended from time to time. The City Council, through Ordinance 2016-32, has authorized the use of machine-imprinted facsimile signatures of the Mayor or City Manager on checks for withdrawal of municipal funds, not to exceed \$5,000. The machine-imprinted facsimile signature of the Mayor or City Manager may only be used for one of the two required signatures for checks under \$5,000. Two original signatures shall be required for all checks in excess of \$5,000.
- B. Personnel Costs – Costs related to salaries and benefits are budgeted at 100% total costs, assuming open positions are filled throughout the fiscal year. New positions that are added during the budget process may have staggered hire dates with appropriate costs reflected in the budget.
- C. Purchasing – All City purchases of goods or services, except as noted below in Section “G” for the Electric Utility, will be made in accordance with the City’s current Purchasing Policy as established by the City Manager, consistent with State Law. Formal bids are required for all purchases in excess of the bid law limit as established by State Law and amended from

time to time (currently \$50,000), unless such purchase is made through a purchasing cooperative (Coop) or previously approved contract. Purchases in excess of the state bid law limit shall require Council approval, regardless of whether such purchase is made through a purchasing cooperative or bid.

- D. **Contracts and Change Orders** – Contracts and related change orders must follow the City Purchasing Policies and State Law.
- E. **Prompt Payment** – It is the City's target for all invoices approved for payment by the proper City authorities to be paid within thirty (30) calendar days of receipt of goods or services or invoice date, whichever is later in accordance with State law. The City will take advantage of all purchase discounts, when possible.
- F. **Position Control** – The annual budget includes a set number of positions within departments when approved and adopted by City Council. Additional positions cannot be added without approval of the City Council. The City Manager may approve the transfer of authorized positions between departments if funds are available within the department or fund.
- G. **Purchasing for Electric Utility Distribution** – Purchases of inventory or materials used for the distribution of the electric utility shall be administered by the City Manager and/or his/her designee and awarded to the vendor or service provider who provides the best value. In determining the best value, the administrator may consider:
 - i. the purchase price;
 - ii. product availability (delivery dates);
 - iii. the reputation of the vendor or service provider and of their respective goods or services;
 - iv. the quality of the goods or services;
 - v. the extent to which the goods or services meet the Electric Utility's needs;
 - vi. the vendor or service provider's past relationship with the City;
 - vii. the impact on the ability of the City to comply with laws and rules relating to contracting with historically underutilized businesses and nonprofit organizations employing persons with disabilities;
 - viii. the total long-term cost to the City to acquire the goods or services; and
 - ix. any relevant criteria specifically listed in the Purchasing Administrator's request for goods or services.

The administrator shall make a good faith effort to solicit quotes from at least three vendors or service providers prior to the purchase of any goods or services that shall be equal to or exceed \$25,000. The administrator shall review the quotes and select the one that provides Best Value. The

administrator may reject all quotes. Purchases made for Electric Utility distribution in accordance with these procedures would be exempt from the State's municipal procurement laws which require formal bids for all purchases in excess of \$50,000.

V. BUDGET CONTINGENCY PLAN

This policy is designed to establish general guidelines for managing revenue shortfalls resulting from local and national economic downturns that adversely affect the City's revenue streams.

A. **Immediate Action** – Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset any revenue shortfall with a reduction in current expenses. The City Manager may:

1. Freeze all new hire and vacant positions except those deemed to be a necessity.
2. Review all planned capital expenditures.
3. Delay all “non-essential” spending or equipment replacement purchases.
4. Any other steps deemed necessary.

The City Manager shall report in a timely manner to the City Council the projected shortfall and the actions taken to resolve it.

B. **Further Action** – If the actions identified in subsection A are insufficient to offset the projected revenue deficit for the current fiscal year, the City Council may approve the following actions, in the order listed:

1. Apply unspent, unobligated surplus funds from prior fiscal years to fund one-time costs in the current fiscal year budget.
2. Authorize a reduction in the unobligated cash reserves from ninety (90) to seventy-five (75) days.
3. Direct other reductions in services, including workforce reductions.

C. **Replenish Surplus Funds** – As soon as practicable, without placing undue strain on City services, the City Council shall increase the unobligated surplus funds in the general fund, up to the 90-day amount required in Section XII (B) of this policy.

VI. CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET

The City's goal is to provide excellent services to the customers within the community, meet growth related needs, and comply with all state and federal regulations.

- A. **Goals and Objectives** – Council shall propose goals, objectives and expenditures for current operations during the ensuing fiscal year, detailed for each fund by organization unit and program, purpose or activity, and the method of financing such expenditures as provided for in Section 7.04 A. of the Charter.
- B. **Preparation** – The Charter requires annual updates and adoption of a five-year capital improvement program (CIP) schedule as part of operating budget adoption process. The plan is reviewed and adjusted annually as needed, and year one is adopted as the current year capital budget. The capital budget will include capital projects, capital resources, and estimated operational impacts.
- C. **Control** – Capital projects should be appropriated in the capital budget. Availability of cash resources shall be certified by the Finance Department. CIP expenditures approved by the City Council shall not be used for other purposes.
- D. **Financing Programs** – Where applicable, assessments, impact fees, pro rata charges, or other fees should be used to fund capital projects which have a primary benefit to specific identifiable property owners.
 - 1. Recognizing that long-term debt is usually a more expensive financing method, alternative-financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives equal or exceeding the average life of the debt issue.
 - 2. Short-term financing can be used to fund other expenditures that do not fall into long term financing option criteria.
 - 3. Excess cash from previous years as approved by Council.

VII. **SELF-FUNDED BUDGET**

The self-funded budget is designed to fund equipment purchases and capital expenditures internally rather than using loan proceeds. A separate fund will be maintained for this purpose and is replenished by charges to the appropriate department for the budgeted asset purchase price and a 5% interest fee per year. The fee is designed to help build the fund and provide for inflation in the asset cost when subsequent purchases are made. Charges for each purchase will be made in equal monthly amounts spread over the budgeted life of the asset.

VIII. CAPITAL MAINTENANCE AND REPLACEMENT

The City recognizes that deferred maintenance increases future capital costs.

- A. **Infrastructure Maintenance** – On-going maintenance and major repair costs are included within the departmental operating budgets. These costs may be considered system repairs and may or may not be capitalized for accounting purposes.

IX. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- A. **Accounting** – The City is solely responsible for the recording and reporting of its financial affairs, both internally and externally. The Finance Department is responsible for establishing the structure for the City's Chart of Accounts and for assuring that procedures are in place to properly record financial transactions and report the City's financial position.
- B. **Audit of Accounts** – In accordance with the Charter, an independent audit of the City accounts will be performed every year. The auditor is retained by and is accountable directly to the City Council.
- C. **Internal Reporting** – The Finance Department will prepare internal financial reports, sufficient to plan, monitor and control the City's Financial affairs.

X. ASSET MANAGEMENT

- A. **Cash Management** –
 - 1. **Statement of Cash Management Philosophy** – The City shall maintain a comprehensive cash management program to include the effective collection of all accounts receivable, the prompt deposit of receipts to the City's depository, the payment of obligations, and the prudent investment of idle funds in accordance with this policy.
 - 2. Effective internal controls during the entire cash handling process from cash collection to bank depositing are necessary to prevent mishandling of City funds and are designed to safeguard and protect employees from inappropriate misconduct charges of mishandling funds by defining their duties and responsibilities.
 - 3. Each Department Director shall ensure that departmental procedures, as approved by the City Manager, are adequate to safeguard City funds.
 - 4. Staffing and training shall be reviewed periodically to ensure adequacy.

5. Daily deposits of City cash shall be performed.
6. The City shall conduct periodic reviews of internal controls and cash handling procedures.
7. The City Council, through Council action, may reallocate current cash balances between funds.

B. **Investment Policy Adopted** – City Council has formally approved a separate Investment Policy for the City of Burnet that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local Government Code. All City investments will be made in accordance with the Investment Policy. The policy is reviewed annually by the City Council and applies to all financial assets held by the City.

C. **Fixed Assets** – These assets will be reasonably safeguarded and properly accounted for, and prudently insured.

1. **Capitalization Criteria** – For purposes of budgeting and accounting classification, the following criteria will be used to determine expenditures to be capitalized:
 - a) The asset is owned by the City.
 - b) The expected useful life of the asset must be longer than one year, or extend the life of an identifiable existing asset by more than one year.
 - c) The original cost of the asset must be at least \$5,000.
 - d) For utility infrastructure, the dollar threshold may be lower if item b) is met.
 - e) On-going repairs and general maintenance are not capitalized.
2. **New Purchases** – All costs associated with bringing the asset into working order will be capitalized as part of the asset cost. This will include startup costs, engineering or consultant type fees as part of the asset cost once the decision or commitment to purchase the asset is made. The cost of land acquired should include all related costs associated with its purchase.
3. **Improvement and Replacement** – Improvements will be capitalized when they extend the original life of an asset or when they make the asset more valuable than it was originally. The replacement of assets

components will normally be expensed unless they are of a significant nature and meet all the capitalization criteria.

4. Contributed Capital – Infrastructure assets received from developers or as a result of annexation will be recorded as equity contributions when they are received.
5. Distributions Systems – All costs associated with public domain assets, such as streets and utility distribution lines will be capitalized in accordance with the capitalization policy. Costs should include engineering, construction and other related costs including the right of way acquisition.
6. Reporting and Inventory – The Finance Department will maintain the permanent records of the City's fixed assets, including description, cost, department of responsibility, date of acquisition, depreciation and expected useful life. Periodically, random sampling at the department level will be performed to inventory fixed assets assigned to that department. Responsibility for safeguarding the City's fixed assets lies with the department supervisor or manager whose department has been assigned the asset.

XI. LONG TERM DEBT MANAGEMENT

The City of Burnet establishes the following policy concerning the issuance and management of debt. This debt policy, as presented to the City Council and the citizens, was established by the City of Burnet Finance Department to improve the quality of decisions in relation to the city's financing activities, provide a comprehensive view of the city's long-term debt picture and make it easier for decision-makers to understand issues concerning debt issuance and management.

A. Conditions of Debt Issuance -

1. Debt should be issued for the purpose of meeting the needs of the community through funding of capital projects and equipment but without constituting an unreasonable burden to taxpayers.
2. Long-term debt is only issued to finance the acquisition and/or construction of capital improvements with an economic or useful life greater than five years and the term of the debt. Additionally, only capital needs identified in the capital improvement program will be considered. Refunding bonds will only be issued if the present value of debt service savings exceeds three percent of the par value of the refunded bonds. Debt for other purposes, such as acquisition of capital assets, is covered separately in this policy.

B. Types of Debt -

1. General Obligation Bonds - General Obligation Bonds may only be issued with a majority approval of a popular vote. The use of the proceeds from GO Bonds is limited to the acquisition or improvement of real property and other uses allowed by law and applicable bond ordinances. Libraries, parks and public safety facilities are all types of facilities that could be financed with GO Bonds. To the extent that property tax revenues are used to fund debt service, a separate property tax will be levied.
2. Enterprise Revenue Bonds - Enterprise Revenue Bonds finance facilities for a revenue producing enterprise, and are payable from revenue sources within that enterprise. Municipal Water and Sewer and Solid Waste are examples of revenue producing enterprises within the City.
3. Refunding Obligations - Pursuant to the Government Code and various other financing statutes applicable in particular situations, the City Council is authorized to provide for the issuance of bonds for the purpose of refunding any long-term obligation of the City. Absent any significant non-economic factors, a refunding should produce minimum net debt service savings (net of reserve fund earnings and other offsets) of at least 3% of the par value of the refunded bonds on a net present value basis, using the refunding issue's True Interest Cost (TIC) as the discount rate, unless the Finance Department determines that a lower savings percentage is acceptable for issues or maturities with short maturity dates.
4. Certificates of Obligation, Contract Obligations (CO's) - Certificates of obligation or contract obligations may be used to fund capital requirements in lieu of revenue bonds. Debt service for CO's may be either from general revenues (tax-supported) or supported by specific revenue stream(s) or a combination of both. Typically, the City may issue CO's when the following conditions are met:
 - a) When the proposed debt will have minimal impact on future effective property tax rates;
 - b) When the projects to be funded are within the normal bounds of City capital requirements, such as for roads, parks, various infrastructure, vehicles, equipment and City facilities; and
 - c) When the average life of the obligation does not exceed the useful life of the asset(s) to be funded by the issue.

5. Tax Anticipation Notes - Proceeds from Tax Anticipation Notes are used to fund projects whose source of payment is future tax revenues. These instruments have a term of one to three years and are for a specific purpose such as temporary financing for capital improvements, cash flow needs and major equipment leasing.
6. Tax Increment Financing Bonds - The city may use these bonds to finance capital improvements within the tax increment reinvestment zone. Repayment is from property taxes generated within the zone.
7. Leases - Leases may be used to finance major capital purchases, other than infrastructure, including fleet, major system upgrades and large equipment purchases. The useful life of the asset should not exceed the term of the lease.
8. Assessment Bonds - Proceeds from Assessment Bonds may be used to finance local public improvements, provided that said improvements benefit the parcels of land to be assessed. Local streets, street lights, landscaping, sidewalks and sanitary sewers are some examples of local improvements commonly financed by assessment bonds.
9. Other Obligations - There may be special circumstances when other forms of debt are appropriate and may be evaluated on a case-by-case basis. Such other forms include, but are not limited to limited tax notes, non-enterprise revenue bonds, bond anticipation notes, grant anticipation notes and judgment or settlement obligation bonds.

C. **Restrictions on Debt Issuance** -

1. The City of Burnet will not use long-term debt to finance current operations or normal maintenance.
2. Derivative products will not be used by the city.
3. General obligation debt will not be issued if other, more financially efficient financing sources are available such as certificates of obligation, limited tax notes, leases or revenue bonds.
4. Short-term debt will not be used to refinance long-term debt.
5. All debt issuances shall be approved by the City Council.
6. Before any debt may be issued, the city will perform an analysis of the requirements to determine the impact on future budgets, the sufficiency of revenues to fund the debt service requirements and additional operating costs of the capital asset acquired. The analysis will ensure

that debt service payments funded by the Interest and Sinking portion of the tax rate shall be not greater than 35% of the total ad valorem tax levy. Payments on bonds that are tied to a specified revenue stream such as waterworks bonds are not subject to this limitation.

D. **Limitations on Outstanding Debt** -

Limitations on the city's outstanding bonded debt include:

1. The total of gross bonded tax supported debt of the City of Burnet will not exceed 10 percent of the assessed valuation of the city for the same year.
2. The total gross bonded debt of the City of Burnet and the municipal authorities for which it has direct debt responsibility, to the extent that such authority has issued debt backed by the City's taxing ability.

These limitations shall be periodically compared with other cities to determine if the city is still within the norm for comparably-sized cities.

E. **Characteristics of Debt Issuance** -

When the city finances capital projects by issuing bonds, it will pay back the bonds in a period not exceeding the expected life of those projects. Other standard terms shall include the following:

1. Term may be up to 30 years depending on cash flow assumptions, and useful life of asset being financed.
2. Call provisions will be shortest possible optional call consistent with optimal pricing.
3. The city will seek to retire at least 35 percent of the total General Fund-supported principal outstanding within the next 10 fiscal years.
4. The city will seek level or declining debt repayment schedules.
5. The city will avoid variable-rate debt due to the potential volatility of such instruments. Therefore, the city will avoid the use of variable-rate debt for its general obligation bond issues.
6. Debt service reserve will be in conformity with bond covenant.
7. Commercial insurance or other credit enhancements to the bond rating shall be considered when cost-effective.

8. Repayment of debt shall be made with revenues derived from the projects that benefitted from the bond issuance when possible.

F. **Debt Issuance Process** -

The City of Burnet will strive to achieve a bond rating of AAA/Aaa by a nationally recognized rating service. The city will maintain good communications with bond rating agencies about its financial condition and will follow a policy of full disclosure on every financial report and bond prospectus. The city will also comply with all federal tax law provisions, including arbitrage requirements.

The City shall utilize the services of independent financial advisor(s) on debt financing when deemed prudent. Although not required, the City may utilize an RFP-selected pool of such financial advisors to mitigate time constraints and reduce overhead costs of the City in procuring such services. Bond counsel will be used for each transaction.

The Finance Department shall review each debt issuance transaction on a case-by-case basis to determine the most appropriate method of sale.

1. **Competitive Bid Sale** - In a competitive bid sale, bids for the purchase of the bonds are opened at a specified place and time and are awarded to the underwriter (or syndicate) whose conforming bid represents the lowest true interest cost to the City (TIC). This method is most advantageous when the debt to be issued is less complex, the municipal bond market for high-grade credits is stable, and the sale of the City's bonds is assured.
 - a) Bond sales shall be cancelable at any time prior to the time bids are to be received.
 - b) Upon award to the bidder whose conforming bid represents the lowest true interest cost, the City may restructure the bonds in accordance with the Official Notice of Sale. The City shall reserve the unfettered right to reject all bids or waive bid irregularities.
2. **Negotiated Sale** - In a negotiated sale, the City chooses the initial buyer of the bonds in advance of the sale date. The initial buyer is usually an investment banking firm, or a syndicate of investment banking firms interested in reoffering the bonds to investors through an underwriting process. This type of sale allows the City to discuss different financing techniques with the underwriter in advance of the sale date. This method is most advantageous when the debt issue is complex, debt structuring flexibility is required (as would be the case in a bond refunding) or the municipal bond market is unstable or uncertain.

3. Private Placement - In a private placement, the City may select a private purchaser willing to bid a below market rate. Such placements often allow debt to be issued more efficiently by eliminating the need for bond ratings and other associated issuance costs. Such financing will be analyzed on a case-by-case basis, depending primarily on rates prevailing in the placement market from time to time.

Professional services used in conjunction with a bond issuance may be obtained using a request for proposal (RFP). If an RFP is used, selection will be based on experience in the type of issuance and municipal bond activities, ability to perform needed services, conflicts of interest, fees and fee structure.

G. **Permitted Investments** -

All investments of debt proceeds shall adhere to the city's investment policy. Accordingly, the investment of proceeds is limited to:

1. Securities guaranteed for both principal and interest by the federal government.
2. Collateralized certificates of deposit from banks whose collateral consists of securities of the United States or secured by a letter of credit from the Federal Home Loan Bank Board that guarantee both principal and interest.
3. Local government investments pools.

A financial advisor may be used to assist in investing bond proceeds. However, the advisor must be independent of the underwriter or financial advisor involved with the sale of the bonds. Bond proceeds may not be commingled with operating funds. To ensure adequate liquidity and safety of principal, investment maturities shall precede debt service requirements.

XII. **OTHER FUNDING ALTERNATIVES**

When at all possible, the City will research alternative funding opportunities prior to issuing debt or increasing user-related fees.

- A. **Grants** – all potential grants will be examined for any matching requirements and the source of those requirements identified. A grant funding worksheet, reviewed by Finance, that clearly identifies funding sources, outcomes and other relevant information will be presented and approved by the City Council prior to final submission of any grant

application. It must be clearly understood that any resulting operation requirements of the grant could be discontinued once the term and conditions of the project have been terminated. The City Council must authorize acceptance of any grant funding.

- B. **Use of Reserve Funds** – The City may authorize the use of reserve funds to potentially delay or eliminate a proposed bond issue. This may occur due to higher than anticipated fund balances in prior years, thus eliminating or reducing the need for debt proceeds, or postpone a bond issue until market conditions are more beneficial or timing of the related capital improvements does not correspond with the planned bond issue. Reserve funds used in this manner are replenished upon issuance of the proposed debt.
- C. **Developer Contributions** – The City will require developers who negatively impact the City’s utility capital plans to offset those impacts. These policies are further defined within the City’s utility line extension policy, utility oversizing policy and other development regulations or development policies as approved by the City Council.
- D. **Leases** – The City may authorize the use of lease financing for certain operating equipment when it is determined that the cost benefit of such an arrangement is advantageous to the City.
- E. **Impact Fees** – The City will impose impact fees as allowable under state law for both water and wastewater services. These fees will be calculated and reviewed in accordance with state statute. All fees collected will fund projects identified within the Capital Improvement Plan, as required by state laws.

XIII. FINANCIAL CONDITIONS, RESERVES, AND STABILITY RATIOS

The City of Burnet shall maintain the following minimum standards to provide a secure, healthy financial base for the City in the event of a natural disaster or other emergency, allow stability of City operations should revenues fall short of budgeted projections and provide available resources to implement budgeted expenditures as funds are available.

- A. **Operational Coverage** – the City’s goal is to maintain operations coverage of 100% so that operating revenues will at least equal or exceed current operating expenditures. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques.
- B. **Operating Reserves** – The City will strive to maintain unrestricted cash reserves of ninety (90) days (24.66%) of net budgeted operating expenditures. For purposes of this policy, net budgeted operating

expenditure is defined as total budgeted expenditures less Interfund transfers and charges, general Debt Service (tax supported), direct cost for purchased power, payments from third party grant monies and discretionary capital investments. The minimum unrestricted cash reserve balance shall not fall below seventy-five (75) days (20.55%) without prior council authorization.

Reserve requirements will be calculated as part of the annual budget process and any additional required funds to be added to the reserve balances will be appropriated within the budget. Funds in excess of the minimum reserves may be expended for City purposes at the will of the City Council once it has been determined that use of the excess will not endanger reserve requirements in future years.

- C. **Liabilities and Receivables** – Procedures will be followed to maximize discounts and reduce penalties offered by creditors. Current liabilities should be paid within thirty (30) days of receiving the invoice. Accounts Receivable procedures will target collection for a maximum of thirty (30) days from the date of invoicing.
- D. **Bad Debt** - Receivables, other than EMS, aging past one hundred twenty (120) days will be forwarded to a collection agency and will be shown as uncollectable on the customer account. The City Manager, and/or his or her designee, is authorized to write-off non-collectable, non-utility and non EMS accounts that are delinquent for more than one hundred eighty (180) days. Utility accounts shall be written-off at, or before, the end of the fiscal year. Non-collectible EMS debts will be written off after three hundred sixty five (365) days.
- E. **Capital Project Funds** – Every effort will be made for all monies within the Capital Project Fund to be expended in a timely manner. The fund balance will be invested and income generated with offset increases in construction costs associated with the project. Capital project funds are intended to be expended in full, with any excess to be utilized for other authorized purposes or transferred to the Debt Service fund to service project-related Debt Service.
- F. **General Debt Service Funds** – Balances are maintained to meet contingencies and to make certain that the next year's Debt Service payments may be met in a timely manner.
- G. **Investment of Reserve Funds** – The reserve funds will be invested in accordance with the City's investment policy.

- H. **Debt Coverage Ratio** –The City will attempt to maintain a Debt Coverage Ratio of a minimum of 1.25 times for each fund and for the City as a whole, or as may be determined by the City Council.
- I. **Ratios/Trend Analysis** – Ratios and significant balances may be incorporated into budgeting process. This information will provide users with meaningful data to identify major trends of the City’s financial condition through analytical procedures.

The City will develop minimum/maximum levels for the above ratios/balances through analyzing of City historical trends and future projections. These ratios may be compared to other similar or regional municipalities for further analysis.

XIV. INTERNAL CONTROLS

- A. **Written Procedures** – Whenever possible, written procedures will be established and maintained for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.
- B. **Internal Audit Program** – An internal audit program will be maintained to ensure compliance with City policies and procedures and to prevent the potential for fraud.
 - 1. Departmental Audits – Departmental processes will be reviewed to ensure dual control of City assets and identify the opportunity for fraud potential, as well as, to ensure that departmental internal procedures are documented and updated as needed.
 - 2. Employee or Transactional Review – Programs to be audited include Petty Cash, City Credit Card accounts, time entry, and travel. All discrepancies will be identified, and the employee’s Division Director will be notified. The City Manager will also be notified depending on the seriousness of the discrepancy.
- C. **Division Directors Responsibility** – Each Division Director is responsible for ensuring that good internal controls are followed throughout their department, that all City Manager directives are implemented and that all independent auditor internal control recommendations are addressed. Departments may develop and periodically update written internal control procedures specific to their department.

XV. STAFFING

The City's goal as an employer is to attract and retain quality employees who provide excellent, friendly services to our community in an effective and efficient manner.

- A. **Adequate Staffing** – Staffing levels will be adequate for the fiscal functions of the City to operate effectively. Workload allocation alternatives will be explored before adding additional staff.
- B. **Salary Schedule Adjustments** – The City periodically conducts a comprehensive compensation study to ensure employees are fairly and adequately compensated. Pay scales have been adopted for each position within the City.
- C. **Additional Salary Adjustment** – Additional salary adjustments to adjust for inflation or other market forces may be recommended at the discretion of the City Manager.
- D. **Pay for Performance** – The City Manager may fund merit increases within the operating budget, and/or one time bonuses, incentives or stipends to aid in retaining quality employees and reward employees for productivity and job performance.

Definitions

Adopted – Adopted, as used in fund summaries and department and division summaries within the budget document, represent the budget as approved by formal action of the City Council which sets the spending limits for the fiscal year.

Ad Valorem – In proportion to value, a basis for levy of taxes on property.

Appropriation – An authorization made by the City Council through an approved budget which permits the City to incur obligations and to make expenditures of resources. Appropriations lapse at the end of the fiscal year.

Asset – Resources owned or held which have monetary value.

Audit – A comprehensive review of the manner in which the government's resources were actually utilized. A certified public accountant issues an opinion over the presentation of financial statements, tests the controls over the safekeeping of assets and makes recommendations for improvement where necessary.

Bond – A written promise, generally under seal, to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically. The difference between a note and a bond is that the latter usually runs for a longer period of time and requires greater legal formality.

Budget – A plan of operation embodying an estimate of proposed expenditures for a given period and the proposed means of funding them.

Capital Budget – A plan of proposed capital outlays and the means of funding them for the current fiscal period.

Capital Improvement Program – The capital improvement program (CIP) is a comprehensive plan of capital investment projects which identifies priorities as to need, method of financing, and project costs and revenues that will result during a five year period. The program is a guide for identifying current and future fiscal year requirements and becomes the basis for determining the annual capital budget.

Cash Method of Accounting – A basis of accounting in which transactions are recorded when cash is either received or expended.

Charter – The Home Rule Charter initially adopted on July 27, 2000 and as subsequently amended, that establishes the City as an incorporated political subdivision (municipal government) in accordance with the statutes of the State of Texas. The Charter provides the form, roles and powers of the municipal government that is the City of Burnet.

Contingency Appropriation – A budgetary appropriation reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

Debt Coverage Ratio - The number of times the current combined Debt Service requirements or payments would be covered by the current operating revenues net of on-going operating expenses.

Debt Service – The City's obligation to pay principal and interest on debt.

Delinquent Taxes – Taxes that remain unpaid after the date on which a penalty for nonpayment is attached. Property tax statements are mailed out in October and become delinquent if unpaid by January 1.

Department – a specific functional area within a City division.

Depreciation – The process of estimating and recording the expired useful life of a fixed asset which is used to distribute its cost over its revenue producing years.

Encumbrance – Any commitment of funds against an appropriation. It may be in the form of a purchase order or a contract. Encumbrance accounting is formally integrated into the accounting system for expenditure control purposes. An encumbrance differs from an account payable as follows: an account payable represents a legal liability to pay and results from the goods and/or services requested in a purchase order or contract having been delivered to the City. Until such time as the goods and/or services are delivered, the commitment is referred to as an encumbrance.

Enterprise Fund – A fund established to finance and account for operations (1) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including Depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability, or other purpose.

Expenditures – If the accounts are kept on the accrual basis this term designates total charges incurred, whether paid or unpaid, including expenses, provision for the retirement of debt not reported as liability of the fund from which retired, and capital outlays. If the accounts are kept on the cash basis, the term covers only actual disbursements for these purposes. Encumbrances are not considered expenditures.

Expense – Charges incurred, whether paid or unpaid, for operation, maintenance, and interest, and other charges which are presumed to benefit the current fiscal period. Legal provisions sometimes make it necessary to treat as expense, charges whose benefits extend over future periods.

Fiscal Year – an accounting period, typically twelve months, to which the annual budget applies and at the end of which a city determines its financial position and results of operations. The City’s fiscal year is October 1 through September 30.

Fixed Assets – Assets of a long-term character which are intended to continue to be held or used, such as land, building, machinery, furniture and other equipment.

Fund – An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on in accordance with special regulations, restrictions, or limitations.

Fund Balance – The excess of a fund’s assets over its liabilities and reserves.

General Fund – The fund that is available for any legal authorized purpose and which is therefore used to account for revenues and activities of ordinary governmental operations, except special revenue and enterprise funds.

Generally Accepted Accounting Principles (GAAP) – The uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

General Obligation Debt – Tax supported bonded debt which is backed by the full faith and credit of the City.

Grant – A contribution by one governmental unit to another. The contribution is usually made to aid in the support of a specified function (for example, education), but it is sometimes also for general purposes.

Impact Fees – Fees assessed to help defray a portion of the costs that naturally result from increased development. By Texas law, these fees must be used for capital acquisition or Debt Service relating to capital projects.

Infrastructure – Roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems, water lines wastewater line and other improvements that are installed for the common good.

Interfund Transfer – A movement of cash between funds for the purpose of return on investment or funding projects and operations.

Modified Accrual Basis of Accounting – a basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways: 1) revenues are not recognized until they are measureable and available and 2) expenditures are recognized in the period in which the

governments in general normally liquidate the related liability, rather than when that liability is first incurred (if earlier).

Operating Budget – This budget, associated with providing on-going services to citizens, includes general expenditures such as personal services, professional services, maintenance costs, supplies and operating capital items.

Operating Revenues – Operating revenues are defined as those revenues received in the course of normal operations and do not include any one time payments or uses of fund balance for projects.

Program – A group of related activities performed by one or more departments or funds for the purpose of accomplishing a function for which the City is responsible.

Property Taxes – Used to describe all revenue received in a period from current taxes and delinquent taxes. Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

Revenue – The yield of taxes and other monetary resources that the City collects and receives into the treasury for public use. For those revenues which are recorded on the accrual basis, this term designates additions to assets which (1) do not increase any liability; (2) do not represent the recovery of an expenditure; (3) do not represent contributions of fund capital in enterprise funds. The same definition applies to those cases where revenues are recorded on the cash basis, except that additions would be partially or entirely to cash.

Revenue Bonds – Bonds of the City are supported by the revenue generating capacity.

Special Revenue Fund (SRF) – A fund used to account for the proceeds of a specific revenue source (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

Surplus – the excess of the assets of a fund over its liabilities; or if the fund has other resources and obligations; the excess of resources over the obligations.

Tax Base – The total value of all real, personal and mineral property in the City as of January 1st of each year, as certified by the County Appraisal District. The tax base represents net value after all exemptions.

Tax Levy – The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Tax Rate – Total tax rate is set by Council and is made up of two components; Debt Service and operations rates. It is the amount levied for each \$100 of assessed valuation.

Tax Supported Debt – Debt for which the City has pledged a repayment from its property taxes.

Transfers – Amounts transferred from one fund to another to assist in financing the services or programs for the recipient fund.

User Charges – The payment of a fee for direct receipt of a public service by the party benefiting from the service.

Working Capital – for enterprise funds, the excess of current assets over current liabilities. Working capital of a fund is important because budgeted expenditures of the fund must be provided for from cash receipts during the year supplemented by working capital carried over from the prior years, if any.