Bastrop, TX City Council Meeting Agenda

Bastrop City Hall City Council Chambers
1311 Chestnut Street
Bastrop, TX 78602
(512) 332-8800

BASTROPTX
Heart of the Lost Pines / Est. 1832

March 9, 2021 at 6:00 P.M.

City of Bastrop City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at (512) 332-8800 or write 1311 Chestnut Street, 78602, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

The City of Bastrop reserves the right to reconvene, recess, or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

PLEASE NOTE: ANYONE IN ATTENDANCE WISHING TO ADDRESS THE COUNCIL MUST COMPLETE A CITIZEN COMMENT FORM AND GIVE THE COMPLETED FORM TO THE CITY SECRETARY PRIOR TO THE START OF THE CITY COUNCIL MEETING. ALTERNATELY, IF YOU ARE UNABLE TO ATTEND THE COUNCIL MEETING, YOU MAY COMPLETE A CITIZEN COMMENT FORM WITH YOUR COMMENTS AT WWW.CITYOFBASTROP.ORG/CITIZENCOMMENTFORM BEFORE 5:00 P.M. ON MARCH 9, 2021. COMMENTS SUBMITTED BY THIS TIME WILL BE DISTRIBUTED TO THE CITY COUNCIL PRIOR TO MEETING COMMENCEMENT, REFERENCED AT THE MEETING, AND INCLUDED WITH THE MEETING MINUTES. COMMENTS FROM EACH INDIVIDUAL WILL BE LIMITED TO THREE (3) MINUTES WHEN READ ALOUD.

1. CALL TO ORDER

2. EXECUTIVE SESSION

2A. City Council shall convene into closed executive session pursuant to Texas Government Code Sections 551.071 and 551.072, to seek the advice of legal counsel, and to deliberate upon the acquisition of real property interests associated with the construction of Wastewater Treatment Plant #3 at 385 SH 304, Unit B, Bastrop, TX 78602, and its collections systems, including all related agreements, authorizations, easements, resolutions, and associated legal actions.

3. TAKE ANY NECESSARY OR APPROPRIATE ACTION ON MATTERS POSTED FOR CONSIDERATION IN CLOSED/EXECUTIVE SESSION

4. CALL TO ORDER – REGULAR SESSION – 6:30 P.M.

5. **PLEDGE OF ALLEGIANCE**

TEXAS PLEDGE OF ALLEGIANCE
Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

6. **INVOCATION** – Grady Chandler, Police Chaplain

7. **PRESENTATIONS**

7A. Mayor's Report

7B. Council Members' Report

7C. City Manager's Report

8. **WORK SESSION/BRIEFINGS - NONE**

9. **STAFF AND BOARD REPORTS**

9A. Receive the Comprehensive Annual Financial Report and the Single Audit Report for the period ending September 30, 2020, which includes the independent auditor's report presented by the independent audit firm of Belt Harris Pechacek, LLLP. (Submitted by: Tracy Waldron, Chief Financial Officer)

10. **CITIZEN COMMENTS**

At this time, three (3) minute comments will be taken from the audience on any topic. Anyone in attendance wishing to address the Council must complete a citizen comment form and give the completed form to the City Secretary prior to the start of the City Council meeting. Alternately, if you are unable to attend the council meeting, you may complete a citizen comment form with your comments at www.cityofbastrop.org/citizencommentform before 5:00 p.m. on March 9, 2021. Comments submitted by this time will be distributed to the city council prior to meeting commencement, referenced at the meeting, and included with the meeting minutes. Comments from each individual will be limited to three (3) minutes when read aloud. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, City Council cannot discuss issues raised or make any decision at this time. Instead, City Council is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Manager for research and possible future action.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty and/or integrity of the Council, as a body, or any member or members of the Council individually or collectively, or members of the City's staff. Accordingly, profane, insulting or threatening language directed toward the Council and/or any person in the Council's presence will not be tolerated.

11. CONSENT AGENDA

The following may be acted upon in one motion. A Council Member or a citizen may request items be removed from the Consent Agenda for individual consideration.

11A. Consider action to approve City Council minutes from the February 23, 2021 Regular meeting. (Submitted by: Ann Franklin, City Secretary)

11B. Consider action to approve Resolution No. R-2021-22 of the City Council of the City of Bastrop, Texas, approving a Joint Agreement between the City of Bastrop, Bastrop Independent School District, Elgin Municipal Utility District No. 1 and Elgin Municipal Utility District No. 2 for the May 1, 2021 General Election for Bastrop, Texas, attached as Exhibit A; authorizing the City Manager to execute all necessary documents; and providing an effective date. (Submitted by: Ann Franklin, City Secretary)

11C. Consider action to approve Resolution No. R-2021-24 of the City Council of the City of Bastrop, Texas approving a Public Improvement Plan Agreement with Hunt Communities Bastrop, LLC for The Colony MUD 1C Section 1, as attached in Exhibit A; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date. (Submitted by: Jennifer Bills, Assistant Planning Director)

11D. Consider action to approve Resolution No. R-2021-25 of the City Council of the City of Bastrop, Texas re-appointment of Blas Coy, Jr. as Presiding Municipal Judge and approving a contract to provide services, attached as Exhibit A; authorizing the City Manager to execute all necessary documents; repealing conflicting provisions; and establishing for an effective date. (Submitted by: Tracy Waldron, Chief Financial Officer)

12. ITEMS FOR INDIVIDUAL CONSIDERATION

12A. Consider and adopt on first and final reading Ordinance No. 2021-02 as an emergency measure ratifying temporary Emergency Orders enacted by the Mayor in her capacity as Emergency Management Director in regards to the current Local State of Disaster, for the immediate preservation of the public peace, health or safety.

12B. Consider action to approve Resolution No. R-2021-29 of the City Council of the City of Bastrop, Texas authorizing the City Manager to take certain actions regarding fitness and recreational facilities and programs as related to a city pilot recreation membership program; and providing an effective date.

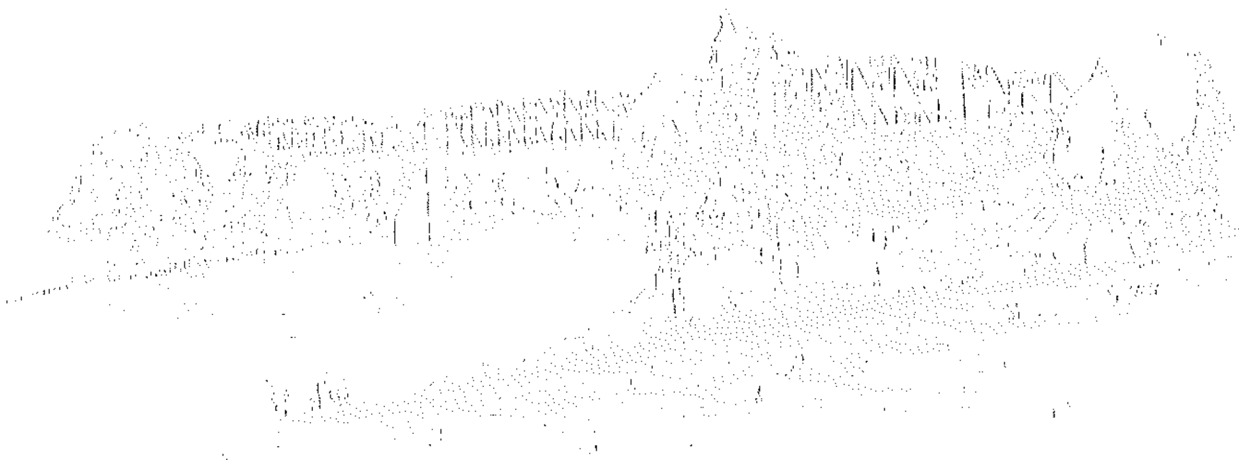
12C. Consider action to approve Resolution No. R-2021-26 of the City Council of the City of Bastrop, Texas, approving a Master Services Agreement with Aqua Metrics, attached as Exhibit A, to upgrade the current Regional Network Interface related to the Advanced Metering Infrastructure System; authorizing the City Manager to execute all necessary documents; proving for a repealing clause; and establishing for an effective date. (Submitted by: Tracy Waldron, Chief Financial Officer)

12D. Consider action to approve Resolution No. R-2021-28 of the City Council of the City of Bastrop, Texas, regarding a proposed mixed use development project, authorizing and creating the Viridian Public Improvement District (formerly known as the NEU Community Bastrop), establishing the PID boundaries for a 410-acre tract adjacent to the city limits to the west of FM 969 and south west of the Colorado River (original owner David K. Grassel), review of draft conceptual plans, and consideration and approval of related land use development contractual documents involving DR Horton, and Continental Homes of Texas (Submitted by: Trey Job, Assistant City Manager)

13. ADJOURNMENT

I, the undersigned authority, do hereby certify that this Notice of Meeting as posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located at the entrance to the City of Bastrop City Hall, a place of convenient and readily accessible to the general public, as well as to the City's website, www.cityofbastrop.org and said Notice was posted on the following date and time: Thursday, March 4, 2021 at 2:30 p.m. and remained posted for at least two hours after said meeting was convened.

Ann Franklin, City Secretary



BASTROPTX
Heart of the Lost Pines / Est. 1832

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 2A

TITLE:
City Council shall convene into closed executive session pursuant to Texas Government Code Sections 551.071 and 551.072, to seek the advice of legal counsel, and to deliberate upon the acquisition of real property interests associated with the construction of Wastewater Treatment Plant #3 at 385 SH 304, Unit B, Bastrop, TX 78602, and its collections systems, including all related agreements, authorizations, easements, resolutions, and associated legal actions.

STAFF REPRESENTATIVE:
Paul A. Hofmann, City Manager

BASTROPTX
Heart of the Lost Pines / Est. 1832

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 3

TITLE:
Take any necessary or appropriate action on matters posted for consideration in closed/executive session

STAFF REPRESENTATIVE:
Paul A. Hofmann, City Manager

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 7A

TITLE:
Mayor's Report

STAFF REPRESENTATIVE:
Paul A. Hofmann, City Manager

POLICY EXPLANATION:

Texas Local Government Code, Section 551.045 – Governing Body of Municipality or County: Reports about Items of Community Interest Regarding Which No Action Will Be Taken:

(a) Notwithstanding Sections 551.041 and 551.042, a quorum of the governing body of a municipality or county may receive from staff of the political subdivision and a member of the governing body may make a report about items of community interest during a meeting of the governing body without having given notice of the subject of the report as required by this subchapter if no action is taken and, except as provided by Section 551.042, possible action is not discussed regarding the information provided in the report.

(b) For purposes of Subsection (a), "items of community interest" includes:

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

ATTACHMENTS:

- Power Point Presentation

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 7B

TITLE:
Council Members’ Report

STAFF REPRESENTATIVE:
Paul A. Hofmann, City Manager

POLICY EXPLANATION:

Texas Local Government Code, Section 551.045 – Governing Body of Municipality or County: Reports about Items of Community Interest Regarding Which No Action Will Be Taken:

(a) Notwithstanding Sections 551.041 and 551.042, a quorum of the governing body of a municipality or county may receive from staff of the political subdivision and a member of the governing body may make a report about items of community interest during a meeting of the governing body without having given notice of the subject of the report as required by this subchapter if no action is taken and, except as provided by Section 551.042, possible action is not discussed regarding the information provided in the report.

(b) For purposes of Subsection (a), "items of community interest" includes:

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

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 7C

TITLE:
City Manager's Report

STAFF REPRESENTATIVE:
Paul A. Hofmann, City Manager

POLICY EXPLANATION:

Texas Local Government Code, Section 551.045 – Governing Body of Municipality or County: Reports about Items of Community Interest Regarding Which No Action Will Be Taken:

(a) Notwithstanding Sections 551.041 and 551.042, a quorum of the governing body of a municipality or county may receive from staff of the political subdivision and a member of the governing body may make a report about items of community interest during a meeting of the governing body without having given notice of the subject of the report as required by this subchapter if no action is taken and, except as provided by Section 551.042, possible action is not discussed regarding the information provided in the report.

(b) For purposes of Subsection (a), "items of community interest" includes:

(1) expressions of thanks, congratulations, or condolence;
(2) information regarding holiday schedules;
(3) an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition for purposes of this subdivision;
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(6) announcements involving an imminent threat to the public health and safety of people in the political subdivision that has arisen after the posting of the agenda.

BASTROPTX
Heart of the Lost Pines / Est. 1832

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 9A

TITLE:
Receive the Comprehensive Annual Financial Report and the Single Audit Report for the period ending September 30, 2020, which includes the independent auditor's report presented by the independent audit firm of Belt Harris Pechacek, LLLP.

STAFF REPRESENTATIVE:
Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:
The City financial statements have been audited by Belt Harris Pechacek, LLLP, Certified Public Accountants and this Comprehensive Annual Financial Report and Single Audit Report have been prepared based upon those audited statements.

The Single Audit Report was required this year due to the level of state and federal grant expenses incurred during this fiscal year. This requires additional sampling of these expenses and a separate report.

The goal of the independent audit is to provide reasonable assurance, in conformity with generally accepted accounting principles, that the financial statements of the City of Bastrop for the fiscal year ended September 30, 2020 are free of material misstatement. This independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, significant estimates made by management and evaluating the overall financial statement presentation.

Belt Harris Pechacek, LLLP stated that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bastrop, Texas, for the fiscal year ended September 30, 2020.

The auditors have issued an unmodified audit opinion which is the best opinion that can be obtained. They have noted no recommendations for improvement over internal controls.

A copy of this report will be available to review at the Library and in the City Secretary's office. It will also be available on the City's website.

POLICY EXPLANATION:
State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. The six-month window ends March 30, 2020.

This independent audit to be made of all the accounts is also required by the City Charter and Financial Management Policies adopted by City Council.

FUNDING SOURCE:
N/A

RECOMMENDATION:
There is no action required as this is presented for informational purposes.

ATTACHMENTS:

- Comprehensive Annual Financial Report for period ending September 30, 2020
- Single Audit Report for the period ending September 30, 2020

BASTROPTX
Heart of the Lost Pines / Est. 1832

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDING SEPTEMBER 20, 2020

WWW.CITYOFBASTROP.ORG

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CITY OF BASTROP, TEXAS

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CITY OF BASTROP, TEXAS

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INTRODUCTORY SECTION

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City of Bastrop
1311 Chestnut Street
PO Box 427
Bastrop, Texas 78602

February 15, 2021

Honorable Mayor and City Council

The City of Bastrop's (the "City") Finance Department respectfully submits the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2020. Provided herein is a complete set of financial statements in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The purpose of this report is to provide City Council, management, staff, the public and other interested parties with detailed information regarding the City's financial condition. State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2020.

This report consists of management's representations concerning the finances of the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reports in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

To provide a reasonable basis for making the representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of the City financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

The City's financial records have been audited by Belt Harris Pechacek, LLLP Certified Public Accountants as required by the City Charter and Financial Management Policies adopted by City Council. This CAFR has been prepared based upon those audited records. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2020 are free of material misstatement. This independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and significant estimates made by management and evaluating the overall financial statement presentation.

Belt Harris Pechacek, LLLP Certified Public Accountants have stated that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bastrop, Texas, for the fiscal year ended September 30, 2020.

The independent auditor's report is located at the front of the financial section. Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF BASTROP

The City is nestled on the Colorado River and located at the junction of Texas Highways 71, 21 and 95, just 30 minutes from Austin, 90 minutes from San Antonio and less than 2 hours from Houston. It currently occupies 11 square miles and serves a population of approximately 9,154. The City serves as the county seat of Bastrop County ("the County"). The City has developed into a commercial center which daily serves up to an estimated 25,000 businesspersons, shoppers and visitors.

Bastrop, Texas is known as the most historic small town in Texas (the "State"). Bastrop was a frontier settlement founded by Stephen F. Austin in 1832 and incorporated in 1837. The City is the second-oldest incorporated town in Texas and was considered an alternate capital of the Republic. The City is situated along El Camino Real National Historic Trail and boasts more than 130 renovated historic homes and sites, designated on the *National Register of Historic Places* by the Texas Historical Commission.

The City operates under a council-manager form of government. The City Council is comprised of a Mayor and five Council members. All members are elected at-large on a staggered and non-partisan basis. They are responsible to enact local legislation, provide policy and annually adopt the operating budget. They appoint the City Manager, City Attorney, Judge of the Municipal Court and members of various boards and commissions. The City Manager, under the oversight of the City Council, is responsible for the proper administration of the operations of the City.

The City provides a full range of municipal services including general government; public safety; public works; parks and recreation; planning and development; code enforcement; animal services; and water, sewer and electric utilities. Sanitation services are provided by the City but are privately contracted.

The Bastrop Economic Development Corporation (BEDC) is included in the financial statements as a discretely presented component unit. Its purpose is to aid, promote and further economic development within the City. The BEDC is funded with sales tax revenues and is discussed more fully in the notes to the financial statements.

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

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The City is identified as the county seat for Bastrop County. With this designation comes commercial growth not typically seen for a population of approximately 9,154 residents. Major industries located within the government's boundaries, or close proximity, include small industries, retail stores, several financial institutions, restaurants and insurance companies. The school district has significant economic presence, employing in total more than 1,400 teachers, professionals and support staff.

Although unemployment rates increased during this fiscal year due to the unprecedented coronavirus pandemic, the City continued to experience unemployment rates consistently lower than the state average. The unemployment rate in Bastrop County was 6.2% for September 2020 compared to the 8.3% reported for the State.

In December 2019, Standard and Poor's affirmed the City's bond rating of 'AA' citing economic growth, strong reserve levels and liquidity supported by a strong framework of financial management with regular budget monitoring, and utilization of planning tools as justification for the rating. Also, in May 2020, Standard and Poor's affirmed the City's revenue bond rating of 'AA-' citing stable, primarily residential base, very strong debt service coverage, and good operational and financial management practices as justification for the rating.

Over the past ten years, the City has experienced significant economic growth and investment. Commercial development has been active since 2014 as evidenced by the increase in the tax base. The Burleson Crossing shopping center has continued to add additional retail centers with commercial business. There have been two apartment complexes completed in the last two years which brought much needed housing options. Piney Creek Bend and Pecan Park continue to construct additional single-family housing. During fiscal year (FY) 2020 the planning department issued 173 new residential permits and 6 new commercial building permits. The County continues to grow just outside the city limits in The Colony subdivision. This development will benefit the city with additional sales tax revenue.

Our sound financial position is possible in part by our conservative budgeting practices, as evidenced by healthy fund balance numbers. The City experienced growth in assessed valuation of property taxes and collection of sales taxes from fiscal year 2012 through 2020 as identified in the chart below. Existing assessed valuations have continued to represent an increase. This increase could be attributable to the continued build out of Pecan Park subdivision and an increase in assessed values of current properties including new commercial growth over the past several years. The sales tax revenue for FY 2019 was slightly below budget and did not reflect the higher percent increase the City had been experiencing in previous years. The City consistently shows an increase in sales tax revenue even when other areas of the state do not. This was no different for FY 2020 when the City responded to the pandemic by freezing vacant positions, not sure what sales tax revenue would do. The actual revenue exceeded the budget by 7.6%.

Fiscal Year	Ad Valorem Taxes Certified Assessed Valuation	% Change	General Fund Sales Tax Receipts	% Change
2012	$ 627,256,816	3.32%	$ 3,194,452	17.34%
2013	$ 635,808,461	1.36%	$ 3,322,116	3.99%
2014	$ 670,721,248	5.49%	$ 3,544,649	6.70%
2015	$ 737,922,965	10.02%	$ 4,016,828	13.30%
2016	$ 782,928,050	6.09%	$ 4,313,718	7.39%
2017	$ 825,822,058	5.47%	$ 4,437,843	2.87%
2018	$ 863,072,067	4.51%	$ 4,828,513	8.80%
2019	$ 897,823,408	4.03%	$ 5,087,945	5.37%
2020	$ 967,932,907	7.81%	$ 5,471,298	7.53%

Long-term Financial Planning
The current comprehensive plan was adopted by City Council on November 22, 2016. This document is used as a planning tool and provide priorities based on City Council's focus areas. The current plan is to fund an update in FY2022.

During the last two years, the City staff has developed ten-year maintenance schedules for building maintenance, parks, and replacement of equipment in all departments. These schedules will be used in future budget planning to provide the total amounts needed to maintain City assets and infrastructure so that this can be included in the CAFR.

The City does maintain five-year financial forecasts for all the major funds including the General Fund, Utility Funds and Hotel/Motel Occupancy Tax Fund.

Relevant Financial Policies
The City has adopted a comprehensive set of financial policies. Annually, the Finance Department reviews and provides suggested revisions to the City Manager. Each year the City Manager brings to the City Council all financial policies for review and approval as part of the budget process. These policies are as follows:

- Financial Management Policy – The overriding goal of the Financial Management Policy is to enable the City to achieve a long-term stable and positive financial condition while conducting its operations consistent with the Council-Manager form of government established in the City Charter. The watchwords of the City's financial management include integrity, prudent stewardship, planning, accountability, and full disclosure.
- Investment Policy – The purpose of this policy is to set forth specific investment policy and strategic guidelines for the City in order to achieve the goals of safety, liquidity, yield, and public trust for all investment activity.
- Comprehensive Fund Balance Policy – This policy clarifies the Governmental Accounting Standards Board classifications that must be used in financial reporting for fund balance categories.
- Purchasing Policy – It is the policy of the City that all purchasing shall be conducted strictly based on economic and business merit. This policy is intended to promote the best interest of the citizens of the City.
- Purchasing Card Policy – The purpose of this policy is to provide the City with an efficient and controllable method of making small dollar commodity, service and travel purchases.

Major Initiatives
There were several issuances of debt in FY 2020. The first was the Certificates of Obligation, series 2020 in the amount of $2,615,000 issued on February 5, 2020. The proceeds from the sale of those bonds were used to purchase new fire trucks and breathing equipment. The General Obligation Refunding, Series 2020 bond issued for $2,395,000 used to extinguish debt on several older bond series and saved the City approximately $75,000 in future interest payments. The final issuance was a Utility System Revenue Bond, Series 2020 for $20,065,000 used to fund the wastewater treatment plant #3 and the XS Ranch water plant.

Awards and Acknowledgements
The Government Officers Finance Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2019. This was the 8th consecutive year

that the City achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable program requirements.

A certificate of achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Government Treasurers' Organization of Texas awarded the City with a Certification of Investment Policy for developing an investment policy that meets the requirements of the Public Funds Investment Act and the standards for prudent public investing established by the Government Treasurers' Organization of Texas. This certificate is for a two-year period ending March 31, 2021.

The State Comptroller of Public Accounts awarded the City the Transparency Star in Debt Obligation area on the City's website. This certificate is valid for a period of one year.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the City Manager, Mayor and the Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

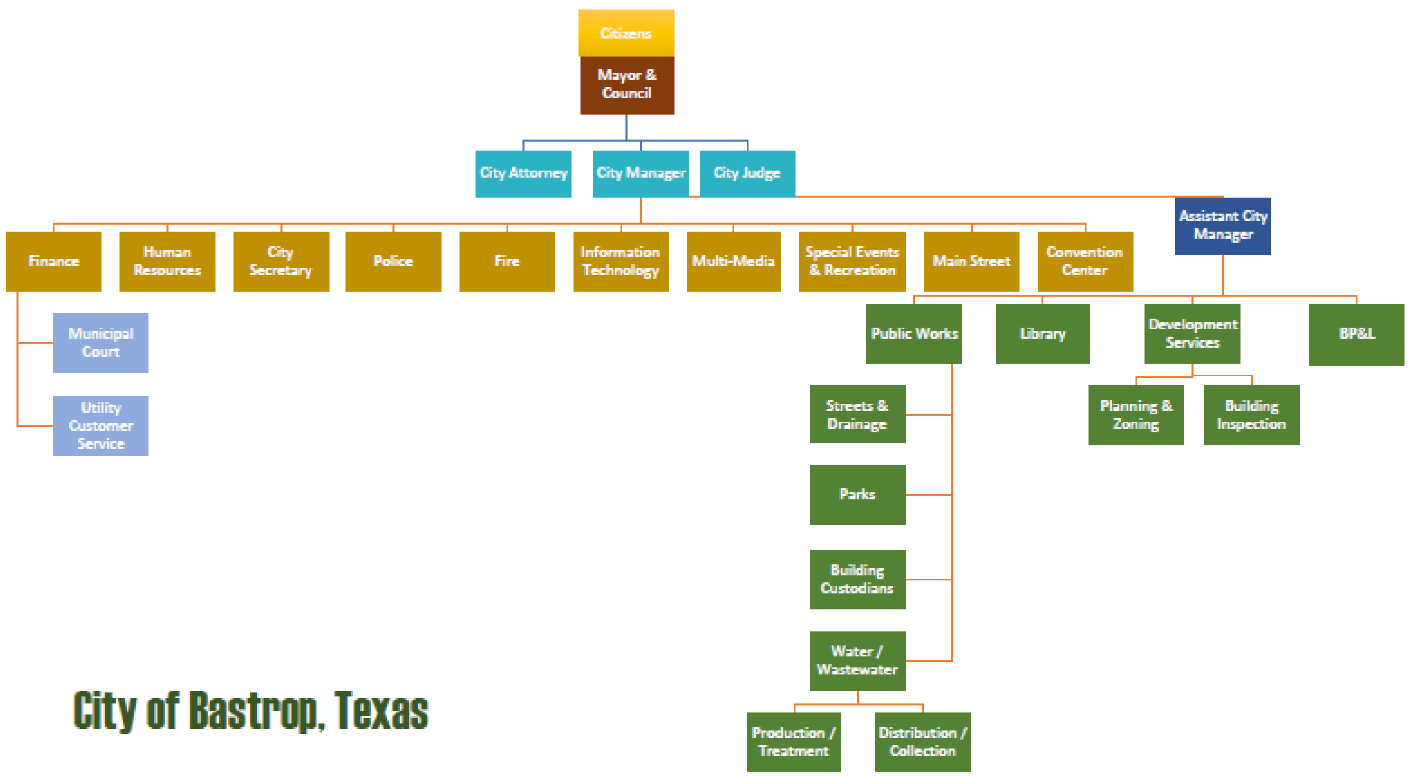
Tracy Waldron

Tracy Waldron
Chief Financial Officer

City of Bastrop, Texas

ORGANIZATIONAL CHART

September 30, 2020



CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bastrop
Texas

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morrill

Executive Director/CEO

City of Bastrop, Texas
PRINCIPAL OFFICIALS
September 30, 2020

City Officials	Elective Position
Connie Schroeder	Mayor
Lyle Nelson	Mayor Pro-Tem, Council Member, Place 3
Wille Lewis “Bill” Peterson	Council Member, Place 1
Drusilla Rogers	Council Member, Place 2
Bill Ennis	Council Member, Place 4
Dock Jackson	Council Member, Place 5

Key Staff	Position
Paul A. Hofmaan	City Manager
Trey Job	Assistant City Manager of Development Services
Clint Nagy,	Police Chief
Ann Franklin	City Secretary
Kim Walters	Court Administrator
Tracy Waldron	Chief Financial Officer
Tanya Cantrell	Human Resources Director

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinions

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

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Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining statements and schedules, and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Belt Harris Pechacek, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
February 25, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

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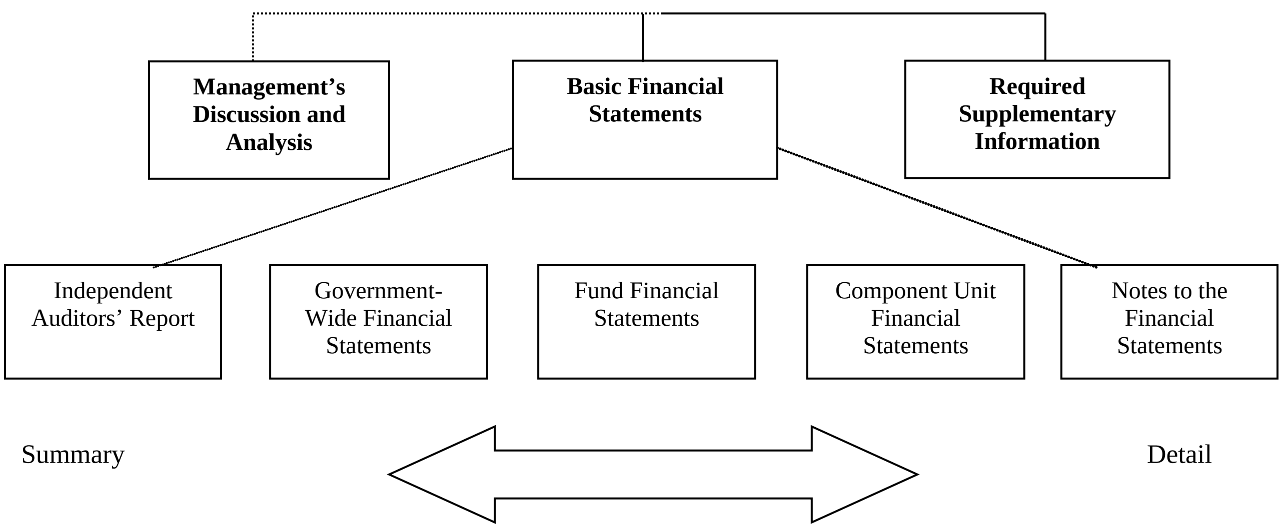
CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the City of Bastrop, Texas (the "City") for the year ending September 30, 2020. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the City's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT

Components of the Financial Section



The City's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

<u>Government-Wide Statements</u>

The government-wide statements report information for the City as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the City as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the City's financial statements, report information on the City's activities that enable the reader to understand the financial condition of the City. These statements are prepared using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other nonfinancial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

The Statement of Activities presents information showing how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows – the accrual method rather than modified accrual that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities divide the City's financials into two classes of activities:

1. *Governmental Activities* – Most of the City's basic services are reported here including general government, public safety (police and fire protection), community services, and economic development. Interest payments on the City's debt are also reported here. Property tax, sales tax, hotel/motel tax, and franchise fees, finance most of these activities.

2. *Business-Type Activities* – Services involving a fee for those services are reported here. These services include the City's water and wastewater services, and electrical utility.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate component unit, the Bastrop Economic Development Corporation (BEDC) for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The public improvement district (PID), although also legally separate, functions for all practical purposes as a departments of the City and, therefore, has been included as an integral part of the primary government.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the City. They are usually segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance related legal reporting requirements. The three categories of City funds are governmental, proprietary, and fiduciary.

<u>Governmental Funds</u>

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

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

The City maintains 15 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, hotel/motel tax fund, Hunters Crossing PID fund, and the Combination Revenue series 2020 Bond fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund, debt service fund, and the hotel/motel tax fund. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

Proprietary Funds

The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater system, electrical utility, and community impact fees. The proprietary fund financial statements provide separate information for the water and wastewater, electrical utility, and community impact fees. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

The City also uses an internal service fund to account for its vehicle and equipment replacement. The internal service fund had been included within governmental activities in the government-wide financial statements.

Fiduciary Funds

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

Notes to Financial Statements

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

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general fund, schedules of changes in net pension and total other postemployment benefits liability and related ratios and schedule of contributions. RSI can be found after the notes to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows by $68,918,836 as of September 30, 2020. The largest portion of the City's net position, 68%, reflects its investment in capital assets (e.g., land, building, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Current and other assets	$ 16,358,411	$ 18,651,041	$ 32,407,196	$ 14,145,293	$ 48,765,607	$ 32,796,334
Note receivable	3,076,303	3,257,645	240,000	300,000	3,316,303	3,557,645
Capital assets, net	45,000,852	36,660,119	44,227,711	38,196,577	89,228,563	74,856,696
Total Assets	64,435,566	58,568,805	76,874,907	52,641,870	141,310,473	111,210,675
Deferred outflows of resources	1,475,054	2,061,685	302,956	329,760	1,778,010	2,391,445
Liabilities due within one year	4,541,411	3,080,617	3,880,205	2,990,381	8,421,616	6,070,998
Long-term liabilities	26,418,043	26,438,016	38,742,323	19,071,152	65,160,366	45,509,168
Total Liabilities	30,959,454	29,518,633	42,622,528	22,061,533	73,581,982	51,580,166
Deferred inflows of resources	334,477	-	253,188	54,480	587,665	54,480
Net Position:						
Net investment in capital assets	23,307,166	19,816,206	23,850,300	18,773,085	47,157,466	38,589,291
Restricted	4,209,536	4,626,827	3,255,790	1,572,344	7,465,326	6,199,171
Unrestricted	7,099,987	6,668,824	7,196,057	10,510,188	14,296,044	17,179,012
Total Net Position	$ 34,616,689	$ 31,111,857	$ 34,302,147	$ 30,855,617	$ 68,918,836	$ 61,967,474

A portion of the City's net position, $7,465,326, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position, $14,296,044, or 21% may be used to meet the City's ongoing obligation to citizens and creditors.

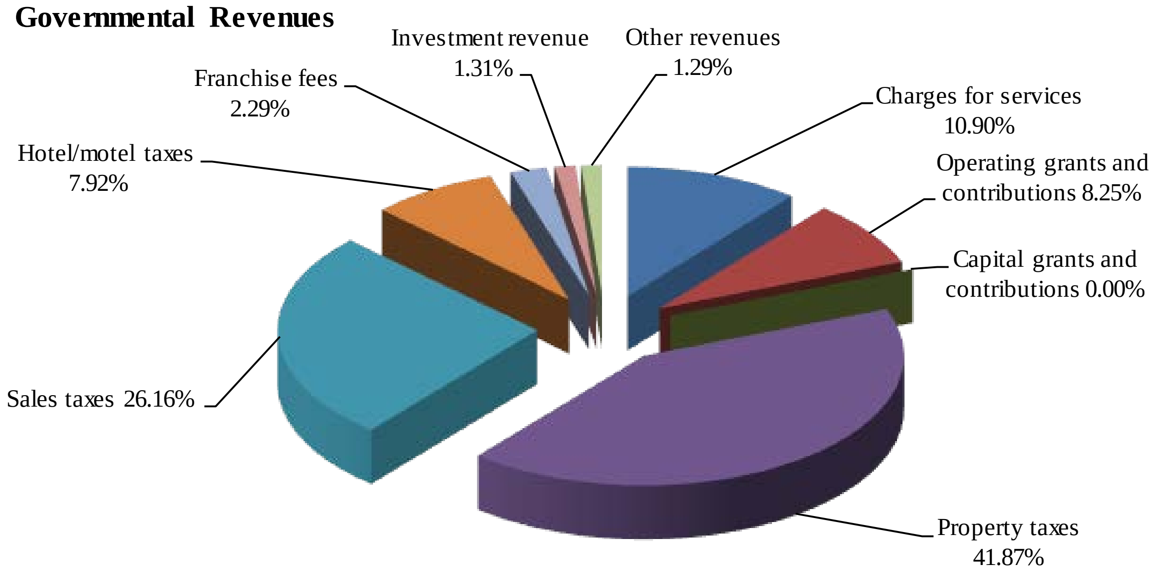
Net capital assets compared to the prior year increased due to the construction and acquisition of new capital assets in excess of current year depreciation expense. Liabilities due within one year increased $2,350,618 due to normal operating fluctuations related to the timing of payments. Long-term liabilities increased by $19,651,198 primarily as a result of the issuance of new debt during the year.

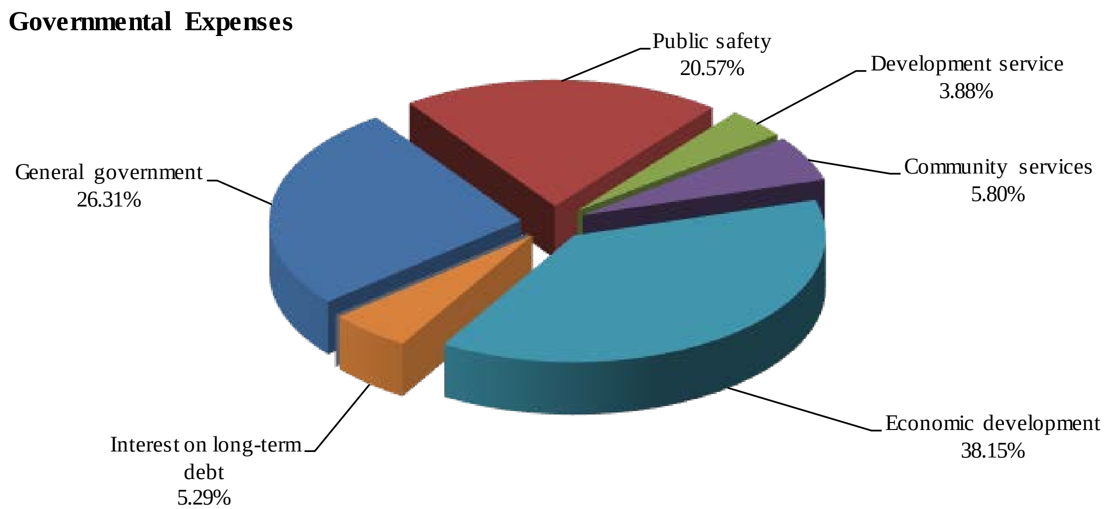
Statement of Activities

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	$ 2,303,661	$ 1,850,398	$ 13,786,538	$ 13,423,160	$ 16,090,199	$ 15,273,558
Operating grants and contributions	1,744,570	490,013	-	-	1,744,570	490,013
Capital grants and contributions	-	1,835,482	903,907	1,779,620	903,907	3,615,102
General revenues:						
Property taxes	8,849,258	6,061,380	-	-	8,849,258	6,061,380
Sales taxes	5,528,824	5,155,893	-	-	5,528,824	5,155,893
Hotel/motel taxes	1,673,609	2,829,049	-	-	1,673,609	2,829,049
Franchise fees	484,574	486,716	-	-	484,574	486,716
Investment revenue	277,206	414,108	195,866	291,046	473,072	705,154
Other revenues	272,921	293,716	-	-	272,921	293,716
Total Revenues	21,134,623	19,416,755	14,886,311	15,493,826	36,020,934	34,910,581
Expenses						
General government	4,802,825	6,020,455	-	-	4,802,825	6,020,455
Public safety	3,754,875	4,706,904	-	-	3,754,875	4,706,904
Development services	708,088	1,360,305	-	-	708,088	1,360,305
Community services	1,059,379	1,852,431	-	-	1,059,379	1,852,431
Economic development	6,963,722	3,212,115	-	-	6,963,722	3,212,115
Interest and fiscal agent fees	966,319	911,432	-	-	966,319	911,432
Water and wastewater	-	-	5,197,452	5,356,350	5,197,452	5,356,350
Bastrop power and light	-	-	5,609,727	6,138,706	5,609,727	6,138,706
Community impact fees	-	-	7,185	18,485	7,185	18,485
Total Expenses	18,255,208	18,063,642	10,814,364	11,513,541	29,069,572	29,577,183
Increase in Net Position Before Transfers	2,879,415	1,353,113	4,071,947	3,980,285	6,951,362	5,333,398
Transfers in (out)	625,417	1,256,323	(625,417)	(1,256,323)	-	-
Change in Net Position	3,504,832	2,609,436	3,446,530	2,723,962	6,951,362	5,333,398
Beginning net position	31,111,857	28,502,421	30,855,617	28,131,655	61,967,474	56,634,076
Ending Net Position	$ 34,616,689	$ 31,111,857	$ 34,302,147	$ 30,855,617	$ 68,918,836	$ 61,967,474

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





For the year ended September 30, 2020, revenues from governmental activities totaled $21,134,623, which is an increase of $1,717,868 from last year. This is primarily due to an increase in property tax revenues from an increase in the appraised values of properties within the City, an increase in charges for services revenues mostly due to increases in licenses and permit fees received, and an increase in operating grants and contributions mostly due to increases in aid received from the state. This increase was offset by decreases in capital grants and contributions, as the City had items received in the prior year that did not occur in the current year as well as a decrease in hotel/motel taxes received primarily as a result of the COVID-19 pandemic and related lockdowns.

For the year ended September 30, 2020, expenses for governmental activities totaled $18,255,208. Overall governmental expenses increased by $191,566 due largely to economic development expenses increases primarily due to ongoing improvement projects within the City.

Business-type activities' change in net position was $4,071,947 before transfers out of $625,417. Revenues decreased $607,515 compared to the prior year due to a decrease in capital grants and contributions. In comparison, expenses decreased by $699,177.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

The City's governmental funds reflect a combined fund balance of $11,569,110. Of this, $517,081 is nonspendable, $6,583,973 is restricted for various purposes, and $66,842 is assigned for various projects. The remaining balance of $4,227,180 is unassigned in the general fund.

The general fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was $4,227,180, while total fund balance reached $4,357,447. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total fund expenditures. Total ending fund balance represents 38% of total general fund expenditures. The general fund demonstrated an overall decrease of $1,176,757.

The debt service fund has a total fund balance of $298,232, all of which is restricted for the payment of debt service. The net increase in fund balance during the year was $39,712. This increase was primarily due to increases in property tax revenue as a result of an increase in valuations within the City.

The hotel motel tax fund has a total fund balance of $2,896,369, all of which is restricted for economic development. The net decrease in fund balance during the year was $953,361. This decrease was primarily related to less hotel occupancy as a result of the COVID-19 pandemic and related lockdowns.

The Hunters Crossing Public Improvement District (PID) ended the year with no fund balance. The net decrease of $389,325 is primarily related to an increase in economic development expense as a result of ongoing capital projects within the District.

The combination revenue bond series 2020 fund ended the year with a total fund balance of $6,099. This was a new fund created this year to track the issuance and expenditure of bond related funds associated with the series 2020 debt issuance.

Proprietary Funds – The City's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

GENERAL FUND BUDGETARY HIGHLIGHTS

There had been a planned decrease in budgeted fund balance in the amount of $1,031,889 in the general fund. However, the net change in fund balance increased by $1,176,757 resulting in a positive variance of $2,208,646 from budgeted as amended over actual. Actual general fund revenues were more than amended budgeted revenues by $984,730 during 2020. The City realized more revenues than anticipated mostly from licenses and permits, sales taxes, and intergovernmental revenues, while other revenues lagged behind expectations. Actual expenditures were less than budgeted amounts by $1,145,408 for the fiscal year.

CAPITAL ASSETS

At the end of the current fiscal year, the City's governmental and business-type activities had invested $89,228,563 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net increase of $14,371,867. More detailed information about the City's capital assets is presented in note III. C. to the financial statements.

LONG-TERM DEBT

At the end of the current fiscal year, the City had total notes, bonds, and certificates of obligation outstanding related to its governmental activities of $24,004,372 and business-type activities of $37,546,079. More detailed information about the City's long-term liabilities is presented in note III. D. to the financial statements.

Current underlying ratings on debt issues are as follows:

Fitch	
Long-term Issuer Default Rating	AA-
Combination Tax and Revenue	AA-
General Obligation	AA-
Limited Tax Refunding	AA-
Standard and Poor's	
Revenue	AA-
General Obligation	AA

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City experiences steady commercial growth as it is identified within Bastrop County as the county seat and its desirable location between Houston and Austin. The City's population is about 9,154 within the City limits; however, it is estimated the City's retail market services in excess of 198,000 visitors. Due to its healthy local economy, the City has maintained a credit rating of AA from Standard and Poor's Global Ratings for general obligation bonds at our last bond issue in December 2019 and AA**-** from Standard and Poor's Global Ratings on the utility system revenue bonds as of May 2020. The annual operating budget for fiscal year 2021 reflects a variety of community issues, planning initiatives, economic development opportunities, compensation study, street and drainage projects, construction on the new wastewater treatment plant, and engineering on the new water treatment plant. The City Council held budget and planning sessions to provide an opportunity for the City Council to pass along their input and guidance in developing the FY 2021 budget. The City adopted a fiscally responsible budget on September 22, 2021, leaving some available unappropriated fund balance above the required fund balance reserve. It is the intention of the City Manager to assess the results of the compensation study along with the reorganization plan and come back to City Council to appropriate those available funds up to a balanced budget.

Total general fund budgeted revenue for FY 2021 is $11,881,169. The FY 2021 general fund's major revenue source for the City is sales tax at a budgeted $5,266,932. Ad valorem tax revenue (property taxes) is a close second with an annual budget of $4,039,083. The sales tax and ad valorem taxes comprise 74% of the revenues received by the general fund for operations. The general fund (M&O) tax rate of $0.3845/$100 and the debt service fund (I&S) tax rate of $0.1949/$100 combine to establish the City's overall property tax rate of $0.5794 per $100. This rate is an increase from the $0.5640 the City had maintained for the last five years in a row. The debt service payments for FY 2021 are $2,081,125 or 33.64% of the overall tax rate necessary to generate funds to service the bonded indebtedness of the City. Property taxes of $4,039,083 support the general fund operations of the City, which represents 66.36% of the revenue collection. The FY2021 budget will provide for the 25% required fund balance at yearend as required by the financial management policy adopted by City Council.

Water and wastewater fund operations for FY 2021 has budgeted revenue of $6,572,900, and expenses are budgeted at $6,213,872. This budget leaves a fund balance of 38% which exceeds the fund balance reserve of 35% required by the financial management policy adopted by City Council.

The Bastrop Power and Light fund revenues consist of the sale of electricity to the City’s customers within its service area, fees assessed for extension services and pole attachment fee. Total budgeted expenses for the electric fund for the purchase of electricity and operations of the department is $7,427,450.

The comprehensive plan that was adopted by City Council in FY 2017 was used to set budgetary priorities. The plan gives the City Council long-range goals that will ensure progress towards improving the community and maintaining the quality of life Bastrop residents have come to expect. The City is committed to the delivery of excellent service today and we are prepared to effectively deliver the same service tomorrow.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Tracy Waldron, CGFO, Chief Financial Officer, P.O. Box 427, Bastrop, Texas 78602.

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CITY OF BASTROP, TEXAS

STATEMENT OF NET POSITION

September 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BEDC
Assets				
Cash and equity in pooled cash/investments	$ 12,764,832	$ 29,510,135	$ 42,274,967	$ 5,217,942
Receivables, net of allowances	3,017,745	1,135,613	4,153,358	609,616
Internal balances	(424,244)	424,244	-	-
Due from BEDC	125,257	-	125,257	-
Due from other governments	744,554	-	744,554	-
Prepaids and other assets	118,199	-	118,199	12,000
Inventory	12,068	384,894	396,962	-
Restricted assets:				
Temporarily restricted cash/cash equivalents	-	952,310	952,310	-
	16,358,411	32,407,196	48,765,607	5,839,558
Note receivable	3,076,303	240,000	3,316,303	-
Capital assets:				
Nondepreciable capital assets	7,594,073	14,071,119	21,665,192	4,150,057
Depreciable capital assets, net	37,406,779	30,156,592	67,563,371	487,990
	45,000,852	44,227,711	89,228,563	4,638,047
Total Assets	64,435,566	76,874,907	141,310,473	10,477,605
Deferred Outflows of Resources				
Deferred outflows - pension	666,393	251,454	917,847	40,966
Deferred outflows - TMRS OPEB	36,274	13,573	49,847	2,119
Deferred outflows - Health OPEB	95,922	37,929	133,851	5,945
Deferred loss on refunding	676,465	-	676,465	-
Total Deferred Outflows of Resources	1,475,054	302,956	1,778,010	49,030
Liabilities				
Accounts payable and accrued liabilities	2,033,242	2,396,279	4,429,521	567,875
Accrued bond interest	103,841	-	103,841	-
Due to primary government	-	-	-	125,257
Noncurrent liabilities:				
Portion due within one year:				
Compensated absences	257,545	58,341	315,886	11,903
Bonds and notes payable	2,146,783	1,425,585	3,572,368	301,382
Portion due in more than one year:				
Compensated absences	28,616	6,482	35,098	11,902
Bonds and notes payable (net)	22,984,619	37,939,635	60,924,254	5,353,549
Net pension liability	2,445,791	527,820	2,973,611	89,348
OPEB liability - health	677,863	190,212	868,075	30,919
OPEB liability - TMRS	281,154	78,174	359,328	12,691
Total Liabilities	30,959,454	42,622,528	73,581,982	6,504,826
Deferred Inflows of Resources				
Deferred gain on refunding	-	46,720	46,720	-
Deferred inflows - pension	327,742	204,495	532,237	57,582
Deferred inflows - TMRS OPEB	6,735	1,973	8,708	318
Total Deferred Inflows of Resources	334,477	253,188	587,665	57,900
Net Position				
Net investment in capital assets	23,307,166	23,850,300	47,157,466	1,858,157
Restricted for:				
Nonexpendable perpetual care cemetery	386,814	-	386,814	-
Expendable:				
Cemetery	104,947	-	104,947	-
Debt service	298,232	-	298,232	108,127
Economic development	2,896,369	-	2,896,369	9,332
Traffic saftey	464,505	-	464,505	-
PEG fees	58,669	-	58,669	-
Capital projects	-	3,255,790	3,255,790	-
Unrestricted	7,099,987	7,196,057	14,296,044	1,988,293
Total Net Position	$ 34,616,689	$ 34,302,147	$ 68,918,836	$ 3,963,909

See Notes to Financial Statements.

City of Bastrop, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2020

		Program Revenues		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary Government				
Governmental Activities				
General government	$ 4,802,825	$ 591,191	$ -	$ -
Public safety	3,754,875	289,954	1,744,570	-
Development services	708,088	1,202,430	-	-
Community services	1,059,379	111,651	-	-
Economic development	6,963,722	108,435	-	-
Interest and fiscal agent fees	966,319	-	-	-
Total Governmental Activities	18,255,208	2,303,661	1,744,570	-
Business-Type Activities				
Water and wastewater	5,197,452	6,150,299	-	903,907
Bastrop power and light	5,609,727	6,383,347	-	-
Community impact fees	7,185	1,252,892	-	-
Total Business-Type Activities	10,814,364	13,786,538	-	903,907
Total Primary Government	$ 29,069,572	$ 16,090,199	$ 1,744,570	$ 903,907
Component Unit				
BEDC	$ 3,496,545	$ -	$ 771,584	$ -

General Revenues:

Property taxes

Sales taxes

Hotel/motel taxes

Franchise fees

Investment revenue

Other revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning net position

Ending Net Position

See Notes to Financial Statements.

Net Revenue (Expense) and Changes in Net Position			Component Unit
Primary Government			
Governmental Activities	Business-Type Activities	Total	BEDC
$ (4,211,634)	$ -	$ (4,211,634)	$ -
(1,720,351)	-	(1,720,351)	-
494,342	-	494,342	-
(947,728)	-	(947,728)	-
(6,855,287)	-	(6,855,287)	-
(966,319)	-	(966,319)	-
(14,206,977)	-	(14,206,977)	-
-	1,856,754	1,856,754	-
-	773,620	773,620	-
-	1,245,707	1,245,707	-
-	3,876,081	3,876,081	-
(14,206,977)	3,876,081	(10,330,896)	-
-	-	-	(2,724,961)
8,849,258	-	8,849,258	-
5,528,824	-	5,528,824	2,733,447
1,673,609	-	1,673,609	-
484,574	-	484,574	-
277,206	195,866	473,072	64,000
272,921	-	272,921	13,796
625,417	(625,417)	-	-
17,711,809	(429,551)	17,282,258	2,811,243
3,504,832	3,446,530	6,951,362	86,282
31,111,857	30,855,617	61,967,474	3,877,627
$ 34,616,689	$ 34,302,147	$ 68,918,836	$ 3,963,909

CITY OF BASTROP, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2020

	General	Debt Service	Hotel/Motel Tax	Hunters Crossing PID
Assets				
Cash and equity in pooled cash and investments	$ 3,254,971	$ 284,121	$ 2,846,001	$ 15,339
Receivables, net	1,690,525	133,296	129,945	59,082
Due from other funds	902,584	-	-	-
Due from component unit	125,257	-	-	-
Due from other governments	744,554	-	-	-
Prepaid items	118,199	-	-	-
Inventory	12,068	-	-	-
Total Assets	$ 6,848,158	$ 417,417	$ 2,975,946	$ 74,421
Liabilities				
Accounts payable and accrued liabilities	$ 1,057,121	$ 9,945	$ 47,854	$ 15,339
Due to other funds	-	-	-	56,623
Due to others	-	-	31,723	-
Advances from other funds	424,244	-	-	-
Total Liabilities	1,481,365	9,945	79,577	71,962
Deferred Inflows of Resources				
Unavailable revenue	1,009,346	109,240	-	2,459
Fund Balances				
Nonspendable:				
Inventories	12,068	-	-	-
Prepaid items	118,199	-	-	-
Perpetual care	-	-	-	-
Restricted for:				
Debt service	-	298,232	-	-
Cemetery	-	-	-	-
Traffic safety	-	-	-	-
PEG fees	-	-	-	-
Public safety	-	-	-	-
Parks	-	-	-	-
Economic development	-	-	2,896,369	-
Capital projects	-	-	-	-
Assigned to:				
Special projects	-	-	-	-
Unassigned	4,227,180	-	-	-
Total Fund Balances	4,357,447	298,232	2,896,369	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 6,848,158	$ 417,417	$ 2,975,946	$ 74,421

See Notes to Financial Statements.

Combination Revenue Bond Series 2020	Nonmajor Governmental	Total
$ 6,099	$ 4,751,605	$ 11,158,136
	1,004,897	3,017,745
-	-	902,584
-	-	125,257
-	-	744,554
-	-	118,199
-	-	12,068
$ 6,099	$ 5,756,502	$ 16,078,543
$	$ 800,283	$ 1,930,542
-	845,961	902,584
-	-	31,723
-	-	424,244
-	1,646,244	3,289,093
-	99,295	1,220,340
-	-	12,068
-	-	118,199
-	386,814	386,814
-	-	298,232
-	104,947	104,947
-	464,505	464,505
-	58,669	58,669
-	169,334	169,334
-	4,700	4,700
-	-	2,896,369
6,099	2,755,152	2,761,251
-	66,842	66,842
-	-	4,227,180
6,099	4,010,963	11,569,110
$ 6,099	$ 5,756,502	$ 16,078,543

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CITY OF BASTROP, TEXAS

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

September 30, 2020

Total fund balances - total governmental funds	$	11,569,110
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Capital assets, nondepreciable		7,594,073
Capital assets, net depreciable		37,406,779
Less capital assets in internal service fund		(1,293,677)
Long-term receivables related to economic development are not available to pay for current period expenditures and, therefore, are not reported in the funds.		3,076,303
Long-term liabilities and deferred outflows and deferred inflows related to the net pension and total other postemployment benefits (OPEB) liability are not recognized in the governmental funds.		
Net pension liability		(2,445,791)
Total OPEB liability - health		(677,863)
Total OPEB liability - TMRS		(281,154)
Deferred outflows - pension		666,393
Deferred outflows -TMRS OPEB		36,274
Deferred outflows - health OPEB		95,922
Deferred inflows - pension		(327,742)
Deferred inflows - TMRS OPEB		(6,735)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		1,220,340
The Internal service fund is used by management to charge the costs of certain capital assets and maintenance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.		2,829,396
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Accrued interest payable		(103,841)
Compensated absences		(286,161)
Bonds payable (net of deferred charges)		(25,131,402)
Deferred loss on refunding		676,465
Net Position of Governmental Activities	$	34,616,689

See Notes to Financial Statements.

CITY OF BASTROP, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended September 30, 2020

	General	Debt Service	Hotel/Motel Tax	Hunters Crossing PID
Revenues				
Property taxes	$ 3,823,313	$ 2,009,476	$ -	$ 3,004,513
Sales taxes	5,528,824	-	-	-
Hotel/motel taxes	-	-	1,673,609	-
Franchise fees	459,743	-	-	-
Licenses and permits	1,201,810	-	620	-
Fines and forfeitures	272,078	-	-	-
Charges for services	591,191	-	108,435	-
Intergovernmental	417,036	-	66,554	-
Investment revenue	78,828	28,101	51,475	6,239
Other revenue	102,427	245,886	651	-
Total Revenues	12,475,250	2,283,463	1,901,344	3,010,752
Expenditures				
Current:				
General government	5,273,179	-	-	-
Public safety	4,392,655	-	-	-
Development services	756,000	-	-	-
Community services	739,717	-	-	-
Economic development	-	-	2,809,973	3,409,737
Capital outlay	456,038	-	-	-
Debt service:				
Principal	-	1,870,697	-	-
Interest and fiscal agent fees	-	924,008	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	11,617,589	2,794,705	2,809,973	3,409,737
Excess (Deficiency) of Revenues Over (Under) Expenditures	857,661	(511,242)	(908,629)	(398,985)
Other Financing Sources (Uses)				
Issuance of long-term debt	-	1,446,497	-	-
Premium on issuance of long-term debt	-	-	-	-
Payment to escrow agent	-	(1,401,769)	-	-
Transfers in	567,750	506,226	461,494	9,660
Transfers (out)	(248,654)	-	(506,226)	-
Total Other Financing Sources (Uses)	319,096	550,954	(44,732)	9,660
Net Change in Fund Balances	1,176,757	39,712	(953,361)	(389,325)
Beginning fund balances	3,180,690	258,520	3,849,730	389,325
Ending Fund Balances	$ 4,357,447	$ 298,232	$ 2,896,369	$ -

See Notes to Financial Statements.

Combination Revenue Bond Series 2020	Nonmajor Governmental	Total
$ -	$ -	$ 8,837,302
-	-	5,528,824
-	-	1,673,609
-	24,831	484,574
-	-	1,202,430
-	17,876	289,954
-	111,651	811,277
-	1,260,980	1,744,570
59	84,816	249,518
-	64,354	413,318
59	1,564,508	21,235,376
-	-	5,273,179
-	8,222	4,400,877
-	-	756,000
-	343,920	1,083,637
-	793,335	7,013,045
2,795,431	3,600,265	6,851,734
-	-	1,870,697
-	-	924,008
67,504	-	67,504
2,862,935	4,745,742	28,240,681
(2,862,876)	(3,181,234)	(7,005,305)
2,615,000	-	4,061,497
253,975	-	253,975
-	-	(1,401,769)
-	238,000	1,783,130
-	(477,833)	(1,232,713)
2,868,975	(239,833)	3,464,120
6,099	(3,421,067)	(3,541,185)
-	7,432,030	15,110,295
$ 6,099	$ 4,010,963	$ 11,569,110

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CITY OF BASTROP, TEXAS

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

For the Year Ended September 30, 2020

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

Net changes in fund balances - total governmental funds	$	(3,541,185)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay, net of disposal		9,297,375
Depreciation expense, net of disposal		(1,073,719)
The issuance of long-term debt (e.g., bonds and certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Net Position.		
Principal payments		1,887,473
Refunding debt paid		1,401,769
Debt issued		(4,061,497)
Accrued interest		122
Amortization of deferred amounts		(79,334)
Premiums on issuance of refunding bonds		(253,975)
Amortization of premiums on long-term debt		104,405
Compensated absences		(32,820)
Deferred outflows - pensions		8,436
Deferred outflows - health OPEB		91,076
Deferred outflows - TMRS OPEB		40,763
Deferred inflows - pension		(975,314)
Deferred inflows - TMRS OPEB		(6,735)
Net pension liability		778,794
OPEB liability - health		(126,509)
OPEB liability - TMRS		(62,260)
Revenue in the Statement of Activities that does not provide current financial resources is not reported as revenue in the funds.		11,956
Revenue that provide current financial resources only and not reported on Statement of Changes in Net Position. Note receivable principal received.		(181,342)
The Internal service fund is used by management to charge the costs of certain capital assets and maintenance to individual funds. The net revenue (expense) is reported with governmental activities.		277,353
Change in Net Position of Governmental Activities	$	3,504,832

See Notes to Financial Statements.

CITY OF BASTROP, TEXAS

STATEMENT OF NET POSITION (Page 1 of 2)

PROPRIETARY FUNDS

September 30, 2020

	Business-Type Activities			
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fee	Total
Assets				
Current assets				
Cash and equity in pooled cash and investments	$ 24,425,682	$ 3,712,576	$ 1,371,877	$ 29,510,135
Accounts receivable (net of allowance for uncollectibles)	580,368	555,245	-	1,135,613
Advances to other funds	-	424,244	-	424,244
Inventory	186,212	198,682	-	384,894
Restricted cash and equity in pooled cash and investments	952,310	-	-	952,310
Total Current Assets	26,144,572	4,890,747	1,371,877	32,407,196
Noncurrent assets				
Note receivable	240,000	-	-	240,000
Capital assets:				
Nondepreciable	13,972,920	98,199	-	14,071,119
Depreciable	25,453,033	4,703,559	-	30,156,592
Total Capital Assets (Net)	39,425,953	4,801,758	-	44,227,711
Total Noncurrent Assets	39,665,953	4,801,758	-	44,467,711
Total Assets	65,810,525	9,692,505	1,371,877	76,874,907
Deferred Outflows of Resources				
Deferred outflows - pensions	171,222	80,232	-	251,454
Deferred outflows - TMRS OPEB	10,111	3,462	-	13,573
Deferred outflows - Health OPEB	27,894	10,035	-	37,929
Total Deferred Outflows of Resources	209,227	93,729	-	302,956

Governmental Activities
Internal Service
$ 1,606,696
-
-
-
-
1,606,696
-
-
1,293,677
1,293,677
1,293,677
2,900,373
-
-
-
-

City of Bastrop, Texas

STATEMENT OF NET POSITION (Page 2 of 2)

PROPRIETARY FUNDS

September 30, 2020

	Business-Type Activities			
	Water and Wastewater	**Bastrop Power & Light**	**Nonmajor Community Impact Fees**	**Total**
Liabilities and Net Position				
Current Liabilities				
Accounts payable and accrued liabilities	$ 1,742,148	$ 654,131	$ -	$ 2,396,279
Bonds payable - current	1,306,011	119,574	-	1,425,585
Total Current Liabilities	3,048,159	773,705	-	3,821,864
Noncurrent liabilities				
Compensated absences	26,731	38,092	-	64,823
Bonds payable, net of deferred charges	36,452,725	1,486,910	-	37,939,635
Net pension liability	279,156	248,664	-	527,820
OPEB liability health	121,689	68,523	-	190,212
OPEB liability life TMRS	50,278	27,896	-	78,174
Total Noncurrent Liabilities	36,930,579	1,870,085	-	38,800,664
Total Liabilities	39,978,738	2,643,790	-	42,622,528
Deferred Inflows of Resources				
Deferred gain on refunding	46,720	-	-	46,720
Deferred inflows - pension	173,635	30,860	-	204,495
Deferred inflows - TMRS OPEB	1,309	664	-	1,973
Total Deferred Inflows of Resources	221,664	31,524	-	253,188
Net Position				
Net investment in capital assets	20,655,026	3,195,274	-	23,850,300
Restricted for:				
Capital improvements	3,255,790	-	-	3,255,790
Unrestricted	1,908,534	3,915,646	1,371,877	7,196,057
Total Net Position	$ 25,819,350	$ 7,110,920	$ 1,371,877	$ 34,302,147

See Notes to Financial Statements.

Governmental Activities
Internal Service
$ 70,977
-
70,977
-
-
-
-
-
-
70,977
-
-
-
-
-
-
2,829,396
$ 2,829,396

City of Bastrop, Texas

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

PROPRIETARY FUNDS

For the Year Ended September 30, 2020

	Business-Type Activities			
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fees	Total
Operating Revenues				
Charges for services	$ 6,142,138	$ 6,268,853	$ 1,252,892	$ 13,663,883
Other revenue	8,161	114,494	-	122,655
Total Operating Revenues	6,150,299	6,383,347	1,252,892	13,786,538
Operating Expenses				
Personnel services	1,103,029	737,755	-	1,840,784
Supplies and maintenance	1,971,629	498,353	-	2,469,982
Service and other	178,924	4,126,889	7,185	4,312,998
Depreciation	985,951	198,094	-	1,184,045
Total Operating Expenses	4,239,533	5,561,091	7,185	9,807,809
Operating Income	1,910,766	822,256	1,245,707	3,978,729
Nonoperating Revenues (Expenses)				
(Loss) on sale of capital assets	-	-	-	-
Investment revenue	117,039	66,800	12,027	195,866
Interest and fiscal agent fees	(957,919)	(48,636)	-	(1,006,555)
Total Nonoperating Revenues (Expenses)	(840,880)	18,164	12,027	(810,689)
Income BeforeContributions and Transfers	1,069,886	840,420	1,257,734	3,168,040
Contributions and Transfers				
Capital contributions	903,907	-	-	903,907
Transfers in	1,245,349	-	-	1,245,349
Transfers (out)	-	(865,250)	(1,005,516)	(1,870,766)
Total Contributions and Transfers	2,149,256	(865,250)	(1,005,516)	278,490
Change in Net Position	3,219,142	(24,830)	252,218	3,446,530
Beginning net position	22,600,208	7,135,750	1,119,659	30,855,617
Ending Net Position	$ 25,819,350	$ 7,110,920	$ 1,371,877	$ 34,302,147

See Notes to Financial Statements.

Governmental Activities
Internal Service
$ 364,052
-
364,052
-
-
-
230,332
230,332
133,720
40,945
27,688
-
68,633
202,353
-
75,000
-
75,000
277,353
2,552,043
$ 2,829,396

City of Bastrop, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 1 of 2)

For the Year Ended September 30, 2020

	Business-Type Activities			
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fee	Total
Cash Flows from Operating Activities				
Receipts from customers and users	$ 6,123,373	$ 6,463,173	$ 1,252,892	$ 13,839,438
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(1,475,456)	(4,368,855)	(9,385)	(5,853,696)
Payments to employees	(1,435,232)	(789,869)	-	(2,225,101)
Net Cash Provided by Operating Activities	3,212,685	1,304,449	1,243,507	5,760,641
Cash Flows from Noncapital Financing Activities				
Transfers from other funds	1,245,349	-	-	1,245,349
Transfer to other funds	-	(865,250)	(1,005,516)	(1,870,766)
Net Cash Provided (Used) by Noncapital Financing Activities	1,245,349	(865,250)	(1,005,516)	(625,417)
Cash Flows from Capital and Related Financing Activities				
Acquisition and construction of capital assets	(3,369,768)	(278,558)	-	(3,648,326)
Proceeds from issuance of bonds	20,028,161	-	-	20,028,161
Interest and fiscal agent fees paid	(957,919)	(48,636)	-	(1,006,555)
Principal paid on capital debt	(2,247,530)	(36,151)	-	(2,283,681)
Proceeds from the sale of capital assets	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	13,452,944	(363,345)	-	13,089,599
Cash Flows from Investing Activities				
Interest on investments	117,039	66,800	12,027	195,866
Net Cash Provided by Investing Activities	117,039	66,800	12,027	195,866
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	18,028,017	142,654	250,018	18,420,689
Beginning cash and equity in pooled cash and investments	7,349,975	3,569,922	1,121,859	12,041,756
Ending Cash and Equity in Pooled Cash and Investments	$ 25,377,992	$ 3,712,576	$ 1,371,877	$ 30,462,445
Ending Cash and Equity in Pooled Cash and Investments:				
Unrestricted cash and equity in pooled cash and investments	$ 24,425,682	$ 3,712,576	$ 1,371,877	$ 29,510,135
Restricted cash and equity in pooled cash and investments	952,310	-	-	952,310
	$ 25,377,992	$ 3,712,576	$ 1,371,877	$ 30,462,445

See Notes to Financial Statements.

Governmental Activities
Internal Service
$ -
364,052
70,977
-
435,029
75,000
-
75,000
(347,409)
-
-
-
40,945
(306,464)
27,688
27,688
231,253
1,375,443
$ 1,606,696
$ 1,606,696
-
$ 1,606,696

CITY OF BASTROP, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 2 of 2)

For the Year Ended September 30, 2020

	Business-Type Activities			
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fee	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income	$ 1,910,766	$ 822,256	$ 1,245,707	$ 3,978,729
Adjustments to Reconcile Operating Income to Net Cash Provided (used) by Operating Activities:				
Depreciation	985,951	198,094	-	1,184,045
Changes in Operating Assets and Liabilities:				
(Increase) Decrease in Assets:				
Accounts receivable	(26,926)	79,826	-	52,900
Advances from funds	-	143,668	-	143,668
Inventories	(4,411)	(33,371)	-	(37,782)
Deferred outflows of resources	(10,349)	37,153	-	26,804
Increase (Decrease) in Liabilities:				
Accounts payable and accrued liabilities	679,508	146,090	(2,200)	823,398
Compensated absences	2,593	5,837	-	8,430
Deferred inflows of resources	(167,184)	(39,806)	-	(206,990)
Net pension liability	(211,927)	(74,520)	-	(286,447)
Total OPEB liability - health	37,722	13,264	-	50,986
Total OPEB liability - TMRS	16,942	5,958	-	22,900
Net Cash Provided by Operating Activities	$ 3,212,685	$ 1,304,449	$ 1,243,507	$ 5,760,641
Noncash Investing, Capital, and Financing Activities:				
Capital contribution	$ 903,907	$ -	$ -	$ 903,907

See Notes to Financial Statements.

Governmental Activities
Internal Service
$ 133,720
230,332
-
-
-
-
70,977
-
-
-
-
-
$ 435,029
$ -

CITY OF BASTROP, TEXAS

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

September 30, 2020

	Agency
Assets	
Cash and equity in pooled cash and investments	$ 559,787
Total Assets	559,787
Liabilities	
Due to others	559,787
Total Liabilities	$ 559,787

See Notes to Financial Statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Bastrop, Texas (the "City") was incorporated on December 18, 1837 and adopted the "Home Rule Charter" on May 7, 2002, pursuant to the laws of the State of Texas (the "State"), which provide for a Council-Manager form of government.

The City Council is the principal legislative body of the City. With few exceptions, all powers of the City are vested in an elective council, which enacts legislation, adopts budgets, determines policies, and appoints the City Attorney and the Municipal Court Judge. The Council also appoints the City Manager, who executes the laws and administers the government of the City. The City Manager is responsible for the appointment and removal of department directors and employees, supervision and control of all City departments, and preparation of the annual budget.

The City provides the following services: public safety, street maintenance, sanitation services, recreation programs, municipal court, community development, public improvements, water, sewer and electrical services, and general administrative services.

The City is an independent political subdivision of the State governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Unit

The Hunters Crossing Local Government Corporation (the "Corporation") was established to administer the service plan of the Hunters Crossing Public Improvement District (PID). The PID was established on September 11, 2001 by resolution of the Bastrop City Council. That resolution was later amended on November 11, 2003. The purpose for creation of the PID was to provide for the construction of certain public improvements and a mechanism for the payment of the costs of such construction and the costs of such improvements through the levy of assessments against owners of respective parcels in the PID. The assessment and bond issuance authorizations are approved by the City Council and the City is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The entity is reported as a blended component unit of the City. Separate financial statements for the Corporation can be obtained from the City's Finance Department.

Discretely Presented Component Unit

The Bastrop Economic Development Corporation (BEDC) was established in 1995, after the citizens of the City voted to pass a one-half cent sales tax dedicated to economic development.

The BEDC's primary purpose is to assist in bringing meaningful and rewarding employment opportunities to citizens in the area through funding assistance provided to businesses to relocate or expand in Bastrop. A separate governing board oversees the BEDC, which is appointed by the City Council, and consists of individuals from the community and related governmental entities in the area. City employees also manage the operations of the BEDC. The BEDC has been reported as a discretely presented component unit because the governing board is not identical to the governing body of the City, the BEDC does not solely serve the City, and the City has the ability to impose its will on the BEDC. Separate financial statements for the BEDC can be obtained from the City's Finance Department.

No other entities, organizations, or functions have been included as part of the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

C. Basis of Presentation – Government-Wide Financial Statements

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

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

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds, including its blended component unit. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The City reports the following governmental funds:

The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales taxes, hotel/motel tax, and franchise fees. Expenditures include general government, public safety, community services, development services, and economic development. The general fund is always considered a major fund for reporting purposes.

The *debt service fund* is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of the City. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

The *special revenue funds* are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. All of the special revenue funds are considered nonmajor funds for reporting purposes, with the exception of the hotel/motel tax fund and the Hunters Crossing PID fund which are considered major funds.

The *capital projects funds* are used to account for the expenditures of resources accumulated from grants, sale of bonds, and related interest earnings for capital improvement projects. All of the capital projects funds are considered a nonmajor fund for reporting purposes, with the exception of the combination revenue bonds series 2020 which is considered major for reporting purposes.

Permanent funds are governmental funds that are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs. The Fairview Cemetery fund is considered a nonmajor fund for reporting purposes. The City is permanent trustee for the perpetual care trust fund that is used to support the maintenance, repair, and care of all places in the cemetery. Net appreciation on investments can be spent for this purpose as authorized by the Council. The City classifies the amount that can be authorized for expenditure by the Council as restricted expendable net position, and the policy for authorizing and spending investment income is the total-return policy.

The City reports the following enterprise funds:

The *enterprise funds* are used to account for the operations that provide water and wastewater services, electrical utility services, and community impact fees. The services 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 will be financed or recovered primarily through user charges.

The w*ater/wastewater fund* is utilized to account for the financial activities related to the provision of water and wastewater services to residents of the government.

The *Bastrop power & light fund* is utilized to account for the financial activities related to the provision of electricity services to residents of the government.

Additionally, the City reports the following fund type:

Internal service funds account for services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The vehicle and equipment replacement fund is used for the replacement of vehicles and equipment.

The *fiduciary fund* accounts for the receipt, temporary investment, and remittance of funds held in a fiduciary capacity for others.

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

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

E. Measurement Focus and Basis of Accounting

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

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

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

Property taxes, sales taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The City maintains pooled cash and investment accounts. Each fund whose monies are deposited in the pooled cash and investment accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at the previous month end. Amounts on deposit in interest bearing accounts and other investments are displayed on the combined balance sheet as "cash and equity in pooled cash and investments."

2. Investments

Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Money market funds, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations and commercial paper that have a remaining maturity of one year or less upon acquisition, are reported at amortized cost. Investments in nonparticipating interest earning contracts, such as certificates of deposit, are reported at cost.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. In summary, the City is authorized to invest in the following:

- Obligations of the U.S. the State, or their agencies and instruments.
- Money market mutual funds that meet certain criteria
- Statewide investment pools
- Certificates of deposit that meet certain criteria

3. Inventories and Prepaid Items

Inventories are recorded in the general and enterprise funds, and are stated at cost using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The consumption method is used to recognize expenditures.

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

4. Restricted Assets

Certain proceeds of bonds, as well as other resources set aside for specific purposes, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants or contractual agreements. Restricted assets of the enterprise fund are restricted by bond covenants for repayment of debt and to finance construction projects.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of four years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

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

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

Asset Description	Estimated Useful Life
Buildings	20 to 50 years
Improvements	4 to 50 years
Equipment	4 to 10 years
Water and sewer system	20 to 30 years
Infrastructure	40 to 50 years

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the City's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

At the fund level, the City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

7. Compensated Employee Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and compensatory time. The estimated amount of compensation for services provided that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations. Accumulated sick leave lapses when employees leave the employment of the government and, upon separation from service, no obligation exists. The general fund is responsible for liquidating the liability related to governmental activities.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

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

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with the interest earned in the debt service fund.

9. Pensions

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, City-specific information about its fiduciary net position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The general fund is responsible for liquidating the liability related to governmental activities.

10. Other Postemployment Benefits

Supplemental Death Benefit. The City participates in a single-employer, unfunded, defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Benefit payments and refunds are due and payable in accordance with the benefit terms. Information about the City's total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense is provided by TMRS from reports prepared by their consulting actuary.

Retiree Health Insurance. For purposes of measuring the total OPEB liability, OPEB-related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the City for benefits due and payable that are not reimbursed by plan assets. Information regarding the City's total OPEB liability is obtained from a report prepared by a consulting actuary.

11. Net Position Flow Assumption

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

12. Fund Balance Flow Assumptions

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

13. Fund Balance Policies

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

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

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

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

By resolution, the Council has also authorized the City Manager and Finance Director as the officials authorized to assign fund balance to a specific purpose as approved by the City's fund balance policy. Assignments of fund balance by the City Manager and/or the Finance Director do not require formal action by the City Council.

The City strives to maintain an unassigned fund balance of not less than 25 percent for the budgeted operational expenditures in all City funds, with the exception of proprietary funds, which the target is 35 percent. The purpose of the unassigned balance is to alleviate significant unanticipated budget shortfalls and to ensure the orderly provisions of services to citizens. Should unassigned fund balance fall below the goal or have a deficiency, the City will seek to reduce expenditures prior to increasing revenues to replenish fund balance within a reasonable timeframe.

14. Estimates

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

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

The City levies its taxes on October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. Taxes are delinquent if not paid by February 1 of the following calendar year. Delinquent taxes are subject to both penalty and interest charges plus 15% delinquent collection fees for attorney costs.

3. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles, except the capital projects funds, which adopt project-length budgets. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the charter in the approved budget is the department level. The City Manager may transfer appropriations within a department without seeking the approval of City Council. Appropriations lapse at the end of the year, excluding capital project budgets. Supplemental budget appropriations were made for the year ended September 30, 2020.

Encumbrances represent the estimated amount of expenditures ultimately to result when unperformed contracts (in progress at year end) are completed. Such encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Chapter 2256 of the Texas Government Code the Public Funds Investment Act (the "Act") authorizes the City to invest its funds under a written investment policy (the "Investment Policy") that primarily emphasizes safety of principal, availability of liquidity to meet the City's obligations, and market rate of return. The Investment Policy defines what constitutes the legal list of investments allowed, which excludes certain investment instruments allowed under the Act. The City's deposits and investments are invested pursuant to the Investment Policy. The Investment Policy includes a list of authorized investment instruments and a maximum allowable stated maturity of any individual investment. In addition, it includes an investment strategy that specifically addresses limitations on instruments, diversification, and maturity scheduling. In compliance with the Act, the City has adopted a deposit and investment policy. That policy addresses the following risks:

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

Credit risk. The City's policy requires that investment pools must be rated no lower than 'AAA' or 'AAA-m'. Bankers' acceptances must be issued in the United States and carry a rating of 'A1'/'P1' as provided by two of the top nationally recognized rating agencies. As of September 30, 2020, the City's investments in investment pools were rated 'AAAm' by Standard & Poor's. All other investments are guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency. More specifically, the U.S. agency securities held by the City as of September 30, 2020 consist of a variety of bonds and discount notes issued by the Federal Home Loan Bank, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation. These investments were rated not less than 'AAA' by both Moody's and Standard & Poor's.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of September 30, 2020, bank balances were entirely secured by FDIC insurance and pledged securities.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Standard & Poor's rated TexPool "AAAm". As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, TexPool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of $1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium, or national state of emergency that affects TexPool's liquidity.

TexasTerm

The Texas Term Local Government Investment ("TexasTerm") is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexasTerm was created in 1981 by contract among its participating governmental units and is governed by a board of directors. PFM Fund Distributors and PFM Asset Management (PFM) act as co-administrators, providing investment management services, participant services, and marketing. PFM provides custodial, transfer agency, fund accounting, and depository services.

Texas CLASS

The Texas Cooperative Liquid Assets Securities System Trust – Texas (CLASS) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the "Agreement"), among certain Texas governmental entities investing in CLASS (the "Participants"), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. CLASS is not SEC registered and is not subject to regulation by the State. Under the Agreement, however, CLASS is administered and supervised by a seven-member board of trustees (the "Board"), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of CLASS. Separate financial statements for CLASS may be obtained from CLASS' website at www.texasclass.com.

The City categorizes its fair value measurements within a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 inputs are inputs - other than quoted prices included within Level 1 - that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Details regarding investment by type are as follows:

Investment Type	Reported Value	Weighted Average Maturity In Years	Fair Value Measuremnt Using	% of Total	Rating
City					
Certificates of Deposit	$ 13,184,571	0.88	n/a	33%	AA+
Money Market	1,451,637	0.00	n/a	4%	AA+
U.S. Bonds	2,039,890	0.82	Level 2	5%	AA+
Municipal Bonds	417,305	1.17	Level 2	1%	Aaa/Aa1
TexPool	563,192	0.10	n/a	1%	AAAm
Texas CLASS	521,565	0.15	n/a	1%	AAAm
TexasTerm	22,315,466	0.16	n/a	55%	AAAm
	$ 40,493,626	0.47		100%	
BEDC					
Certificates of Deposit	$ 943,953	0.89	n/a	19%	AA+
Money Market	132,399	0.00	n/a	3%	AA+
TexPool	1,253,437	0.10	n/a	25%	AAAm
Texas CLASS	2,710,493	0.15	n/a	54%	AAAm
	$ 5,040,282	0.13		100%	

B. Receivables

The following comprise receivable balances at year end:

Governmental Funds

	General	Debt Service	Hotel/Motel Tax	Hunters Crossing PID	Nonmajor	Total
Property taxes	$ 207,007	$ 140,078	$ -	$ -	$ -	$ 347,085
Sales taxes	962,754	-	-	-	-	962,754
Hotel/motel tax	-	-	129,945	-	-	129,945
Other receivables	465,059	-	-	59,082	1,004,897	1,529,038
Court fines and fees	660,535	-	-	-	-	660,535
Less allowance	(604,830)	(6,782)	-	-	-	(611,612)
	$ 1,690,525	$ 133,296	$ 129,945	$ 59,082	$ 1,004,897	$ 3,017,745

Proprietary Funds

	Water and Sewer	Bastrop Power & Light	Total Enterprise Funds
Accounts receivable	$ 585,433	$ 575,166	$ 1,160,599
Less allowance	(5,065)	(19,921)	(24,986)
	$ 580,368	$ 555,245	$ 1,135,613

C. Capital Assets

A summary of changes in capital assets for the year end is as follows:

	Primary Government			
	Beginning Balance	**Increases**	**(Decreases)/ Reclassifications**	**Ending Balance**
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 5,214,783	$ 431,007	$ -	$ 5,645,790
Construction in progress	542,381	1,721,305	(315,403)	1,948,283
Total capital assets not being depreciated	5,757,164	2,152,312	(315,403)	7,594,073
Other capital assets:				
Buildings	15,332,127	570,681	(602,416)	15,300,392
Improvements other than buildings	23,755,940	4,640,982	-	28,396,922
Machinery and equipment	8,135,088	3,283,647	(85,019)	11,333,716
Total other capital assets	47,223,155	8,495,310	(687,435)	55,031,030
Less accumulated depreciation for:				
Buildings	(4,486,454)	(338,108)	314,856	(4,509,706)
Improvements other than buildings	(6,594,824)	(765,620)	-	(7,360,444)
Machinery and equipment	(5,238,922)	(600,198)	85,019	(5,754,101)
Total accumulated depreciation	(16,320,200)	(1,703,926)	399,875	(17,624,251)
Other capital assets, net	30,902,955	6,791,384	(287,560)	37,406,779
Governmental Activities Capital Assets, Net	$ 36,660,119	$ 8,943,696	$ (602,963)	45,000,852
			Plus unspent bond proceeds	2,761,251
			Less net deferred charge on refunding	676,465
			Less associated debt	(25,131,402)
			Net Investment in Capital Assets	$ 23,307,166

Depreciation was charged to governmental functions as follows:

General government	$ 814,631
Public safety	206,465
Development services	18,902
Community services	401,363
Economic development	31,933
Internal service fund	230,632
Total Governmental Activities Depreciation Expense	$ 1,703,926

The following is a summary of changes in capital assets for business-type activities for the year end:

	Beginning Balance	Increases	(Decreases)/ Reclassifications	Ending Balance
Business-Type Activities:				
Capital assets not being depreciated:				
Land	$ 1,541,964	$ -	$ -	$ 1,541,964
Water rights	3,933,620	-	-	3,933,620
Construction in progress	2,965,532	5,684,378	(54,375)	8,595,535
Total capital assets not being depreciated	8,441,116	5,684,378	(54,375)	14,071,119
Other capital assets:				
Machinery and equipment	2,970,247	-	(33,742)	2,936,505
Buildings	498,366	-	-	498,366
Infrastructure	41,014,133	1,585,176	-	42,599,309
Total other capital assets	44,482,746	1,585,176	(33,742)	46,034,180
Less accumulated depreciation for:				
Machinery and equipment	(2,064,156)	(173,523)	33,742	(2,203,937)
Buildings	(229,424)	(21,248)	-	(250,672)
Infrastructure	(12,433,705)	(989,274)	-	(13,422,979)
Total accumulated depreciation	(14,727,285)	(1,184,045)	33,742	(15,877,588)
Other capital assets, net	29,755,461	401,131	-	30,156,592
Business-Type Activities Capital Assets, Net	$ 38,196,577	$ 6,085,509	$ (54,375)	44,227,711
			Plus unspent bond proceeds	18,941,089
			Plus deferred gain on refunding	46,720
			Less associated debt	(39,365,220)
			Net Investment in Capital Assets	$ 23,850,300

Depreciation was charged to business-type functions as follows:

Water and wastewater	$ 985,951
Power and light	198,094
Total Business-Type Activities Depreciation Expense	$ 1,184,045

The following is a summary of changes in capital assets for the BEDC for the year end:

	Beginning Balance	Increases	(Decreases)/ Reclassifications	Ending Balance
BEDC:				
Capital assets not being depreciated:				
Land	$ 511,695	$ -	$ -	$ 511,695
Construction in progress	2,012,118	3,001,140	(1,374,896)	3,638,362
Total capital assets not being depreciated	2,523,813	3,001,140	(1,374,896)	4,150,057
Other capital assets:				
Machinery and equipment	8,300	-	-	8,300
Buildings	845,595	-	-	845,595
Total other capital assets	853,895	-	-	853,895
Less accumulated depreciation for:				
Machinery and equipment	(6,917)	(1,384)	-	(8,301)
Buildings	(341,472)	(16,132)	-	(357,604)
Total accumulated depreciation	(348,389)	(17,516)	-	(365,905)
Other capital assets, net	505,506	(17,516)	-	487,990
BEDC Capital Assets, Net	$ 3,029,319	$ 2,983,624	$ (1,374,896)	4,638,047
			Less associated debt	(2,779,890)
			Net Investment in Capital Assets	$ 1,858,157

D. Long-Term Debt

The City issues general obligation bonds, certificates of obligation, and tax and revenue bonds to provide funds for the acquisition and construction of major capital facilities and improvement projects. Long-term debt of this nature has been issued for both governmental and business-type activities. These debt instruments are direct obligations and pledge the full faith and credit of the City. General obligation bonds and certificates of obligation generally are issued with repayment scheduled to occur as equal amounts of principal maturing each year with maturities that range from 3 to 30 years. The City issues maintenance tax notes or obtains regular notes payable financing arrangements from banks to provide funds for the acquisition of equipment or minor capital projects. Tax notes and regular notes payable are direct obligations and pledge the full faith and credit of the government. These debt instructions are generally repaid in equal installments of principal and interest over a period of 3 to 10 years.

Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or are not performed correctly, a substantial liability to the City could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the rules and regulations of the IRS.

The following is a summary of changes in the City's governmental activities, business-type activities, and the BEDC's total long-term liabilities for the year end:

	Beginning Balance	Additions	Reductions	Ending Balance		Amounts Due Within One Year
Governmental Activities:						
Bonds, notes and other payables:						
General obligation bonds	$ 10,308,719	$ 1,446,497	$ (1,690,000)	$ 10,065,216	*	$ 1,541,578
Certificates of obligation	12,666,171	2,615,000	(1,582,466)	13,698,705	*	582,837
Note payable	257,227	-	(16,776)	240,451	*	22,368
	23,232,117	4,061,497	(3,289,242)	24,004,372		2,146,783
Deferred amounts:						
For issuance discounts/premiums	977,460	277,064	(127,494)	1,127,030	*	-
Other liabilities:						
Compensated absences	253,342	252,899	(220,080)	286,161		257,545
Total Governmental Activities	$ 24,462,919	$ 4,591,460	$ (3,636,816)	$ 25,417,563		$ 2,404,328
			Long-term debt due in more than one year	$ 23,013,235		
			***Debt associated with governmental activities capital assets**	$ 25,131,402		

	Beginning Balance	Additions	Reductions	Ending Balance		Amounts Due Within One Year
Business-Type Activities:						
General obligation bonds	$ 2,482,080	$ 948,503	$ (1,037,081)	$ 2,393,502	*	$ 343,422
Certificates of obligation	13,358,026	-	(945,449)	12,412,577	*	757,163
Revenue bonds	1,900,000	20,065,000	(65,000)	21,900,000	*	65,000
Note payable	1,100,000	-	(260,000)	840,000	*	260,000
	18,840,106	21,013,503	(2,307,530)	37,546,079		1,425,585
Deferred amounts:						
For issuance discounts/premiums	583,386	1,328,929	(93,174)	1,819,141	*	-
Other liabilities:						
Compensated absences	56,393	71,463	(63,033)	64,823		58,341
Total Business-Type Activities	$ 19,479,885	$ 22,413,895	$ (2,463,737)	$ 39,430,043		$ 1,483,926
			Bonds and notes, net, due in more than one year	$ 37,939,635		
			***Debt associated with business-type activities capital assets**	$ 39,365,220		

	Beginning Balance	Additions	Reductions	Ending Balance		Amounts Due Within One Year
BEDC						
General obligation bonds	$ 1,245,000	$ -	$ (125,000)	$ 1,120,000	*	$ 70,000
Notes payable	300,000	1,420,000	(60,110)	1,659,890	*	79,191
Note to City	3,000,418	125,041	(250,418)	2,875,041		152,191
	4,545,418	1,545,041	(435,528)	5,654,931		301,382
Other liabilities:						
Compensated absences	12,027	27,323	(15,545)	23,805		11,903
BEDC Activities	$ 4,557,445	$ 1,572,364	$ (451,073)	$ 5,678,736		$ 313,285
			Bonds and notes due in more than one year	$ 5,353,549		
			***Debt associated with BEDCs capital assets**	$ 2,779,890		

Long-term debt at year end was comprised of the following debt issues:

Description	Interest Rate Payable	Amount Original Issue	Balance
Governmental Activities:			
BONDS PAYABLE			
Gen. Oblig. Bonds, Series 2005	3.67%	$ 2,445,000	$ 815,000
Gen. Oblig. Bonds, Series 2006	4.24%	345,000	140,000
Certificates of Oblig., Series 2006 (31.4%)	4.19%	227,650	62,800
Gen. Oblig. Bonds, Series 2007	4.08%	1,220,000	560,000
Certificates of Obligation, Series 2007 (11.42%)	4.04%	264,944	121,654
Gen. Oblig. Ref. & Improvement Bonds, Series 2012	2.0 - 3.0%	2,015,000	925,000
Combination Tax & Rev., Cert. of Oblig., Series 2013 (67.2%)	3.0 - 4.25%	7,392,000	6,243,000
GO Refunding, Series 2014 (74.53%)	2.0 - 4.0%	1,695,558	2,005,000
GO Refunding, Series 2016 (58%)	2.0 - 4.0%	1,440,000	1,100,000
GO Refunding, Series 2017 (83%)	2.0 - 4.0%	3,745,000	3,060,000
Combination Tax & Rev., Cert. of Oblig., Series 2018	3.75 - 4.0%	4,605,000	4,220,000
Limited Tax Note, Series 2019	1.78%	465,000	450,000
Combination Tax & Rev., Cert. of Oblig, Series 2020	2.0-4.0%	2,615,000	2,615,000
Gen. Oblig. Refunding Bonds, Series 2020 (60.42%)	0.96-1.27%	1,446,497	1,446,467
TOTAL BONDS PAYABLE			23,763,921
NOTE PAYABLE			
Note Payable - Texas Capital Fund - Art Foundry	0.00%	447,351	240,451
TOTAL GOVERNMENTAL ACTIVITIES			$ 24,004,372
Business-Type Activities:			
BONDS PAYABLE			
Certificates of Oblig., Series 2006 (68.6%)	4.19%	497,350	$ 137,200
Certificates of Oblig., Series 2007 (88.58%)	4.04%	2,055,056	943,377
Combination Tax & Rev., Cert. of Oblig., Series 2012	2.0 - 4.0%	4,200,000	2,960,000
Combination Tax & Rev., Cert. of Oblig., Series 2013 (32.8%)	3.0 - 4.25%	3,608,000	3,047,000
Combination Tax & Rev., Cert. of Oblig., Series 2014 (85.5%)	2.0 - 3.5%	5,985,000	4,552,875
GO Refunding., Series 2016 (42%)	2.0-4.0%	1,085,000	835,000
Utility System Revenue Bonds, Series 2019	2.0-4.0%	1,900,000	1,835,000
Combination Tax & Rev., Cert. of Oblig., Series 2014 (14.5%)	2.0 - 3.5%	1,015,000	772,125
GO Refunding, Series 2017 (12.7%)	2.0 - 3.5%	610,000	610,000
Gen. Oblig. Refunding Bonds, Series 2020 (39.58%)	2.0-4.0%	948,503	948,502
Utility System Revenue Bonds, Series 2020	2.0-5.0%	20,065,000	20,065,000
TOTAL BONDS PAYABLE			36,706,079
NOTES PAYABLE			
Note Payable - Ingram Note	0.00%	600,000	240,000
Note Payable-XS Ranch Water Co.	0.00%	1,000,000	600,000
TOTAL NOTES PAYABLE			840,000
TOTAL BUSINESS-TYPE ACTIVITIES			$ 37,546,079
BEDC:			
BONDS PAYABLE			
Sales Tax and Revenue Bonds, Series 2018	3.39%	1,250,000	1,120,000
TOTAL BONDS PAYABLE			$ 1,120,000
NOTES PAYABLE			
Note Payable - City of Bastrop	0.00%	600,000	240,000
Note Payable - Roscoe loan	0.00%	1,420,000	1,419,890
OTHER NOTE TO CITY			
Due to City of Bastrop - 24.2% Cert. of Oblig., Series 2013	0.00%		2,250,000
Due to City of Bastrop - 13.4% GO Refunding, Series 2017	0.00%		500,000
Due to City of Bastrop - 5.23% GO Refunding, Series 2020	0.00%		125,041
TOTAL NOTES PAYABLE			4,534,931
TOTAL BEDC			$ 5,654,931

The annual requirements to amortize bond and notes outstanding at year end were as follows:

Governmental Activities:

	Bonds and C.O.			Notes			Total		
Fiscal year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	$ 2,124,415	$ 829,370	$ 2,953,785	$ 22,368	$ -	$ 22,368	$ 2,146,783	$ 829,370	$ 2,976,153
2022	2,245,692	774,224	3,019,916	22,368	-	22,368	2,268,060	774,224	3,042,284
2023	2,238,632	707,224	2,945,856	22,368	-	22,368	2,261,000	707,224	2,968,224
2024	2,137,672	628,582	2,766,254	22,368	-	22,368	2,160,040	628,582	2,788,622
2025	1,974,262	554,337	2,528,599	22,368	-	22,368	1,996,630	554,337	2,550,967
2026-2030	8,774,248	1,742,920	10,517,168	111,838	-	111,838	8,886,086	1,742,920	10,629,006
2031-2035	3,469,000	444,064	3,913,064	16,773	-	16,773	3,485,773	444,064	3,929,837
2036-2040	800,000	59,913	859,913	-	-	-	800,000	59,913	859,913
	$ 23,763,921	$ 5,740,634	$ 29,504,555	$ 240,451	$ -	$ 240,451	$ 24,004,372	$ 5,740,634	$ 29,745,006

Business-type Activities:

	Bonds and C.O.			Notes			Total		
Fiscal year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	$ 1,165,585	$ 1,177,008	$ 2,342,593	$ 60,000	$ -	$ 60,000	$ 1,225,585	$ 1,177,008	$ 2,402,593
2022	1,544,308	1,099,282	2,643,590	260,000	-	260,000	1,804,308	1,099,282	2,903,590
2023	1,581,368	1,058,105	2,639,473	260,000	-	260,000	1,841,368	1,058,105	2,899,473
2024	1,627,328	1,016,195	2,643,523	260,000	-	260,000	1,887,328	1,016,195	2,903,523
2025	1,510,738	964,093	2,474,831	-	-	-	1,510,738	964,093	2,474,831
2026-2030	8,270,752	3,934,819	12,205,571	-	-	-	8,270,752	3,934,819	12,205,571
2031-2035	7,246,000	2,428,930	9,674,930	-	-	-	7,246,000	2,428,930	9,674,930
2036-2040	4,365,000	1,619,763	5,984,763	-	-	-	4,365,000	1,619,763	5,984,763
2041-2045	4,360,000	1,071,338	5,431,338	-	-	-	4,360,000	1,071,338	5,431,338
2046-2050	5,035,000	399,050	5,434,050	-	-	-	5,035,000	399,050	5,434,050
	$ 36,706,079	$ 14,768,582	$ 51,474,661	$ 840,000	$ -	$ 840,000	$ 37,546,079	$ 14,768,582	$ 52,314,661

BEDC:

	Bonds and C.O.			Notes			Total		
Fiscal year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	$ 70,000	$ 37,968	$ 107,968	$ 219,478	$ 158,043	$ 377,521	$ 289,478	$ 196,011	$ 485,489
2022	70,000	35,595	105,595	281,966	154,331	436,297	351,966	189,926	541,892
2023	75,000	33,222	108,222	285,945	146,982	432,927	360,945	180,204	541,149
2024	75,000	30,680	105,680	296,765	141,261	438,026	371,765	171,941	543,706
2025	80,000	28,137	108,137	257,678	135,329	393,007	337,678	163,466	501,144
2026-2030	445,000	97,802	542,802	1,464,641	547,073	2,011,714	1,909,641	644,875	2,554,516
2031-2035	305,000	20,849	325,849	1,001,259	278,384	1,279,643	1,306,259	299,233	1,605,492
2036-2040	-	-	-	377,980	135,909	513,889	377,980	135,909	513,889
2041-2045	-	-	-	349,219	33,933	383,152	349,219	33,933	383,152
	$ 1,120,000	$ 284,253	$ 1,404,253	$ 4,534,931	$ 1,731,245	$ 6,266,176	$ 5,654,931	$ 2,015,498	$ 7,670,429

New Debt

On June 9, 2020, the City issued the Water and Wastewater Utility System Revenue Bonds, Series 2020 to secure funding for wastewater treatment plan building and expansion. The principal on the bonds totaled $20,065,000 and carry and interest rate from 2.00 to 5.00%. The bonds will mature in August of 2039.

On February 6, 2020, the City issued the Combination Tax and Revenue Certificates of Obligation, Series 2020 to secure funding for the acquisition of public safety equipment. The principal on the bonds totaled $2,615,000 and carry an interest rate from 2.00 to 4.00%. The certificates will mature in August of 2030.

Advanced Refunding

On June 17, 2020, the City issued the General Obligation Refunding Bond, Series 2020. This was an advance refunding to fully defease the Series 2010 Refunding, Series 2011 Refunding and Series 2010 certificates of obligation. The net proceeds exceeded the payment to escrow agent representing a loss on refunding of $8,924. The refunding was undertaken to reduce gross debt service payments by $80,500 and is considered a present value economic savings of $73,632.

E. Interfund Transactions

Amounts recorded as due to/from are considered to be temporary loans and will generally be repaid in more than one year.

Due To	Due From		Amount
General	Hunters Crossing PID	$	56,623
	Grant		845,961
	Total	$	902,584

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

Transfer In	Transfer Out		Amount
General	Bastrop Power & Light	$	567,750
Hotel/Motel tax	General		238,994
Hotel/Motel tax	Bastrop Power & Light		222,500
Debt service	Hotel/Motel tax		506,226
Water and wastewater	Grant		239,833
Water and wastewater	Impact		1,005,516
Internal service	Bastrop Power & Light		75,000
Hunters Crossing PID	General		9,660
Combination Revnue Bond Series 2018	Street Maintenace		84,000
Combination Revnue Bond Series 2013	Street Maintenace		154,000
		$	3,103,479

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City participates along with 2,617 other entities in the Texas Municipal League's Intergovernmental Risk Pools (the "Pool"). The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Contingent Liabilities

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

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

C. COVID-19

In March 2020, COVID-19 was recognized as a pandemic both worldwide and in the United States with local stay at-home orders going into effect. The City navigated through this time by alternating the schedules of its employees due to various City functions needing to continue to run through this time. The City followed the directions of the State in relation to Municipal Court. The Court was closed until the City came up with an acceptable plan to monitor social distancing, require masks, and provide hand sanitizers. Subsequent to the second wave of the COVID outbreak, the State is now requiring Municipal Court to be held via Zoom meetings. While the initial event occurred prior to yearend, the City was, subsequent to year end, continuing to modify its operations to prevent the spread to customers, staff, and the community as a whole, while balancing the needs of the community. The City has made numerous changes to its operations, including provisions for customer and staff to wear masks, more frequent cleanings, and numerous other changes. While such changes cause a significant hardship and have increased expenses, such increases are nominal in comparison to the overall budget. The City is continuing to monitor exposure levels with customer, staff, and the community as a whole, but to date the overall exposure threat level has been sufficiently low to continue with open doors; however the City is ready to modify plans if necessary.

D. Construction and Other Significant Commitments

Commitments

Construction in progress and remaining commitments under related construction contracts for governmental activities projects at year end are as follows:

Governmental Activities:	Spent To Date	Remaining Commitment
Elevated Storage Tank Hwy 20	$ 1,420,580	$ 70,220
Ground Storage Tank Hwy 20	898,123	273,968
Pine Street Drainage Improvements	437,075	10,000
Gills Branch Drainage Improvements	414,959	128,631
Main Street Sidewalk and Street Reconstruction	1,381,296	415,091
Skate Park	-	246,000
WWTP#3 and Collector Lines - Engineering	3,266,363	2,961,556
XS Water Line and Water Plant-Engineering	209,537	4,575,130
Total	$ 8,027,933	$ 8,680,596
BEDC:		
921 Main St. Building	$ 1,823,144	$ 589,004

E. Pension Plan

Texas Municipal Retirement System

Plan Description

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

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

Benefits Provided

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

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

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

	2019	2018
Employee deposit rate	6.00%	6.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	10	10
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/25	60/5, 0/25
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefits	62
Inactive employees entitled to but not yet receiving benefits	62
Active employees	131
Total	255

Contributions

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

Employees for the City and the BEDC were required to contribute seven percent of their annual gross earnings during the fiscal year. The required contribution rates for the City were 11.47 percent and 11.43 percent in calendar years 2020 and 2019, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2020 were $901,479, which were equal to the required contributions.

Net Pension Liability

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

Actuarial Assumptions

The TPL in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

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

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2109 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30%	5.30%
Core Fixed Income	10%	1.25%
Non-Core Fixed Income	20%	4.14%
Real Returns	10%	3.85%
Real Estate	10%	4.00%
Absolute Return	10%	3.48%
Private Equity	10%	7.75%
Total	100%	

Discount Rate

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

Changes in the NPL

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Changes for the year:			
Service cost	$ 1,155,866	$ -	$ 1,155,866
Interest	1,396,174	-	1,396,174
Change of benefit terms	-	-	-
Difference between expected and actual experience	121,723	-	121,723
Changes of assumptions	125,555	-	125,555
Contributions - employer	-	908,840	(908,840)
Contributions - employee	-	479,613	(479,613)
Net investment income	-	2,535,671	(2,535,671)
Benefit payments, including refunds of employee contributions	(902,940)	(902,940)	-
Administrative expense	-	(14,313)	14,313
Other changes	-	(430)	430
Net Changes	1,896,378	3,006,441	(1,110,063)
Beginning balance	20,557,602	16,384,580	4,173,022
Ending balance	$ 22,453,980	$ 19,391,021	$ 3,062,959

Sensitivity of the NPL to Changes in the Discount Rate

The following presents the NPL of the City and the BEDC, calculated using the discount rate of 6.75 percent, as well as what the City's NPL would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Net Pension Liability	$ 6,592,057	$ 3,062,959	$ 205,090

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

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

For the fiscal year ended September 30, 2020, the City and the BEDC recognized pension expense of $437,244.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 189,995	$ 1,794
Changes in actuarial assumptions	95,518	-
Net difference between projected and actual investment earnings	-	588,025
Contributions subsequent to the measurement date	673,300	-
Total	$ 958,813	$ 589,819

$673,300 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30	Pension Expense
2021	$ (51,377)
2022	(74,858)
2023	97,223
2024	(275,294)
Total	$ (304,306)

E. Other Postemployment Benefits

1. TMRS – Supplemental Death Benefit

Plan Description

The City and the BEDC participates in a defined benefit OPEB plan administered by TMRS. TMRS administers the defined benefit group-term life insurance plan known as the SDBF. This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. Employers may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The member city contributes to the SDBF at a contractually required rate (based on the covered payroll of employee members) as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (GASB 75)*. As such, the SDBF is considered to be a single-employer unfunded OPEB defined benefit plan with benefit payments treated as being equal to the employer's yearly contributions for retirees.

The contributions to the SDBF are pooled for investment purposes with those of the Pension Trust Fund (PTF). The TMRS Act requires the PTF to allocate a five percent interest credit from investment income to the SDBF on an annual basis each December 31 based on the mean balance in the SDBF during the year.

Benefits

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an OPEB and is a fixed amount of $7,500. As the SDBF covers both active and retiree participants with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e., no assets are accumulated). Participation in the SDBF as of December 31, 2019 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	48
Inactive employees entitled to, but not yet receiving, benefits	15
Active employees	131
Total	194

Total OPEB Liability

The City's and the BEDC's total OPEB liability of $372,019 was measured as of December 31, 2019 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate	2.75
Retirees' share of benefit-related costs	Zero
Administrative expenses	All administrative expenses are paid through the Pension Trust Fund and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates-service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates-disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

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

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period December 31, 2015 to December 31, 2019.

Changes in the Total OPEB Liability

	Total OPEB Liability
Changes for the year:	
Service cost	$ 19,984
Interest	10,836
Difference between expected and actual experience	(4,139)
Changes of assumptions	64,459
Benefit payments*	(2,398)
Net Changes	88,742
Beginning balance	283,277
Ending Balance	$ 372,019

Membership counts for inactive employees currently receiving or entitled to, but not yet receiving benefits will differ from GASB 68 as they include only those eligible for a SDBF benefit (i.e. excludes beneficiaries, non-vested terminations due to refund, etc.).

Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

There were no changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

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

The following presents the total OPEB liability of the City and the BEDC, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (1.75%)	Discount Rate (2.75%)	1% Increase in Discount Rate (3.75%)
Total OPEB liability	$ 454,677	$ 372,019	$ 308,172

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

For the year ended September 30, 2020, the City and the BEDC recognized OPEB expense of $41,101. The City and the BEDC reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	$ 49,582	$ -
Difference in expected and actual economic experience	-	9,026
Contributions subsequent to the measurement date	2,384	-
Total	$ 51,966	$ 9,026

$2,384 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the of total OPEB liability for the fiscal year ending September 30, 2020.

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

Year Ended September 30	OPEB Expense
2021	$ 10,281
2022	10,281
2023	8,571
2024	8,189
2025	3,234
Thereafter	-
Total	$ 40,556

2. Postemployment Healthcare Plan

Plan Description

The City offers its retired employees health insurance benefits through a single-employer defined benefit OPEB plan (the "Program"), under City policy. This plan is administered by the City and it has the authority to establish and amend the benefit terms and financing arrangements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Benefits and Contributions

Effective June 1, 2016, retirees who are at least 58 years old at retirement and have at least 25 or more years of service with the City are eligible for City paid health coverage until they reach 65 or become eligible for Medicare. The City pays the premium for the eligible retired members, otherwise the retired employee pays a premium. Dependents of the retired employee are not eligible for any City contribution but may be eligible to continue coverage under the City's group health insurance plan in accordance with COBRA. Additionally, eligible retirees receive $2,000 life insurance fully paid by the City. The City's contributions to the Program for the year ended September 30, 2019 were $16,887, which equal benefit payments for retirees. A separate, audited GAAP basis OPEB plan report is not available for this Program.
Participation in the Program as of December 31, 2019 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees entitled to, but not yet receiving, benefits	-
Active employees	138
Total	140

As of June 1, 2016, retirees who are at least 58 years old and have at least 25 years of service with the City at retirement are eligible for fully-subsidized retiree only health coverage until the retiree reaches age 65 or, if earlier, becomes Medicare eligible. Dependent coverage is available, but the cost for dependent coverage must be paid for by the member and the duration of coverage are subject to the current COBRA provisions in place.

Actuarial Assumptions and Other Inputs

Significant methods and assumptions were as follows:

Inflation	2.25%
Salary increases	2.75% average which includes inflation
Discount rate	2.14% per annum, which includes inflation
Healthcare cost trend rates	11.57% initial 2019 medical trend rate for pre-65 retirees decreasing to an ultimate rate of 3.81% in the year 2073
Mortality rates-service retirees	Mortality rates were updated and are based upon the sex distinct headcount weighted PUB 2010 tables recently released by the Society of Actuaries with generational mortality scale MP-2019.

Projections of health benefits are based on the Program as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities.

A single discount rate of 2.14% was used to measure the total OPEB liability. This single discount rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of September 30, 2020.

Changes in the Total OPEB Liability

The City's and BEDC's total OPEB liability was measured as of September 30, 2019 and was determined by an actuarial valuation as of September 30, 2020.

		Total OPEB Liability
Changes for the year:		
Service cost	$	34,707
Interest		29,126
Difference between expected and actual experience		81,583
Changes of assumptions		72,503
Benefit payments		(32,447)
Net Changes		185,472
Beginning balance		713,522
Ending Balance	$	898,994

Sensitivity of Total OPEB Liability to the Discount Rate

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the Program's total OPEB liability, calculated using a discount rate of 2.14%, as well as what the Program's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	Discount Rate Sensitivity		
	1% Decrease in Discount Rate (1.14%)	Discount Rate (2.14%)	1% Increase in Discount Rate (3.14%)
Total OPEB Liability	$ 976,818	$ 898,994	$ 800,540

Sensitivity of Total OPEB Liability to the Healthcare Costs Trend Rate Assumption

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the Program's total OPEB liability, calculated using the assumed trend rates as well as what the Program's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher.

	Healthcare Cost Trend Sensitivity		
	1% Decrease in Discount Rate (10.87%)	Discount Rate (11.87%)	1% Increase in Discount Rate (12.87%)
Total OPEB Liability	$ 751,190	$ 898,994	$ 999,957

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

For the year ended September 30. 2020, the City and the BEDC recognized OPEB expense of $37,928 The City and the BEDC reported deferred outflows/inflows of resources related to OPEB from the following sources:

		Deferred Outflows of Resources
Changes in actuarial assumptions		$ 90,408
Difference in expected and actual economic experience		49,388
	Total	$ 139,796

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

Year Ended September 30	OPEB Expense
2021	$ 22,948
2022	22,948
2023	22,948
2024	22,944
2025	23,613
Thereafter	24,395
Total	$ 139,796

F. Deferred Compensation Plan

The City offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Plan's trust arrangements are established to protect deferred compensation amounts of employees under the Plan from any other use than intended under the Plan (eventual payment to employees deferring the compensation) in accordance with federal tax laws. Amounts of compensation deferred by employees under Plan provisions are disbursed monthly by the City to Nationwide, a third-party administrator. The third-party administrator handles all funds in the Plan and makes investment decisions and disburses funds to employees in accordance with Plan provisions.

G. Restatement

Beginning net position for the BEDC was restated for an adjustment in land from the prior year.

	BEDC
Prior year ending fund balance/net position	$ 4,210,601
Land adjustment	(332,974)
Beginning Fund Balance/Net Position - Restated	$ 3,877,627

H. Tax Abatement - Economic Development Agreement

The City and the BEDC enter into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax, and enhance the property tax base and economic vitality of the City. This program refunds property and sales taxes as authorized under Chapter 380 and 501 of the Texas Local Government Code.

In January 2012, the BEDC entered into an agreement with a developer to rebate one-half cent of sales tax. Commitments made by the developer include providing a community kiosk, complying with building codes, and maintaining the property in good order and condition. The maximum amount to be rebated is $700,000 over ten years. As of yearend, $700,000 was rebated, including $83,507 in the current fiscal year.

The City and the BEDC entered into an agreement with a developer in August 2007 to rebate one and one-half cents of sales tax. The City also agreed to rebate 50% of the incremental increase in property taxes since 2007. Commitments made by the developer include building a project based on guidelines in the agreement, complying with building codes, and maintaining the property in good order and condition. The maximum amount to be rebated by the City and BEDC is $7,370,694 plus owner’s actual cost of funds (interest carry), over fifteen years. As of yearend $7,678,716 was rebated, including $1,048,748 in the current fiscal year.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Bastrop, Texas

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

GENERAL FUND

For the Year Ended September 30, 2020

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	$ 3,850,795	$ 3,850,795	$ 3,823,313	$ (27,482)
Sales taxes	5,147,230	5,147,230	5,528,824	381,594
Franchise fees	400,000	400,000	459,743	59,743
Licenses and permits	665,265	665,265	1,201,810	536,545
Fines and forfeitures	349,385	349,385	272,078	(77,307)
Charges for services	598,300	598,300	591,191	(7,109)
Intergovernmental	89,878	89,878	417,036	327,158
Investment revenue	89,500	89,500	78,828	(10,672)
Other revenue	300,167	300,167	102,427	(197,740)
Total Revenues	11,490,520	11,490,520	12,475,250	984,730
Expenditures				
General government:				
Legislative	40,357	40,357	34,373	5,984
Organizational	301,092	402,413	383,850	18,563
City Manager	502,009	588,009	575,332	12,677
City Secretary	148,629	148,629	134,873	13,756
Finance	1,336,503	1,336,503	1,312,194	24,309
Human resources	223,626	223,626	214,115	9,511
Information technology	410,032	439,432	437,909	1,523
Public works	2,428,230	2,428,230	2,180,533	247,697
Total general government expenditures	5,390,478	5,607,199	5,273,179	334,020
Public safety:				
Police	3,406,412	3,406,412	3,261,372	145,040
Fire	862,042	862,042	819,094	42,948
Municipal court	336,853	336,853	312,189	24,664
Total public safety expenditures	4,605,307	4,605,307	4,392,655	212,652
Community services				
Library	741,267	741,267	701,768	39,499
Community services	63,000	63,000	37,949	25,051
Total community services expenditures	804,267	804,267	739,717	64,550
Development services	1,084,324	1,084,324	756,000	328,324
Capital outlay	510,400	661,900	456,038	205,862
Total Expenditures	12,394,776	12,762,997	11,617,589	1,145,408
Excess (Deficiency) of Revenues Over (Under) Expenditures	(904,256)	(1,272,477)	857,661	2,130,138
Other Financing Sources (Uses)				
Transfers in	623,250	623,250	567,750	(55,500)
Transfers (out)	(382,662)	(382,662)	(248,654)	134,008
Total Other Financing Sources	240,588	240,588	319,096	78,508
Net Change in Fund Balance	$ (663,668)	$ (1,031,889)	1,176,757	$ 2,208,646
Beginning fund balance			3,180,690	
Ending Fund Balance			$ 4,357,447	

Notes to Required Supplementary Information:

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

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CITY OF BASTROP, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HOTEL/MOTEL TAX FUND

For the Year Ended September 30, 2020

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Hotel/motel taxes	$ 2,830,500	$ 2,830,500	$ 1,673,609	$ (1,156,891)
Licenses and permits	2,000	2,000	620	(1,380)
Intergovernmental	62,312	62,312	66,554	4,242
Charges for services	275,250	275,250	108,435	(166,815)
Investment revenue	65,000	65,000	51,475	(13,525)
Miscellaneous revenue	-	-	651	651
Total Revenues	3,235,062	3,235,062	1,901,344	(1,333,718)
Expenditures				
Current:				
Hotel tax expense	1,970,119	1,970,119	1,456,224	513,895
Multi-media	173,713	173,713	136,351	37,362
Special events	180,438	180,438	150,020	30,418
Hospitality and downtown	1,233,148	1,233,148	944,075	289,073
Art in Public Places	124,732	124,732	119,918	4,814
Rodeo arena	-	-	3,385	(3,385)
Total Expenditures	3,682,150	3,682,150	2,809,973	872,177
(Deficiency) of Revenues (Under) Expenditures	(447,088)	(447,088)	(908,629)	(2,205,895)
Other Financing Sources (Uses)				
Transfers in	461,494	461,494	461,494	-
Transfers (out)	(521,916)	(521,916)	(506,226)	15,690
Total Other Financing (Uses)	(60,422)	(60,422)	(44,732)	15,690
Net Change in Fund Balance	$ (507,510)	$ (507,510)	(953,361)	$ (445,851)
Beginning fund balance			3,849,730	
Ending Fund Balance			$ 2,896,369	

CITY OF BASTROP, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
For the Year Ended September 30, 2020

	Measurement Year*			
	2014	**2015**	**2016**	**2017**
Total Pension Liability				
Service cost	$ 647,254	$ 765,716	$ 877,585	$ 949,690
Interest (on the total pension liability)	906,043	992,085	1,065,490	1,162,037
Difference between expected and actual experience	19,757	93,002	(22,910)	151,268
Change of assumptions	-	134,544	-	-
Benefit payments, including refunds of employee contributions	(394,341)	(411,888)	(445,883)	(605,903)
Net Change in Total Pension Liability	1,178,713	1,573,459	1,474,282	1,657,092
Beginning total pension liability	12,817,021	13,995,734	15,569,193	17,043,475
Ending Total Pension Liability	$ 13,995,734	$ 15,569,193	$ 17,043,475	$ 18,700,567
Plan Fiduciary Net Position				
Contributions - employer	$ 497,753	$ 584,017	$ 656,980	$ 759,882
Contributions - employee	313,054	327,229	362,639	394,062
Net investment income	618,954	17,476	834,607	1,905,936
Benefit payments, including refunds of employee contributions	(394,341)	(411,888)	(445,883)	(605,903)
Administrative expense	(6,461)	(10,647)	(9,427)	(9,876)
Other	(531)	(526)	(508)	(501)
Net Change in Plan Fiduciary Net Position	1,028,428	505,661	1,398,408	2,443,600
Beginning plan fiduciary net position	10,817,648	11,846,076	12,351,737	13,750,145
Ending Plan Fiduciary Net Position	$ 11,846,076	$ 12,351,737	$ 13,750,145	$ 16,193,745
Net Pension Liability	$ 2,149,658	$ 3,217,456	$ 3,293,330	$ 2,506,822
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.64%	79.33%	80.68%	86.59%
Covered Payroll	$ 5,217,564	$ 5,453,817	$ 6,043,976	$ 6,567,702
Net Pension Liability as a Percentage of Covered Payroll	41.20%	58.99%	54.49%	38.17%

*Only six years of information is currently available. The City will build this schedule over the next four-year period.

	Measurement Year*	
	2018	2019
	$ 1,049,555	$ 1,155,866
	1,278,572	1,396,174
	95,980	121,723
	-	125,555
	(567,072)	(902,940)
	1,857,035	1,896,378
	18,700,567	20,557,602
	$ 20,557,602	$ 22,453,980
	$ 819,985	$ 908,840
	433,104	479,613
	(485,318)	2,535,671
	(567,072)	(902,940)
	(9,375)	(14,313)
	(489)	(430)
	190,835	3,006,441
	16,193,745	16,384,580
	$ 16,384,580	$ 19,391,021
	$ 4,173,022	$ 3,062,959
	79.70%	86.36%
	$ 7,218,398	$ 7,993,556
	57.81%	38.32%

City of Bastrop, Texas

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
POSTEMPLOYMENT HEALTH CARE PLAN

For the Year Ended September 30, 2020

	Measurement Year*		
	2020	**2019**	**2018**
Total OPEB Liability			
Service cost	$ 34,707	$ 26,899	$ 26,393
Interest (on the total OPEB liability)	29,126	25,690	24,601
Difference in expected and actual experience	81,583	-	(40,119)
Change of assumptions	72,503	11,200	35,460
Contributions - employer**	(32,447)	(16,887)	(16,887)
Net Change in Total OPEB Liability	185,472	46,902	29,448
Beginning total OPEB liability	713,522	666,620	637,172
Ending Total OPEB Liability	$ 898,994	$ 713,522	$ 666,620
Covered Payroll	$ 7,607,892	$ 7,881,883	$ 7,098,873
Total OPEB Liability as a Percentage of Covered Payroll	11.82%	9.05%	9.39%

*Only three years of information is currently available. The City will build this schedule over the next seven-year period.

Notes to Required Supplementary Information:

Change of assumptions:

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period.
The following are the discount rates used in each period:

City of Bastrop, Texas

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH

For the Year Ended September 30, 2020

	Measurement Year*		
	2019	**2018**	**2017**
Total OPEB Liability			
Service cost	$ 19,984	$ 19,490	$ 15,762
Interest (on the total OPEB liability)	10,836	9,693	9,226
Difference between expected and actual experience	(4,139)	(6,885)	-
Change of assumptions	64,459	(21,387)	23,298
Benefit payments**	(2,398)	(1,444)	(1,314)
Net Change in Total OPEB Liability	88,742	(533)	46,972
Beginning total OPEB liability	283,277	283,810	236,838
Ending Total OPEB Liability	$ 372,019	$ 283,277	$ 283,810
Covered Payroll	$ 7,993,556	$ 7,218,398	$ 6,567,702
Total OPEB Liability as a Percentage of Covered Payroll	4.65%	3.92%	4.32%

*Only three years of information is currently available. The City will build this schedule over the next seven-year period.

**Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Notes to Required Supplementary Information:

There were no changes in assumptions or other imputs that affected measurement of the total OPEB liablitiy since the prior measurement period

There were no benefit changes during the year.

City of Bastrop, Texas

SCHEDULE OF CONTRIBUTIONS

PENSION - TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)

For the Year Ended September 30, 2020

	Fiscal Year*			
	2014	**2015**	**2016**	**2017**
Actuarially determined contribution	$ 494,007	$ 551,472	$ 668,216	$ 723,434
Contributions in relation to the actuarially determined contribution	494,007	551,472	668,216	723,434
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 5,140,859	$ 5,317,314	$ 6,170,226	$ 6,340,147
Contributions as a percentage of covered payroll	9.61%	10.37%	10.83%	11.41%

*Only seven years of information is currently available. The City will build this schedule over the next three-year period.

Notes to Required Supplementary Information:

1. Valuation Date:

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

2. Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	10 year smoothed market; 15% soft corridor
Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

3. Other Information:

There were no benefit changes during the year.

Fiscal Year*		
2018	2019	2020
$ 811,103	$ 895,993	$ 901,479
811,103	895,993	901,479
$ -	$ -	$ -
$ 7,098,873	$ 7,881,883	$ 7,847,955
11.43%	11.37%	11.49%

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COMBINING STATEMENTS AND SCHEDULES

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CITY OF BASTROP, TEXAS

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

For the Year Ended September 30, 2020

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	$ 2,006,862	$ 2,006,862	$ 2,009,476	$ 2,614
Investment revenue	20,000	20,000	28,101	8,101
Other revenue	246,548	246,548	245,886	(662)
Total Revenues	2,273,410	2,273,410	2,283,463	10,053
Expenditures				
Debt service:				
Principal	1,870,697	1,870,697	1,870,697	-
Interest and fiscal agent fees	881,921	924,008	924,008	-
Total Expenditures	2,752,618	2,794,705	2,794,705	-
(Deficiency) of Revenues (Under) Expenditures	(479,208)	(521,295)	(511,242)	10,053
Other Financing Sources (Uses)				
Transfers in	506,226	506,226	506,226	-
Issuance of long-term debt	-	-	1,446,497	1,446,497
Payment to escrow agent	-	-	(1,401,769)	(1,401,769)
Total Other Financing Sources	506,226	506,226	550,954	44,728
Net Change in Fund Balance	$ 27,018	$ (15,069)	39,712	$ 54,781
Beginning fund balance			258,520	
Ending Fund Balance			$ 298,232	

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City of Bastrop, Texas
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted, committed, or assigned to expenditures for particular purposes.

Designated

This fund is used to account for the receipt and expenditure of funds restricted for a particular purpose by an outside entity.

Library Board

This fund is used to account for the application of any gifts and donations received for the benefit of the library.

Fairview Cemetery

This fund was established for the receipt and reimbursement of funds received for the benefit of City cemetery.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for specific revenues that are legally restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Park Dedication

This fund is used to account for the receipt and disbursement of funds received for special improvement projects related to City parks and trails.

2019 Limited Tax Note

This fund is used to account for the receipt of bond funds received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

Combination Revenue Bond Series 2018

This fund is used to account for the receipt of bond funds received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

Combination Revenue Bond Series 2013

This fund is used to account for the receipt of bond funds received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

Street Maintenance

This fund is used to account for the receipt of monies designated for street maintenance.

Grant

This fund is used to account for grants received related to capital projects and the application of the funds in accordance with stated requirements.

PERMANENT FUND

The Permanent Fund is used to account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

Fairview Cemetery

This fund is used to account for an endowment whose earnings are restricted to expenditures for the benefit of Fairview Cemetery.

CITY OF BASTROP, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS (Page 1 of 2)

September 30, 2020

	Special Revenue Funds			Capital Projects Funds
	Designated	**Library Board**	**Fairview Cemetery**	**Park Dedication**
Assets				
Cash and equity in pooled cash and investments	$ 750,323	$ 67,979	$ 110,738	$ 112,689
Receivables, net	7,138	-	-	-
Total Assets	$ 757,461	$ 67,979	$ 110,738	$ 112,689
Liabilities				
Liabilities:				
Accounts payable and accrued liabilities	$ 489	$ 1,137	$ 5,791	$ 9
Due to other funds	-	-	-	-
Total Liabilities	489	1,137	5,791	9
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	99,295
Fund balance				
Fund balances:				
Nonspendable:				
Cemetery perpetual care	-	-	-	-
Restricted:				
Cemetery	-	-	104,947	-
Public safety	169,334	-	-	-
Parks	4,700	-	-	-
Traffic safety	464,505	-	-	-
PEG channels	58,669	-	-	-
Capital projects	59,764	-	-	13,385
Assigned to:				
Library	-	66,842	-	-
Total Fund Balances	756,972	66,842	104,947	13,385
Total Liabilities, Deferred Inflows And Fund Balances	$ 757,461	$ 67,979	$ 110,738	$ 112,689

Capital Projects Funds					Permanent Fund
2019 Limited Tax Note	Combination Revenue Bond Series 2018	Combination Revenue Bond Series 2013	Street Maintenance	Grant	Fairview Cemetery
$ 235,527	$ 2,549,490	$ 381,456	$ 156,589	$ -	$ 386,814
-	-	-	-	997,759	-
$ 235,527	$ 2,549,490	$ 381,456	$ 156,589	$ 997,759	$ 386,814
$ 134,289	$ 351,414	$ 82,256	$ 73,100	$ 151,798	$ -
-	-	-	-	845,961	-
134,289	351,414	82,256	73,100	997,759	-
-	-	-	-	-	-
-	-	-	-	-	386,814
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
101,238	2,198,076	299,200	83,489	-	-
-	-	-	-	-	-
101,238	2,198,076	299,200	83,489	-	386,814
$ 235,527	$ 2,549,490	$ 381,456	$ 156,589	$ 997,759	$ 386,814

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City of Bastrop, Texas

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS (Page 2 of 2)

September 30, 2020

	Total Nonmajor Governmental Funds
Assets	
Cash and equity in pooled cash and investments	$ 4,751,605
Receivables, net	1,004,897
Total Assets	$ 5,756,502
Liabilities	
Liabilities:	
Accounts payable and accrued liabilities	$ 800,283
Due to other funds	845,961
Total Liabilities	1,646,244
Deferred inflows	
Unavailable revenue	99,295
Fund balance	
Fund balances:	
Nonspendable:	
Cemetery perpetual care	386,814
Restricted:	
Cemetery	104,947
Public safety	169,334
Parks	4,700
Traffic safety	464,505
PEG Channels	58,669
Capital projects	2,755,152
Assigned to:	
Library	66,842
Total Fund Balances	4,010,963
Total Liabilities, Deferred Inflows, And Fund Balances	$ 5,756,502

CITY OF BASTROP, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS (Page 1 of 2)

For the Year Ended September 30, 2020

	Special Revenue Funds			Capital Projects Funds
	Designated	**Library Board**	**Fairview Cemetery**	**Park Dedication**
Revenues				
Franchise fees	24,831	-	-	-
Fines and forfeitures	17,876	-	-	-
Charges for services	-	-	111,651	-
Intergovernmental	1,964	-	-	-
Investment revenue	13,158	1,075	1,478	2,057
Other revenue	27,004	27,305	45	-
Total Revenues	84,833	28,380	113,174	2,057
Expenditures				
Current:				
Public safety	8,222	-	-	-
Community services	752	6,155	110,338	17,402
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	8,974	6,155	110,338	17,402
Excess (Deficiency) of Revenues Over (Under) Expenditures	75,859	22,225	2,836	(15,345)
Other Financing Sources (Uses)				
Transfer in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	75,859	22,225	2,836	(15,345)
Beginning fund balances	681,113	44,617	102,111	28,730
Ending Fund Balances	$ 756,972	$ 66,842	$ 104,947	$ 13,385

Capital Projects Funds					Permanent Fund
2019 Limited Tax Note	Combination Revenue Bond Series 2018	Combination Revenue Bond Series 2013	Street Maintenance	Grant	Cemetery
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	14,310	-	1,244,706	-
4,285	34,610	9,925	15,063	-	3,165
-	10,000	-	-	-	-
4,285	44,610	24,235	15,063	1,244,706	3,165
-	-	-	-	-	-
-	-	-	15,300	193,973	-
-	-	793,335	-	-	-
344,717	1,253,017	-	1,191,631	810,900	-
344,717	1,253,017	793,335	1,206,931	1,004,873	-
(340,432)	(1,208,407)	(769,100)	(1,191,868)	239,833	3,165
-	-	-	238,000	-	-
-	(84,000)	(154,000)	-	(239,833)	-
-	(84,000)	(154,000)	238,000	(239,833)	-
(340,432)	(1,292,407)	(923,100)	(953,868)	-	3,165
441,670	3,490,483	1,222,300	1,037,357	-	383,649
$ 101,238	$ 2,198,076	$ 299,200	$ 83,489	$ -	$ 386,814

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CITY OF BASTROP, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Page 2 of 2)
For the Year Ended September 30, 2020

	Total Nonmajor Governmental Funds
Revenues	
Franchise fees	24,831
Fines and forfeitures	17,876
Charges for services	111,651
Intergovernmental	1,260,980
Investment revenue	84,816
Other revenue	64,354
Total Revenues	1,564,508
Expenditures	
Current:	
Public safety	8,222
Community services	343,920
Economic development	793,335
Capital outlay	3,600,265
Total Expenditures	4,745,742
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,181,234)
Other Financing Sources (Uses)	
Transfer in	238,000
Transfers (out)	(477,833)
Total Other Financing Sources (Uses)	(239,833)
Net Change in Fund Balances	(3,421,067)
Beginning fund balances	7,432,030
Ending Fund Balances	$ 4,010,963

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STATISTICAL SECTION

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the government's overall financial health.

Contents	**Table #'s**
Financial Trends	1-5
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	6-12
These schedules contain information to help the reader assess the government's two most significant local revenue sources, property and sales taxes.	
Debt Capacity	13-16
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	17-18
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	19-21
Water and Wastewater Operating Information	22 - 27
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports from the relevant year.

When viewing in a PDF reader, the best view mode is View - Page Display - Show Cover Page in Two Page view

City of Bastrop, Texas

NET POSITION BY COMPONENT

Last Ten Years

(Accrual Basis of Accounting)

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Governmental Activities				
Net investment in capital assets	$ 5,875,370	$ 10,566,114	$ 11,429,156	$ 9,963,117
Restricted	6,046,673	7,373,576	4,910,969	9,159,680
Unrestricted	(2,389,362)	(854,428)	2,499,071	2,209,515
Total Governmental Activities Net Position	$ 9,532,681	$ 17,085,262	$ 18,839,196	$ 21,332,312
Business-Type Activities				
Net investment in capital assets	$ 16,135,372	$ 13,211,924	$ 11,738,002	$ 12,316,742
Restricted	-	-	2,660,151	669,651
Unrestricted	5,594,939	7,391,011	5,210,587	8,546,144
Total Business-Type Activities Net Position	$ 21,730,311	$ 20,602,935	$ 19,608,740	$ 21,532,537
Primary Government				
Net investment in capital assets	$ 22,010,742	$ 23,778,038	$ 23,167,158	$ 22,279,859
Restricted	6,046,673	7,373,576	7,571,120	9,829,331
Unrestricted	3,205,577	6,536,583	7,709,658	10,755,659
Total Primary Government Net Position	$ 31,262,992	$ 37,688,197	$ 38,447,936	$ 42,864,849

TABLE 1

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 11,651,156	$ 11,918,463	$ 14,539,682	$ 19,769,501	$ 19,816,206	$ 23,307,166
8,756,852	8,066,547	7,742,134	4,343,291	4,626,827	4,209,536
5,446,370	5,326,377	4,292,982	4,389,629	6,668,824	7,099,987
$ 25,854,378	$ 25,311,387	$ 26,574,798	$ 28,502,421	$ 31,111,857	$ 34,616,689
$ 13,333,175	$ 15,553,195	$ 16,164,723	$ 16,812,087	$ 18,773,085	$ 23,850,300
838,596	931,191	2,016,705	2,732,351	1,572,344	3,255,790
8,571,980	8,127,577	8,485,463	8,587,217	10,510,188	7,196,057
$ 22,743,751	$ 24,611,963	$ 26,666,891	$ 28,131,655	$ 30,855,617	$ 34,302,147
$ 24,984,331	$ 27,471,658	$ 30,704,405	$ 36,581,588	$ 38,589,291	$ 47,157,466
9,595,448	8,997,738	9,758,839	7,075,642	6,199,171	7,465,326
14,018,350	13,453,954	12,778,445	12,976,846	17,179,012	14,296,044
$ 48,598,129	$ 49,923,350	$ 53,241,689	$ 56,634,076	$ 61,967,474	$ 68,918,836

City of Bastrop, Texas

CHANGES IN NET POSITION

Last Ten Years

(Accrual Basis of Accounting)

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Expenses				
Governmental Activities				
General government	$ 6,295,882	$ 8,045,054	$ 3,714,276	$ 2,823,226
Public safety	2,648,635	2,792,144	3,784,611	3,744,040
Developmental services	-	-	-	-
Community development	1,997,802	1,983,502	3,071,077	3,214,589
Health	75,991	78,982	-	-
Economic development	-	-	2,865,227	4,067,024
Interest on long-term debt	1,403,348	1,065,553	680,369	1,008,265
Total Governmental Activities Expenses	12,421,658	13,965,235	14,115,560	14,857,144
Business-Type Activities				
Water and wastewater utilities	3,061,719	3,174,942	3,748,334	3,694,129
Electric utility	5,871,322	6,198,430	6,188,383	6,673,346
Other nonmajor	19,207	129,198	620,614	683,574
Total Business-Type Activities Expenses	8,952,248	9,502,570	10,557,331	11,051,049
Total Primary Government Expenses	$ 21,373,906	$ 23,467,805	$ 24,672,891	$ 25,908,193
Program Revenues				
Governmental Activities				
Charges for services				
General government	$ 1,318,457	$ 1,318,457	$ 1,351,258	$ 1,437,935
Public safety	275,307	275,307	230,014	1,067,556
Development services	-	-	-	-
Community services	65,615	65,615	69,011	293,186
Economic development	-	-	-	133,686
Operating grants and contributions	393,095	393,095	200,007	130,520
Capital grants and contributions	173,903	173,903	3,404,918	408,312
Total Governmental Activities Program Revenues	2,226,377	2,226,377	5,255,208	3,471,195
Business-Type Activities				
Charges for services				
Water and wastewater utilities	3,445,382	3,445,382	3,610,941	3,851,172
Electric utility	6,966,650	6,966,650	7,395,021	6,854,109
Other nonmajor	96,354	96,354	893,389	789,918
Capital grants and contributions	-	-	-	-
Total Business-Type Activities Program Revenues	10,508,386	10,508,386	11,899,351	11,495,199
Total Primary Government Program Revenues	$ 12,734,763	$ 12,734,763	$ 17,154,559	$ 14,966,394
Net Revenue/(Expense)				
Governmental activities	$ (10,195,281)	$ (11,738,858)	$ (8,860,352)	$ (11,385,949)
Business-type activities	1,556,138	1,005,816	1,342,020	444,150
Total Primary Government Net (Expense)	$ (8,639,143)	$ (10,733,042)	$ (7,518,332)	$ (10,941,799)

TABLE 2

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 3,000,666	$ 4,461,447	$ 4,790,876	$ 5,042,504	$ 6,020,455	$ 4,802,825
3,589,294	4,342,768	4,169,672	3,995,531	4,706,904	3,754,875
711,905	923,089	692,326	919,670	1,360,305	708,088
3,207,923	2,914,278	1,880,293	2,015,727	1,852,431	1,059,379
-	-	-	-	-	-
2,976,087	2,497,292	3,350,167	3,910,783	3,212,115	6,963,722
1,030,527	926,159	807,460	853,401	911,431	966,319
14,516,402	16,065,033	15,690,794	16,737,616	18,063,641	18,255,208
3,882,671	3,960,331	4,487,471	4,747,676	5,356,350	5,197,452
6,861,785	6,184,527	6,104,456	6,351,799	6,138,706	5,609,727
47,028	36,186	5,324	-	18,484	7,185
10,791,484	10,181,044	10,597,251	11,099,475	11,513,540	10,814,364
$ 25,307,886	$ 26,246,077	$ 26,288,045	$ 27,837,091	$ 29,577,181	$ 29,069,572
$ 413,374	$ 1,035,377	$ 1,061,694	$ 1,371,930	$ 1,676,873	$ 591,191
925,131	932,848	266,292	31,697	95,706	289,954
-	-	-	-	-	1,202,430
86,472	36,480	66,705	87,616	125,125	111,651
130,920	137,891	153,125	144,912	166,757	108,435
390,712	428,497	278,349	237,019	150,396	1,744,570
2,988,454	1,878,711	629,416	1,063,268	1,306,839	-
4,935,063	4,449,804	2,455,581	2,936,442	3,521,696	4,048,231
3,960,434	4,288,849	4,654,955	4,983,380	5,100,581	6,150,299
7,304,225	7,415,588	6,446,305	6,903,151	7,171,253	6,383,347
893,112	261,102	336,791	1,046,108	752,341	1,252,892
600,000	47,889	-	12,032	90,214	903,907
12,757,771	12,013,428	11,438,051	12,944,671	13,114,389	14,690,445
$ 17,692,834	$ 16,463,232	$ 13,893,632	$ 15,881,113	$ 16,636,085	$ 18,738,676
$ (9,581,339)	$ (11,615,229)	$ (13,235,213)	$ (13,801,174)	$ (14,541,945)	$ (14,206,977)
1,966,287	1,832,384	840,800	1,845,196	1,600,849	3,876,081
$ (7,615,052)	$ (9,782,845)	$ (12,394,413)	$ (11,955,978)	$ (12,941,096)	$ (10,330,896)

CITY OF BASTROP, TEXAS

GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION

Last Ten Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
General Revenues and Other Changes in Net Position				
Governmental Activities				
Property taxes	$ 3,557,551	$ 3,947,319	$ 4,294,978	$ 4,619,684
Sales taxes	2,722,333	3,194,452	3,352,264	3,538,097
Hotel taxes	2,512,219	2,568,635	2,501,546	2,737,816
Franchise fees	404,582	431,129	412,730	454,377
Investment earnings	31,639	86,562	20,427	18,787
Other revenue	453,537	964,919	331,954	64,532
Special item- resource	40,431	44,774	-	-
Special item (use)	3,179	7,344	(9,537)	-
Transfers in (out)	928,594	(1,201,295)	(2,469,672)	439,179
Total Governmental Activities	10,654,065	10,043,839	8,434,690	11,872,472
Business-Type Activities				
Miscellaneous revenue	-	3,353	98,600	52,672
Investment earnings	14,412	14,066	11,910	9,064
Special item- resource	-	-	-	-
Transfers in (out)	(928,594)	1,201,295	2,469,672	(439,179)
Total Business-Type Activities	(914,182)	1,218,714	2,580,182	(377,443)
Total Primary Government	$ 9,739,883	$ 11,262,553	$ 11,014,872	$ 11,495,029
Change in Net Position				
Governmental activities	$ 458,784	$ (1,695,019)	$ (425,662)	$ 486,523
Business-type activities	641,956	2,224,530	3,922,202	66,707
Total Primary Government	$ 1,100,740	$ 529,511	$ 3,496,540	$ 553,230

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 4,806,931	$ 5,671,902	$ 5,374,085	$ 5,758,745	$ 6,061,380	$ 8,849,258
4,021,662	4,325,273	4,430,848	4,815,099	5,155,893	5,528,824
2,850,062	2,777,935	2,686,099	2,844,403	2,829,049	1,673,609
486,694	495,709	464,908	462,968	486,716	484,574
19,380	74,232	131,122	190,986	414,108	277,206
46,176	79,626	99,754	208,906	293,716	272,921
3,330,054	-	-	-	-	-
-	-	-	-	-	-
500,248	(358,216)	748,152	1,042,299	1,256,323	625,417
16,061,207	13,066,461	13,934,968	15,323,406	16,497,185	17,711,809
150,808	181,324	153,534	335,789	-	-
14,490	65,264	130,344	204,426	291,045	195,866
627,566	-	-	-	-	-
(500,248)	358,216	(748,152)	(1,042,299)	(1,256,323)	(625,417)
292,616	604,804	(464,274)	(502,084)	(965,278)	(429,551)
$ 16,353,823	$ 13,671,265	$ 13,470,694	$ 14,821,322	$ 15,531,907	$ 17,282,258
$ 6,479,868	$ 1,451,232	$ 699,755	$ 1,522,232	$ 1,955,240	$ 3,504,832
2,258,903	2,437,188	376,526	1,343,112	635,571	3,446,530
$ 8,738,771	$ 3,888,420	$ 1,076,281	$ 2,865,344	$ 2,590,811	$ 6,951,362

City of Bastrop, Texas

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
General Fund				
Nonspendable	$ -	$ -	$ 45,362	$ 56,011
Assigned	-	-	-	-
Unassigned	2,059,480	3,294,416	3,530,544	4,707,026
Total General Fund	$ 2,059,480	$ 3,294,416	$ 3,575,906	$ 4,763,037
All Other Governmental Funds				
Nonspendable	$ -	$ -	$ -	$ 512
Restricted for:				
Capital projects	-	-	755,047	5,297,045
Debt service	-	-	707,322	736,729
Other restricted	5,926,375	7,269,212	-	57,463
Cemetery	-	-	607,655	648,832
Public improvement district	-	-	87,098	161,579
Traffic safety	-	-	639,090	621,945
Culture and recreation	-	-	114,949	121,782
Economic development	-	-	1,905,557	2,148,817
Committed for:				
Economic development	-	-	1,038,897	1,044,994
Arena	-	-	-	-
Unassigned	1,034,177	1,102,144	-	-
Total All Other Governmental Funds	$ 6,960,552	$ 8,371,356	$ 5,855,615	$ 10,839,698

TABLE 4

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 136,887	$ 82,553	$ 28,273	$ 53,226	$ 109,044	$ 130,267
-	89,868	217,328	217,328	-	-
5,365,120	3,661,166	3,503,042	3,619,188	3,071,646	4,227,180
$ 5,502,007	$ 3,833,587	$ 3,748,643	$ 3,889,742	$ 3,180,690	$ 4,357,447
$ 83,913	$ 383,789	$ 385,956	$ 385,570	$ 383,649	$ 386,814
4,019,033	2,369,536	1,422,295	6,030,501	6,609,865	2,761,251
804,205	230,749	62,817	315,398	258,520	298,232
19,959	24,026	39,315	63,132	32,817	58,669
558,234	186,500	196,419	212,163	102,111	104,947
187,892	132,794	44,462	-	-	-
631,613	639,377	639,726	628,336	648,296	464,505
46,708	124,559	125,895	170,836	-	-
2,015,834	2,265,766	2,629,042	2,446,392	3,849,730	2,896,369
1,077,854	1,225,851	827,206	912,785	44,617	66,842
-	24,167	110,655	107,331	-	-
-	-	(4,564)	(95,221)	-	-
$ 9,445,245	$ 7,607,114	$ 6,479,224	$ 11,177,223	$ 11,929,605	$ 7,037,629

CITY OF BASTROP, TEXAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Revenues				
Property taxes	$ 3,859,531	$ 4,266,992	$ 4,243,734	$ 4,536,737
Sales taxes	2,722,333	3,194,452	3,352,264	3,538,097
Hotel/motel taxes	2,247,985	2,276,444	2,501,546	2,737,816
Franchise fees	404,582	431,129	412,730	454,377
Licenses and permits	97,305	135,408	143,768	153,841
Fines and forfeitures	346,568	366,040	1,080,535	1,144,202
Charges for services	90,526	278,350	269,570	263,304
Intergovernmental	1,691,978	1,625,928	1,960,454	531,182
Investment earnings	31,640	26,315	20,427	18,788
Other revenue	394,975	2,124,631	197,675	348,371
Total Revenues	11,887,423	14,725,689	14,182,703	13,726,715
Expenditures				
General government	2,591,833	2,659,338	2,587,881	1,498,735
Public safety	2,433,848	2,776,805	3,218,590	3,424,029
Development services	2,430,328	2,818,297	614,744	670,992
Community service	609,360	650,615	2,456,957	2,370,344
Economic development	2,355,876	1,808,697	2,512,066	3,846,172
Capital outlay	3,470,556	2,577,411	424,088	2,304,424
Debt service:				
Principal	1,519,243	1,520,438	1,422,705	1,326,185
Interest and fees	1,474,101	1,162,345	721,877	1,111,724
Payments refunded bond escrow agent	-	-	-	-
Total Expenditures	16,885,145	15,973,946	13,958,908	16,552,605
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,997,722)	(1,248,257)	223,795	(2,825,890)
Other Financing Sources (Uses)				
Transfers in	2,657,927	2,673,323	2,426,820	2,387,025
Transfers out	(1,729,333)	(3,874,618)	(4,896,492)	(1,947,846)
Issuance of long-term debt	4,260,000	6,315,000	-	7,392,000
Premium on long-term debt	179,469	460,848	-	127,985
Other resources	40,431	44,774	-	475,000
Payments to refunded bond escrow agent	(4,300,560)	(1,732,675)	-	-
Insurance recoveries	-	-	-	-
Sales of capital assets	3,179	7,344	11,626	19,615
Total Other Financing Sources	1,111,113	3,893,996	(2,458,046)	8,453,779
Net Change in Fund Balances	$ (3,886,609)	$ 2,645,739	$ (2,234,251)	$ 5,627,889
Debt service as a percentage of noncapital expenditures	22.31%	20.03%	15.84%	17.11%

TABLE 5

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 4,741,831	$ 4,998,616	$ 5,266,699	$ 5,575,700	$ 6,039,361	$ 8,837,302
4,021,662	4,371,880	4,492,652	4,889,377	5,155,893	5,528,824
2,850,062	2,777,935	2,686,099	2,844,403	2,829,049	1,673,609
486,694	495,709	464,908	462,968	486,716	484,574
213,904	187,729	247,174	752,653	565,692	1,202,430
653,730	563,971	362,397	317,579	332,825	289,954
709,339	745,419	754,803	894,306	951,881	811,277
728,094	656,385	1,037,098	1,276,879	490,013	1,744,570
19,380	70,100	119,133	174,339	380,670	249,518
443,233	530,322	880,451	604,431	358,356	413,318
14,867,929	15,398,066	16,311,414	17,792,635	17,590,456	21,235,376
2,695,518	4,195,350	3,764,359	4,353,027	5,416,871	5,273,179
3,349,118	3,558,802	3,698,141	3,904,198	4,161,972	4,400,877
708,518	896,180	666,775	901,494	1,226,915	756,000
2,464,526	2,096,550	1,673,443	1,884,502	1,636,255	1,083,637
2,743,266	2,266,449	3,145,692	3,455,809	2,933,449	7,013,045
1,700,223	1,180,847	2,281,828	1,734,806	898,513	6,851,734
1,439,775	1,815,125	1,872,455	1,550,274	1,803,503	1,870,697
1,068,183	973,859	947,412	920,471	913,172	991,512
-	325,000	-	-	23,330	-
16,169,127	17,308,162	18,050,105	18,704,581	19,013,980	28,240,681
(1,301,198)	(1,910,096)	(1,738,691)	(911,946)	(1,423,524)	(7,005,305)
2,856,260	2,554,732	1,976,999	2,168,734	3,073,422	1,783,130
(2,356,012)	(4,182,948)	(1,341,347)	(1,263,935)	(2,071,568)	(1,232,713)
1,695,558	1,440,000	3,135,000	4,605,000	465,000	4,061,497
185,830	116,968	427,340	213,370	-	-
-	-	-	-	-	-
(1,819,234)	(1,505,285)	(3,692,139)	-	-	(1,401,769)
-	51,757	20,000	27,499	-	-
-	12,234	4	376	-	-
562,402	(1,512,542)	525,857	5,751,044	1,466,854	3,210,145
$ (738,796)	$ (3,422,638)	$ (1,212,834)	$ 4,839,098	$ 43,330	$ (3,795,160)
17.33%	17.29%	17.88%	14.56%	15.13%	13.38%

CITY OF BASTROP, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Real Property	$ 749,216,172	$ 779,056,911	$ 792,557,307	$ 816,067,208
Personal Property	82,203,043	81,672,766	89,185,540	101,281,545
Less: Tax Exempt Property	(135,123,943)	(146,849,465)	(147,350,585)	(143,609,524)
Less: Other (1)	(89,217,278)	(86,623,396)	(98,583,801)	(103,017,981)
Total Taxable Assessed Value (2)	$ 607,077,994	$ 627,256,816	$ 635,808,461	$ 670,721,248
Taxable Assessed Value as a Percentage of Estimated Actual Value	100.00%	100.00%	100.00%	100.00%
Estimated Actual Taxable Value	$ 607,077,994	$ 627,256,816	$ 635,808,461	$ 670,721,248
Total Direct Tax Rate	$ 0.0584	$ 0.0584	$ 0.0584	$ 0.0584

Source: Tax department and inspection records of the City.

(1) Other includes Homestead Cap Adjustment, Productivity Loss, Exemptions, 065 Freeze/Transfer and DP Freeze.
(2) Property is assessed at actual value, therefore, the assessed values are equal to actual value.
Tax rates are per $100 of assessed value.

TABLE 6

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 863,574,836	$ 929,201,260	$ 976,858,517	$ 1,026,626,754	$ 1,102,079,762	$ 1,250,713,427
110,674,924	121,017,621	127,021,941	133,469,154	130,498,163	131,924,208
(150,322,357)	(158,570,133)	(157,738,191)	(169,209,339)	(184,097,781)	(198,272,039)
(86,004,438)	(108,720,698)	(120,320,209)	(127,814,502)	(145,244,415)	(186,814,939)
$ 737,922,965	$ 782,928,050	$ 825,822,058	$ 863,072,067	$ 903,235,729	$ 997,550,657
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
$ 737,922,965	$ 782,928,050	$ 825,822,058	$ 863,072,067	$ 903,235,729	$ 997,550,657
$ 0.5640	$ 0.5640	$ 0.5640	$ 0.5640	$ 0.5640	$ 0.5640

CITY OF BASTROP, TEXAS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
City By Fund:				
Operating	$ 0.2289	$ 0.3202	$ 0.3504	$ 0.3638
Debt service	0.2651	0.2637	0.2336	0.2202
Total Direct Rates	0.4940	0.5839	0.5840	0.5840
Bastrop Independent School District (BISD)	1.4810	1.4810	1.4810	1.4610
Bastrop County/County Road	0.6192	0.6175	0.4259	0.6290
Total Direct and Overlapping Rates (1)	$ 2.5942	$ 2.6824	$ 2.4909	$ 2.6740
Other: Hunter's Crossing PID fixed amount	$ 271.00	$ 289.52	$ 308.16	$ 324.16

Tax rates per $100 of assessed valuation

Source: City of Bastrop Budget and County and BISD websites

(1) Overlapping rates are those of local and county governments that apply within the City of Bastrop.

TABLE 7

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 0.3598	$ 0.3596	$ 0.3640	$ 0.3643	$ 0.3691	$ 0.3691
0.2042	0.2044	0.2000	0.1997	0.1949	0.1949
0.5640	0.5640	0.5640	0.5640	0.5640	0.5640
1.4410	1.4410	1.4410	1.4410	1.4410	1.3700
0.6290	0.6190	0.5990	0.5897	0.5799	0.5699
$ 2.6340	$ 2.6240	$ 2.6040	$ 2.5947	$ 2.5849	$ 2.5039
$ 324.16	$ 324.16	$ 342.16	$ 361.16	$ 381.16	$ 403.16

CITY OF BASTROP, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Tax levy	$ 3,609,482	$ 3,915,501	$ 3,977,570	$ 4,192,486
Current tax collected	$ 3,517,945	$ 3,863,585	$ 3,928,876	$ 4,147,083
Percentage of current tax collections	97.46%	98.67%	98.78%	98.92%
Delinquent tax collections	$ 69,650	$ 34,487	$ 37,403	$ 3,648
Total tax collections	$ 3,587,595	$ 3,898,072	$ 3,966,279	$ 4,150,731
Total collections as a percentage of current levy	99.39%	99.55%	99.72%	99.00%

Source: Tax-Assessor/Collector Annual Report

TABLE 8

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 4,356,620	$ 4,704,126	$ 5,001,944	$ 5,271,488	$ 5,525,922	$ 5,904,603
$ 4,321,311	$ 4,683,239	$ 4,889,591	$ 5,221,755	$ 5,462,580	$ 5,832,789
99.19%	99.56%	97.75%	99.06%	98.85%	98.78%
$ 11,371	$ 20,270	$ 32,412	$ 24,599	$ 31,956	$ 41,368
$ 4,332,682	$ 4,703,509	$ 4,922,003	$ 5,246,354	$ 5,494,536	$ 5,874,157
99.45%	99.99%	98.40%	99.52%	99.43%	99.48%

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CITY OF BASTROP, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Years

	City Direct Rates			Overlapping Rates		Other
Fiscal Year	**Basic Rate**	**General Obligation Debt Service**	**Total Direct Rate**	**Bastrop Independent School District**	**Bastrop County/ County Road**	**Hunter's Crossing PID Fixed $ amount**
2011	$ 0.2889	$ 0.2651	$ 0.5540	$ 1.4810	$ 0.6192	$ 271.00
2012	$ 0.3203	$ 0.2637	$ 0.5840	$ 1.4810	$ 0.6175	$ 289.52
2013	$ 0.3504	$ 0.2336	$ 0.5840	$ 1.4810	$ 0.6314	$ 308.16
2014	$ 0.3638	$ 0.2202	$ 0.5840	$ 1.4610	$ 0.6290	$ 324.16
2015	$ 0.3598	$ 0.2042	$ 0.5640	$ 1.4410	$ 0.6290	$ 324.16
2016	$ 0.3596	$ 0.2044	$ 0.5640	$ 1.4410	$ 0.6190	$ 324.16
2017	$ 0.3640	$ 0.2000	$ 0.5640	$ 1.4410	$ 0.5990	$ 342.16
2018	$ 0.3643	$ 0.1997	$ 0.5640	$ 1.4410	$ 0.5897	$ 361.16
2019	$ 0.3691	$ 0.1949	$ 0.5640	$ 1.4410	$ 0.5799	$ 381.16
2020	$ 0.3691	$ 0.1949	$ 0.5640	$ 1.3700	$ 0.5699	$ 403.16

(1) Source: City of Bastrop Budget and County and BISD websites
(2) Basis for property tax rate is per $100 of taxable valuation.

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City of Bastrop, Texas

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

	2020			2011		
Property Taxpayer	**Taxable Assessed Value**	**Rank**	**% of Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**% of Taxable Assessed Value**
BCSC, LLC	$ 34,174,847	1	3.43%	$ 16,892,157	1	2.78%
The Village at Hunter's Crossing, LLC	21,361,100	2	2.14%			
Covert Chevrolet	15,957,531	3	1.60%	8,316,749	5	1.37%
The Lodge at Lost Pines LP	14,072,307	4	1.41%			
Bastrop Walnut Ridge Apartments	12,477,573	5	1.25%	8,444,837	4	1.39%
Buc-ee's LTD	12,131,691	6	1.22%			
Spectrum Gulf Coast LLC	11,501,193	7	1.15%			
Walmart Real Estate Bus Trust	9,380,000	8	0.94%	12,971,688	2	2.14%
H E Butt Grocery Company	8,431,600	9	0.85%	8,830,412	3	1.45%
Soft Hotels LLC	7,148,383	10	0.72%	5,422,397	6	0.89%
Total	$ 146,636,225		14.70%	$ 60,878,240		10.03%

Source: Central Appraisal District of Bastrop County

CITY OF BASTROP, TEXAS

TAXABLE SALES BY CATEGORY

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Function/Program				
Agriculture/forestry/fishing/hunting	$ 49,464	$ 51,436	$ 49,046	$ 52,808
Construction	2,529,176	612,692	733,996	813,098
Manufacturing	609,479	1,113,311	567,873	1,038,367
Wholesale trade	1,532,664	1,897,020	2,180,790	2,151,794
Retail trade	191,434,598	227,250,051	231,643,120	238,982,499
Transportation/warehousing	-	5,480	58,825	64,042
Information	1,451,985	1,886,983	2,268,905	5,165,014
Finance/insurance	1,277,053	1,334,575	1,430,714	1,441,582
Professional/scientific/technical	619,830	688,357	939,161	586,683
Real estate/rental/leasing	1,240,362	1,006,683	1,062,877	894,945
Admin/support/waste mgmt/remediation Srvs	377,390	536,628	608,223	546,942
Educational services	7,479	5,424	11,445	33,522
Health care/social assistance	108,373	265,225	146,756	134,592
Arts/entertainment/recreation	868,901	819,934	817,189	660,179
Accommodation/food services	37,095,419	41,461,897	46,836,570	51,668,983
Other services (except public admin)	5,338,783	5,448,774	5,089,936	5,622,266
Public administration	1,361,039	2,728,196	2,959,497	2,987,696
Total	$ 245,901,995	$ 287,112,666	$ 297,404,923	$ 312,845,012
City direct sales tax rate	1%	1%	1%	1%

Source: Texas Comptroller

1 Only two quarters of data were availabe on the comptroller website.

TABLE 11

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020 (1)**
$ 52,920	$ 45,195	$ 26,709	$ 9,784	$ -	$ -
761,185	1,086,071	1,276,755	1,434,533	1,450,287	488,781
1,205,357	750,211	2,195,084	4,946,984	4,360,401	1,427,365
1,822,898	2,153,299	3,242,142	3,280,963	4,023,171	4,480,129
277,256,866	297,431,573	305,663,642	321,199,539	344,974,059	173,458,783
42,575	54,272	44,023	17,747	5,130	-
6,285,357	6,069,450	6,121,756	6,762,369	6,345,451	2,924,118
1,499,365	1,583,797	1,759,048	1,785,962	1,900,445	1,131,962
600,935	707,937	594,742	537,783	615,556	318,329
1,284,457	1,342,905	1,314,416	1,191,412	1,370,578	631,291
552,963	603,347	653,077	608,736	682,392	312,003
24,482	92,677	38,465	81,573	144,907	19,260
155,984	180,685	137,808	155,674	126,948	36,900
487,662	748,173	977,423	1,104,683	1,166,187	408,935
60,429,758	65,489,245	66,899,175	71,666,231	81,170,156	36,388,664
6,609,898	7,480,169	7,607,821	7,398,503	9,117,452	3,934,720
3,160,468	2,954,206	2,947,905	3,264,103	3,218,214	1,291,771
$ 362,233,130	$ 388,773,212	$ 401,499,991	$ 425,446,579	$ 460,671,334	$ 227,253,011
1%	1%	1%	1%	1%	1%

CITY OF BASTROP, TEXAS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
City direct rate	1.00%	1.00%	1.00%	1.00%
Bastrop Economic Development Corporation	0.50%	0.50%	0.50%	0.50%
Bastrop County	0.50%	0.50%	0.50%	0.50%
State of Texas	6.25%	6.25%	6.25%	6.25%

Source: Texas Comptroller

TABLE 12

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
6.25%	6.25%	6.25%	6.25%	6.25%	6.25%

City of Bastrop, Texas

GENERAL BONDED DEBT OUTSTANDING

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Primary Government				
Governmental Activities:				
General obligation bonds	$ 15,710,244	$ 14,430,240	$ 13,197,037	$ 12,218,133
Tax notes	349,047	218,856	92,754	-
Notes payable	642,839	688,171	570,384	960,513
Certificates of obligation	1,939,055	11,435,550	10,723,722	22,663,741
Subtotal	18,641,185	26,772,817	24,583,897	35,842,387
Business-Type Activities:				
General obligation bonds	2,755,453	4,862,938	4,499,232	4,132,955
Notes payable	-	-	-	600,000
Revenue bonds	-	-	-	-
Certificates of obligation	16,998,811	10,321,157	9,768,175	24,096,343
Subtotal	19,754,264	15,184,095	14,267,407	28,829,298
Total Primary Government	$ 38,395,449	$ 41,956,912	$ 38,851,304	$ 64,671,685
Personal Income	$ 208,272,142	$ 214,995,338	$ 221,930,814	$ 205,628,067
Debt as a Percentage of Personal Income	18.44%	19.52%	17.51%	31.45%
Population	7,306	7,394	7,483	7,649
Debt per Capita	$ 5,255	$ 5,674	$ 5,192	$ 8,455

TABLE 13

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 13,495,677	$ 10,787,319	$ 13,332,897	$ 11,480,719	$ 10,308,719	$ 9,467,954
-	-	-	-	465,000	450,000
819,821	388,915	341,547	294,179	257,227	240,451
19,327,660	13,010,913	8,888,001	12,832,674	12,201,171	12,718,937
33,643,158	24,187,147	22,562,445	24,607,572	23,232,117	22,877,342
4,599,140	2,621,276	3,141,477	2,734,277	2,482,080	2,339,266
540,000	480,000	420,000	360,000	1,100,000	840,000
-	-	-	-	1,900,000	20,518,444
22,114,323	16,763,677	15,293,897	14,425,594	13,358,026	12,029,228
27,253,463	19,864,953	18,855,374	17,519,871	18,840,106	35,726,938
$ 60,896,621	$ 44,052,100	$ 41,417,819	$ 42,127,443	$ 42,072,223	$ 58,604,280
$ 240,025,700	$ 266,519,676	$ 281,676,710	$ 295,304,478	$ 344,404,620	$ 377,529,540
25.37%	16.53%	14.70%	14.27%	12.22%	15.52%
7,900	8,600	8,600	8,911	9,159	9,154
$ 7,708	$ 5,122	$ 4,816	$ 4,728	$ 4,594	$ 6,402

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City of Bastrop, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2020

Governmental Unit	Net Bonded Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Bastrop County	$ 40,975,000	15.75%	$ 6,453,563
Bastrop Independent School District	$ 144,270,568	23.80%	34,336,395
Subtotal, overlapping debt			40,789,958
City Direct Debt	$ 22,877,342	100.00%	22,877,342
Total Direct and Overlapping Debt			$ 63,667,300
Ratio of Direct and Overlapping Bonded Debt to Taxable Assessed Valuation			7.04%
Per Capita Direct and Overlapping Debt			$ 8,425

Source: Texas Municipal Reports published by the Municipal Advisory Council of Texas

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

CITY OF BASTROP, TEXAS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Assessed valutation	$ 607,077,994	$ 627,256,816	$ 635,808,461	$ 670,721,248
Limit on amount designated for debt service:				
$1.50 per $100 assessed valuation	1.5	1.5	1.5	1.5
Legal Annual Maximum Debt Payment	$ 9,106,170	$ 9,408,852	$ 9,537,127	$ 10,060,819
Actual amount expended for general obligation debt service during the fiscal year	$ 1,871,190	$ 2,508,842	$ 2,147,495	$ 2,437,909
Legal Debt Margin for Annual Debt Service Requirements	$ 7,234,980	$ 6,900,010	$ 7,389,632	$ 7,622,910
Total net debt applicable to the limit as a percentage of debt limit	20.55%	26.66%	22.52%	24.23%

Source: Central Appraisal District of Bastrop County (BCAD)
Audited Financial Statements of the City of Bastrop
BCAD - Assessment Roll Grand Totals Report

TABLE 15

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
$ 737,922,965	$ 782,928,050	$ 825,822,058	$ 863,072,067	$ 903,235,729	$ 997,550,657
1.5	1.5	1.5	1.5	1.5	1.5
$ 11,068,844	$ 11,743,921	$ 12,387,331	$ 12,946,081	$ 13,548,536	$ 14,963,260
$ 2,277,309	$ 2,244,952	$ 2,700,160	$ 2,337,664	$ 2,690,968	$ 2,739,833
$ 8,791,535	$ 9,498,969	$ 9,687,171	$ 10,608,417	$ 10,857,568	$ 12,223,427
20.57%	19.12%	21.80%	18.06%	19.86%	18.31%

CITY OF BASTROP, TEXAS

PLEDGED-REVENUE COVERAGE

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Gross Revenues (1)	$ 3,445,382	$ 3,610,941	$ 3,986,051	$ 3,971,117
Operating Expenses (2)	2,524,850	2,443,648	2,818,231	2,469,599
Net Revenues Available for Debt Service	$ 920,532	$ 1,167,293	$ 1,167,820	$ 1,501,518
Debt Service Requirements (3)				
Principal and Interest	$ 563,808	$ 571,497	$ 759,350	$ 928,595
Coverage	1.633	2.043	1.538	1.617

(1) Water and Wastewater Fund operating and nonoperating revenues (inlcudes impact fees collected and applied to debt service)
(2) Water and Wastewater Fund operating expenses, less depreciation expense.
(3) Includes all debt pledged by water and wastewater rates
* Revenue bonds were issued in fiscal year 2018, however, no principal or interest payments were scheduled.

TABLE 16

Fiscal Year					
2015	**2016**	**2017**	**2018***	**2019**	**2020**
$ 4,353,611	$ 4,703,546	$ 5,496,713	$ 5,277,917	$ 5,625,296	$ 6,267,337
2,513,833	3,347,215	3,076,631	3,343,534	2,876,846	3,253,582
$ 1,839,778	$ 1,356,331	$ 2,420,082	$ 1,934,383	$ 2,748,450	$ 3,013,755
$ 1,475,046	$ 1,424,776	$ 1,425,350	$ 1,440,212	$ 1,441,890	$ 1,553,967
1.247	0.952	1.698	1.343	1.906	1.939

City of Bastrop, Texas
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Population (1)	7,306	7,394	7,483	7,557
Median Household Income (1)	$ 48,486	$ 48,486	$ 48,486	$ 49,456
Per Capita Personal Income (4)	$ 25,839	$ 25,839	$ 26,356	$ 26,356
Median Age (1)	33.40	33.60	36.90	36.90
Education Level (18 and over) (2)				
Less than high school graduate	670	670	800	800
High school graduate (or equivalent)	1,291	1,291	1,285	1,285
Some college, no degree	1,626	1,626	1,570	1,570
Associate degree or higher	190	190	261	261
Bachelor's degree or higher	717	717	571	571
Graduate degree or higher	459	459	421	421
School Enrollment (3)	4,344	3,949	3,764	3,663
Unemployment Rate (4)	8.60%	7.80%	6.40%	4.20%

Data sources:
(1) Information from 2000 census and 2010 census and modified by City staff estimates.
BEDC Community Profile
(2) US Census Bureau - American Community Survey 2015
BEDC Community Profile
(3) Bastrop Independent School District - Only Schools located within City limits
not all enrolled live within the City limits

(4) Unemployment rates Texas Workforce Comission website (www.twc.state.tx.us). Bastrop County rate only one available.

Fiscal Year					
2015	2016	2017	2018	2019	2020
7,900	8,600	8,911	9,159	9,420	9,154
$ 52,886	$ 53,889	$ 48,178	$ 63,936	$ 63,936	$ 60,883
$ 28,930	$ 29,509	$ 31,610	$ 32,242	$ 36,561	$ 38,289
38.90	38.70	36.00	40.50	41.00	38.98
987	881	781	979	979	680
1,410	1,479	1,680	1,654	1,654	1,770
1,273	1,462	1,358	1,771	1,771	1,881
378	387	413	398	398	429
679	679	843	802	802	1,169
302	325	296	497	497	794
3,942	4,123	4,114	4,690	4,809	4,850
3.80%	3.40%	2.90%	3.10%	3.30%	6.20%

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City of Bastrop, Texas

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

	2020			2011		
Employer	Employees	Rank	Total County Employment (%)	Employees	Rank	Total County Employment (%)
Bastrop Independent School District	1,427	1	9.42%	1,230	1	8.89%
Hyatt Regency Lost Pines Resort	650	2	4.29%	735	2	5.31%
Bastrop County	464	3	3.06%	483	3	3.49%
MD Anderson Cancer Center	439	4	2.90%	386	5	2.79%
HEB Food Stores	408	5	2.69%	280	7	2.02%
Walmart	311	6	2.05%	400	4	2.89%
Agilent/Stratagene	306	7	2.02%	120	9	0.87%
Bastrop FCI	276	8	1.82%	284	6	2.05%
Buc-ee's	169	9	1.12%	-	-	-
Bluebonnet Electric Co-op	168	10	1.11%	147	8	1.06%
Southside Market & BBQ	146	11	0.96%	-	-	-
City of Bastrop	144	12	0.95%	115	10	0.83%
Lowe's	128	13	0.85%	-	-	-
First National Bank	127	14	0.84%	-	-	-
Total	5,163		34.09%	4,180		30.22%
Total County Employment	15,145			13,830		

Source: Texas Workforce Commission, EDC Website, Chamber newsletter

CITY OF BASTROP, TEXAS

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
General Government				
City Manager's Office	2.60	2.60	2.63	2.63
City Secretary	1.00	1.00	1.00	1.00
Finance	4.30	4.30	4.30	4.45
Utility Billing	7.00	7.00	7.00	7.00
Human Resources	1.00	1.00	1.00	1.10
Information Technology	1.00	1.00	1.00	1.00
Filming/Broadcasting	-	-	-	-
Municipal Court	5.50	5.50	5.50	5.50
Building Maintenance	4.00	4.00	4.00	4.00
Police Department				
Officers	20.00	20.00	20.00	20.00
Civilian	2.50	2.50	2.50	2.50
Code Enforcement	1.00	1.00	1.00	1.00
Animal Control	1.00	1.00	1.00	1.00
Fire Department				
Chief	-	-	-	-
Assistant Chief	-	-	-	-
Firefighters-PT	-	-	-	-
Development Services				
Planning	4.00	4.00	5.00	5.00
Building Inspections	1.00	1.00	1.00	1.00
Public Works				
Administration	2.20	2.20	2.00	1.00
Streets	10.00	10.00	10.00	10.00
Community Services				
Parks Department	11.00	11.00	11.00	11.00
Library	9.80	9.80	9.80	9.80
Proprietary Funds				
Water/Wastewater	13.00	13.00	13.00	12.50
Electric	9.00	9.00	9.00	9.00
Other Funds				
Convention Center	4.00	4.20	4.20	4.20
Special Events and Reservations		-	-	-
Economic Development Corporation	2.00	2.00	2.00	2.00
Fairview Cemetery	0.50	0.50	0.50	1.50
Main Street	1.00	1.00	1.00	1.00
Total	118.40	118.60	119.43	119.18

TABLE 19

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
2.63	2.63	2.63	2.63	4.25	4.25
1.00	1.00	1.00	1.00	1.00	1.00
4.45	4.45	5.00	5.00	4.00	4.00
7.00	5.00	4.00	4.00	4.00	4.00
1.10	1.50	1.63	1.63	1.63	1.75
1.00	2.00	1.50	2.00	2.00	2.00
-	-	0.50	1.00	2.63	2.58
5.50	4.50	4.50	4.50	4.50	3.25
4.00	4.00	4.00	4.00	4.00	4.00
22.00	22.00	22.00	22.00	24.00	24.00
2.50	2.50	2.50	2.50	3.00	3.00
1.00	0.50	0.50	0.50	0.50	0.50
-	0.50	0.50	0.50	0.50	0.50
-	1.00	1.00	1.00	1.00	1.00
-	-	-	-	-	1.00
-	-	-	4.00	6.30	6.30
5.00	5.00	5.00	5.00	6.00	5.50
1.00	1.00	1.00	1.50	2.50	3.00
1.00	1.00	1.00	2.00	2.00	3.50
10.00	10.00	9.25	10.00	10.00	10.00
11.00	11.00	12.95	12.95	12.95	12.06
9.80	9.80	9.80	9.95	9.95	9.95
12.50	12.50	17.00	18.50	18.75	18.75
9.00	9.00	9.00	9.00	9.00	9.00
5.50	4.50	4.50	4.00	4.83	4.90
-	-	-	-	0.77	0.77
2.00	3.50	3.50	4.00	4.00	4.00
1.50	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	2.00	2.25	1.60
121.48	120.88	126.26	136.16	147.31	147.16

City of Bastrop, Texas

OPERATING INDICATORS BY FUNCTION

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Function/Program				
General Government				
Building permits issued	101	139	141	158
Building permits value (thousands)	$ 3,429	$ 3,857	$ 3,649	$ 4,522
Police				
Physical arrests	829	834	769	816
Violations issued	3,643	3,678	3,606	4,125
Accident investigations	304	383	316	448
Fire				
Incident volume	980	1,040	1,125	1,150
Priority calls answered	430	325	398	450
Court				
Cases filed	2,375	2,006	1,990	2,012
Warrants issued	1,398	1,097	924	1,063
Public Works				
Paved streets (miles)	53	53	54	55
Open drainage ditches (miles)	50	50	50	50
Storm sewer lines (miles)	67	67	67	67
Number of street signs	1,425	1,425	1,425	1,425
Parks and Recreation				
Pavilion rentals	95	95	96	96
New trees planted	75	75	50	50
Special events	16	22	24	56
Library				
Volumes in collection	50,211	50,504	50,157	50,765
Total circulation	193,529	163,577	165,667	167,324
Story time and program attendance	12,979	12,562	13,161	13,500
Water				
Treated water produced (millions of gallons)	445.269	454.174	476.704	486.706
Line leaks and breaks	210	69	254	259
Wastewater				
Millions of gallons treated	229.610	312.842	319.099	325.480
Sewer stops	92	45	176	180

TABLE 20

Fiscal Year					
2015	**2016**	**2017**	**2018**	**2019**	**2020**
157	100	117	164	83	178
$ 5,001	$ 4,647	$ 4,103	$ 5,127	$ 7,325	$ 4,174
700	781	547	539	593	501
4,000	4,869	3,116	2,662	3,474	3,747
450	552	528	434	426	363
1,140	921	676	759	1,112	900
530	444	213	260	1,017	687
1,679	3,155	2,336	2,236	2,159	2,186
802	1,673	2,277	1,044	688	619
56	56	56	59	59	59
50	50	50	50	50	50
67	67	67	67	67	67
1,435	1,435	1,435	1,435	1,435	1,435
96	51	60	66	88	21
50	7	3	20	15	7
56	57	49	46	31	10
52,132	53,566	54,322	53,459	52,014	49,637
162,900	152,111	145,827	142,956	145,444	67,896
12,000	11,748	14,349	13,633	13,603	6,160
495.797	481.745	515.216	542.252	569.897	624.736
118	133	111	142	85	78
325.737	350.635	343.872	352.574	378.132	411.194
53	55	54	52	81	43

CITY OF BASTROP, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Years

	Fiscal Year			
	2011	**2012**	**2013**	**2014**
Function/Program				
Police Stations	1	1	1	1
Fire Stations	2	2	2	2
Bastrop Public Library	1	1	1	1
Other Public Works				
Paved Streets (miles)	53	53	54	55
Open Drainage Ditches (miles)	50	50	50	50
Storm Sewer Lines (miles)	67	67	67	67
Parks and Recreation				
Acreage (maintained)	120	120	120	120
Right of Ways	55	55	55	55
Playgrounds	3	-	3	4
Basketball Courts	3	-	6	6
Ball Fields	7	7	7	7
Sand Volleyball	1	1	1	1
Water				
Number of Service Connections	2,825	2,889	2,960	3,029
Wastewater				
Number of Service Connections	2,540	2,564	2,625	2,678
Number of Lift Stations	15	18	18	18

Source: Various City departments

TABLE 21

Fiscal Year					
2015	2016	2017	2018	2019	2020
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
56	56	56	59	59	59
50	50	50	50	50	50
67	67	67	67	67	67
120	120	123	123	123	130
55	55	55	55	55	55
4	4	4	5	5	7
4	4	4	4	4	4
7	7	7	7	7	7
1	1	1	1	1	1
3,091	3,140	3,306	3,393	3,469	3,644
2,754	2,781	2,941	3,006	3,029	3,192
18	18	18	19	21	21

CITY OF BASTROP, TEXAS

WATER USAGE (Millions of Gallons)

Last Ten Years

Fiscal Year Ended	Peak Day Usage (MGD)	Average Day Usage (MGD)	Total Usage (Acre Feet)
2011	2.274	1.471	1,647
2012	2.119	1.292	1,448
2013	2.041	1.299	1,455
2014	2.082	1.235	1,383
2015	2.323	1.272	1,426
2016	2.314	1.322	1,482
2017	2.817	1.411	1,581
2018	2.546	1.485	1,664
2019	2.468	1.561	1,748
2020	2.821	1.711	1,917

Source: City of Bastrop

CITY OF BASTROP, TEXAS

TEN LARGEST WATER CUSTOMERS

September 30, 2020

Customer		Revenue	% of Total Annual Revenue
City of Bastrop	$	118,461	3.85%
Bastrop County		65,745	2.14%
Bastrop Independent School District		60,554	1.97%
Lodge at Lost Pines Resort		46,004	1.50%
Walnut Ridge Apartments		45,773	1.49%
Buc-ee's		31,355	1.02%
H.E. Butt Grocery Co.		28,489	0.93%
The Preserve at Hunter's Crossing Apartments		18,435	0.60%
Silver Pines Nursing & Rehab		16,784	0.55%
Texas Parks and Wildlife		16,543	0.54%
	$	448,143	14.57%

% of Total Annual Revenue is based on water utility billing only of $3,075,470

Source: City of Bastrop Utility Customer Service

CITY OF BASTROP, TEXAS

MONTHLY AND VOLUMETRIC WATER RATES

September 30, 2020

Residential and Commercial - Inside City Limits:

3/4" or smaller	$	27.72
1" Meter	$	47.13
1 1/2" Meter	$	82.06
2" Meter	$	124.19
3" Meter	$	232.86
4" Meter	$	296.46
6" Meter	$	714.14

Plus charges per 1,000 gallons usage:

1-3,000 gallons	$	2.85
3,001-5,000 gal.	$	3.04
5,001-10,000 gal.	$	3.22
10,001-20,000 gal.	$	3.42
20,001-50,000 gal.	$	3.69
over 50,001	$	3.87

Residential and Commercial - Outside City Limits:

3/4" or smaller	$	41.59
1" meter	$	70.70
1 1/2" meter	$	123.09
2" meter	$	186.29
3" meter	$	349.29
4" meter	$	507.34
6" meter	$	1,071.21

Plus charges per 1,000 gallons usage:

1-3,000 gal.	$	7.12
3,001-5,000 gal.	$	4.42
5,001-10,000 gal.	$	4.70
10,001-20,000 gal.	$	4.98
20,001-50,000 gal.	$	5.39
over 50,001	$	5.66

Wholesale Water

Monthly Fixed Charge

Source Cost (subscribed capacity)	$45,000 per MGD
Transmission Cost (subscribed capacity)	$4,243.70 per MGD
Customer Charge	$2.23 per wholesale meter

Plus charges per 1,000 gallons usage:

Volumetic Charge	$	1.97

Source: City of Bastrop

Note: Rates effective March 24, 2020

TABLE 25

CITY OF BASTROP, TEXAS

WATERWATER FLOW (Millions of Gallons)

Last Ten Years

Average Daily Wastewater Flow	
Fiscal Year	**Gallons**
2011	0.836
2012	0.854
2013	0.772
2014	0.819
2015	0.936
2016	0.952
2017	0.941
2018	0.965
2019	1.035
2020	1.123

Source: City of Bastrop

City of Bastrop, Texas

TEN LARGEST WASTEWATER CUSTOMERS

September 30, 2020

Customer	Revenue	% of Total Annual Revenue
Bastrop County WCID #2	$ 126,389	4.32%
Walnut Ridge Apartments	116,591	3.99%
Lodge at Lost Pines Resort	86,343	2.95%
Bastrop County	51,294	1.75%
Bastrop Housing Authority	48,005	1.64%
Bastrop Independent School District	38,190	1.31%
City of Bastrop	35,976	1.23%
Pine Point Apartments	32,886	1.12%
The Arbors of Bastrop	30,883	1.06%
Oak Grove Apartments	26,628	0.91%
	$ 593,185	20.27%

% of Total Annual Revenue is based on water utility billing only of $2,925,708

Source: City of Bastrop Utility Customer Service

CITY OF BASTROP, TEXAS

MONTHLY AND VOLUMETRIC WASTEWATER RATES

September 30, 2020

Residential, Multifamily and Commercial - Inside City Limits:

Minimum harge	$	41.97
Plus charges per 1,000 gallons usage:		
1-5,000 gallons	$	2.45
5,001-10,000 gallons	$	2.77
10,001-20,000 gallons	$	2.95
20,001-50,000 gallons	$	3.18
over 50,001 gallons	$	3.47

Wholesale Water

Monthly fixed customer charge per wholesale meter	$	2.23
Plus charges per 1,000 gallons usage:	$	3.83
Volumetic charge		

Source: City of Bastrop
Note: Rates effective March 24, 2020

SINGLE AUDIT REPORTS

CITY OF BASTROP, TEXAS

For the Year Ended
September 30, 2020

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City of Bastrop, Texas

SINGLE AUDIT REPORTS

September 30, 2020

TABLE OF CONTENTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bastrop, Texas (the "City"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 25, 2021.

Internal Control Over Financial Reporting

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

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

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

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Compliance and Other Matters

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

Purpose of this Report

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

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
February 26, 2021

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

Report on Compliance for Each Major Federal Program

We have audited the City of Bastrop, Texas' (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2020. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

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Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated February 25, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
February 26, 2021

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CITY OF BASTROP, TEXAS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended September 30, 2020

No prior year findings.

CITY OF BASTROP, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2020

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unmodified opinion on the basic financial statements of the City.

2. A material weakness in internal control was not disclosed by the audit of the financial statements.

3. Significant deficiencies in internal control were not disclosed by the audit of the financial statements.

4. No instances of noncompliance material to the basic financial statements were disclosed during the audit.

5. No significant deficiencies in internal control over major federal award programs were disclosed by the audit.

6. The auditors' report on compliance for the major federal award programs expresses an unmodified opinion.

7. No audit findings relative to the major federal award programs for the City are reported.

8. The programs included as major programs are:

CFDA	Program Title
97.039	Hazard Mitigation Program

9. The threshold for distinguishing Type A and B programs was $750,000.

10. The City did not qualify as a low-risk auditee in the context of the Uniform Guidance.

B. FINDINGS – BASIC FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS – FEDERAL AWARDS

None

City of Bastrop, Texas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2020

Grantor/Program Title	CFDA Number	Grant/Contract Number	Expenditures
DEPARTMENT OF JUSTICE			
Direct Award			
Bulletproof Vest Partnership Program	16.607	1121-0235	$ 8,439
		TOTAL DEPARTMENT OF JUSTICE	8,439
DEPARTMENT OF TREASURY			
Pass-through Texas Division of Emergency Management			
Coronavirus Relief Fund	21.019		314,711
		TOTAL DEPARTMENT OF TREASURY	314,711
NATIONAL ENDOWMENT FOR THE HUMANITIES			
Direct Award			
TSLAC CARES	45.310	LS-246561-OLS-20	3,404
		TOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES	3,404
DEPARTMENT OF HOMELAND SECURITY			
Pass-through Texas Division of Emergency Management			
Disaster Assistance	97.036	DR-4322-258	188,600
Federal Emergency Management Association - AFG	97.044	EMW-2020-FG-02776	1,970
Hazard Mitigation Grant	97.039	DR-4269-010	177,692
Hazard Mitigation Grant	97.039	DR-4272-028	347,798
Hazard Mitigation Grant	97.039	DR-4272-024	285,410
		TOTAL DEPARTMENT OF HOMELAND SECURITY	1,001,470
		TOTAL FEDERAL AWARDS EXPENDED	$ 1,324,620

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CITY OF BASTROP, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2020

1. REPORTING ENTITY

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the activity of all federal financial assistance programs of the City of Bastrop, Texas (the "City").

2. BASIS OF ACCOUNTING

The Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

4. DONATED PERSONAL PROTECTIVE EQUIPMENT

During the emergency period of COVID-19, federal agencies and recipients of federal assistance funds donated personal protective equipment (PPE) to non-federal entities. In connection with that donation, the recipient must disclose the estimated value of the donated PPE, but such amounts are not included in the SEFA. The City did not receive PPE donations during the reporting year.

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STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 10

TITLE:

CITIZEN COMMENTS

At this time, three (3) minute comments will be taken from the audience on any topic. Anyone in attendance wishing to address the Council must complete a citizen comment form and give the completed form to the City Secretary prior to the start of the City Council meeting. Alternately, if you are unable to attend the council meeting, you may complete a citizen comment form with your comments at www.cityofbastrop.org/citizencommentform before 5:00 p.m. on March 9, 2021. Comments submitted by this time will be distributed to the city council prior to meeting commencement, referenced at the meeting, and included with the meeting minutes. Comments from each individual will be limited to three (3) minutes when read aloud. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, City Council cannot discuss issues raised or make any decision at this time. Instead, City Council is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Manager for research and possible future action.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty and/or integrity of the Council, as a body, or any member or members of the Council individually or collectively, or members of the City's staff. Accordingly, profane, insulting or threatening language directed toward the Council and/or any person in the Council's presence will not be tolerated.

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 11A

TITLE:
Consider action to approve City Council minutes from the February 23, 2021 Regular meeting.

STAFF REPRESENTATIVE:
Paul A. Hofmann, City Manager
Ann Franklin, City Secretary

BACKGROUND/HISTORY:
N/A

POLICY EXPLANATION:
Section 551.021 of the Government Code provides as follows:

(a) A governmental body shall prepare and keep minutes or make a tape recording of each open meeting of the body.

(b) The minutes must:
1. State the subject of each deliberation; and
2. Indicate the vote, order, decision, or other action taken.

FUNDING SOURCE:
N/A

RECOMMENDATION:
Consider action to approve City Council minutes from the February 23, 2021 Regular meeting.

ATTACHMENTS:
- February 23, 2021, DRAFT Regular Meeting Minutes.

FEBRUARY 23, 2021

The Bastrop City Council met in a regular meeting on Tuesday, February 23, 2021, at 5:30 p.m. at the Bastrop City Hall Council Chambers, located at 1311 Chestnut Street, Bastrop, Texas. Members physically present were: Mayor Schroeder, Mayor Pro Tem Nelson and Council Members Ennis, Peterson and Rogers. Council Member Jackson was present via video. Officers physically present were City Manager, Paul A. Hofmann; City Secretary, Ann Franklin; and City Attorney, Alan Bojorquez.

CALL TO ORDER – EXECUTIVE SESSION

EXECUTIVE SESSION

The City Council met at 5:30 p.m. in a closed/executive session pursuant to the Texas Government Code, Chapter 551, et seq, to discuss the following:

2A. City Council shall convene into closed executive session pursuant to Section 551.074 to conduct an annual performance evaluation of the City Manager as required by his employment agreement.

Mayor Schroeder recessed the Executive Session at 6:21p.m.

CALL TO ORDER – REGULAR SESSION
At 6:30 p.m. Mayor Schroeder called the meeting to order with a quorum being present.

TAKE ANY NECESSARY OR APPROPRIATE ACTION ON MATTERS POSTED FOR CONSIDERATION IN CLOSED/EXECUTIVE SESSION

2A. City Council shall convene into closed executive session pursuant to Section 551.074 to conduct an annual performance evaluation of the City Manager as required by his employment agreement.
A motion was made by Mayor Pro Tem Nelson to provide the City Manager with a highly favorable performance review and grant him a one-time allotment of 40 additional hours of annual leave and provide dependent coverage for health insurance or an equivalent contribution to his retirement fund, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

PLEDGE OF ALLEGIANCE

INVOCATION
Police Chaplain Bob Long, gave the invocation.

PRESENTATIONS

7D. Receive a presentation for a Life-Saving Award Recognition. (Submitted by: Andres Rosales, Chief of Fire)
Presentation was made by Andres Rosales, Fire Chief and accepted by the recipients.

7A. Mayor's Report

7B. Council Members' Report

7C. City Manager's Report

ITEMS FOR INDIVIDUAL CONSIDERATION

12C. Consider action to approve Resolution No. R-2021-17 of the City Council of the City of Bastrop, Texas awarding a contract to Artisan Concrete Services, Inc. in the amount of one hundred six thousand, three hundred seventy-four dollars and thirty cents ($106,374.30), attached as Exhibit A; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date. (Submitted by: Curtis Hancock, Director of Public Works)
Presentation was made by Curtis Hancock, Director of Public Works.

A motion was made by Council Member Rogers to approve Resolution No. R-2021-17, seconded by Council Member Jackson, motion was approved on a 5-0 vote.

12D. Consider action to approve Ordinance No. 2021-03 of the City Council of the City of Bastrop, Texas, authorizing the issuance and sale of City of Bastrop, Texas General Obligation Refunding Bonds; providing for the security for and payment of said bonds; prescribing the form of said bonds; approving any official statement, bond purchase agreement, paying agent/registrar agreement and escrow agreement; establishing the procedures for selling and delivering the bonds; and enacting other provisions relating to the subject. (Submitted by: Tracy Waldron, Chief Financial Officer)
Presentation was made by Dan Wegmiller, Specialized Public Finance.

A motion was made by Mayor Pro Tem Nelson to approve Resolution No. R-2021-03, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

STAFF AND BOARD REPORTS

9B. Receive Update on construction of Highway 71 from Diana Schulz, Area Engineer, Texas Department of Transportation. (Submitted by: Clint Nagy, Chief of Police)
Presentation was made by Diana Schulz, Area Engineer and Jesse Fleming, Deputy PM and Resident Engineer, Texas Department of Transportation.

PRESENTATIONS CONTINUED

7E. Receive a presentation from Halff Associates regarding Gills Branch flood mitigation project. (Submitted by: Trey Job, Assistant City Manager)
Presentation was made by Paul Morales, Project Manager, Halff Associates.

WORK SESSION/BRIEFINGS - NONE

STAFF AND BOARD REPORTS CONTINUED

9A. Receive presentation on the unaudited Monthly Financial Report for the period ending January 31, 2021. (Submitted by: Tracy Waldron, Chief Financial Officer)

Presentation was made by Tracy Waldron, Chief Financial Officer.

CITIZEN COMMENT - NONE

CONSENT AGENDA

A motion was made by Mayor Pro Tem Nelson to approve Items 11A and 11B as listed on the Consent Agenda after being read into the record by City Secretary, Ann Franklin. Seconded by Council Member Peterson, motion was approved on a 5-0 vote.

11A. Consider action to approve City Council minutes from the January 28, 2021, Joint Council and Planning & Zoning Commission and February 9, 2021 Regular meeting. (Submitted by: Ann Franklin, City Secretary)

11B. Consider and adopt on second reading Ordinance No. 2021-01 of the City Council of the City of Bastrop, Texas, abandoning and vacating A 0.351 acre portion of Church Street Roadway being all of that certain 0.351 acre (15,297 Square Feet) tract of land situated in the Bastrop Town Tract Survey, Abstract Number 11, Bastrop County, Texas, being more particularly described as being a portion of Church Street (55.55' R.O.W.), of the City Of Bastrop, said 0.351 ACRE (15,297 square feet) tract of land be more particularly described by metes and bounds and plat attached hereto as Exhibit "A", which is attached hereto and incorporated herein for all purposes; authorizing the City Manager to execute a deed to convey said right-of-way to adjacent owners; and providing for findings of fact, repealer, and severability; establishing an effective date; proper notice and meeting. (Submitted by: Trey Job, Assistant City Manager)

DISCUSSION ITEM

11C. Consider action to approve Resolution No. R-2021-19 of the City Council of the City of Bastrop, Texas, approving task order number four (#4) to Kimley-Horn, and Associates, Inc. for services that include preparation of hazardous mitigation grant cost estimates and exhibits for the following projects known as the Westside Fire station, the Agnes Road and Blakey Lane extension, and the Colorado River Erosion Mitigation at a cost of Thirty- four thousand Four hundred dollars and zero cents ($34,400) attached as Exhibit B; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date.. (Submitted by: Trey Job, Assistant City Manager)
Presentation was made by Trey Job, Assistant City Manager.

A motion was made by Council Member Rogers to approve Resolution No. R-2021-19, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

ITEMS FOR INDIVIDUAL CONSIDERATION CONTINUED

12A. Consider and adopt on first and final reading Ordinance No. 2021-02 as an emergency measure ratifying temporary Emergency Orders enacted by the Mayor in her capacity as Emergency Management Director in regards to the current Local State of Disaster, for the immediate preservation of the public peace, health or safety.

Mayor Schroeder did not approve any Emergency Orders since the last Council meeting.

A motion was made by Council Member Jackson to approve Resolution No. R-2021-13 for a Local State of Disaster Declaration, seconded by Council Member Peterson, motion was approved on a 5-0 vote.

12B. Consider action to approve Resolution No. R-2021-18 of the City Council of the City of Bastrop, Texas, confirming board appointments of the Mayor to the Cultural Arts Commission, as required in Section 3.08 of the City's Charter and establishing an effective date. (Submitted by: Paul Hofmann, City Manager)
A motion was made by Council Member Ennis to approve Resolution No. R-2021-18 to make the following appointments, seconded by Council Member Rogers, motion was approved on a 5-0 vote.

The following members were appointed to the Cultural Arts Commission:
Dick Smith
Lisa Holcomb
Kaye Sapikas
Phil Hurley
Michael Jones
Maria Montoya Stayton
Luis Portillo

Adjourned at 8:49 p.m. without objection.

APPROVED: ATTEST:

______________________________ ______________________________
Mayor Connie B. Schroeder City Secretary Ann Franklin

The Minutes were approved on March 9, 2021, by Council Member motion, Council Member second. The motion was approved on a vote.

BASTROPTX
Heart of the Lost Pines / Est. 1832

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 11B

TITLE:
Consider action to approve Resolution No. R-2021-22 of the City Council of the City of Bastrop, Texas, approving a Joint Agreement between the City of Bastrop, Bastrop Independent School District, Elgin Municipal Utility District No. 1, and Elgin Municipal Utility District No. 2 for the May 1, 2021 General Election for Bastrop, Texas, attached as Exhibit A; authorizing the City Manager to execute all necessary documents; and providing an effective date.

STAFF REPRESENTATIVE:
Ann Franklin, City Secretary

POLICY EXPLANATION:

Texas Election Code

Chapter 271. Joint Elections

Sec. 271.002. JOINT ELECTIONS AUTHORIZED.

(a) If the elections ordered by the authorities of two or more political subdivisions are to be held on the same day in all or part of the same county, the governing bodies of the political subdivisions may enter into an agreement to hold the elections jointly in the election precincts that can be served by common polling places, subject to Section 271.003.

(b) If an election ordered by the governor and the elections ordered by the authorities of one or more political subdivisions are to be held on the same day in all or part of the same county, the commissioners court of a county in which the election ordered by the governor is to be held and the governing bodies of the other political subdivisions may enter into an agreement to hold the elections jointly in the election precincts that can be served by common polling places, subject to Section 271.003.

(c) If another law requires two or more political subdivisions to hold a joint election, the governing body of any other political subdivision holding an election on the same day in all or part of the same county in which the joint election is to be held may enter into an agreement to participate in the joint election with the governing bodies of the political subdivisions holding the joint election.

(d) The terms of a joint election agreement must be stated in an order, resolution, or other official action adopted by the governing body of each participating political subdivision.

(e) The document containing the joint election agreement shall be preserved for the period for preserving the precinct election records.

FUNDING SOURCE:
Estimated Amount:

- Joint Election with BISD, Elgin MUD No. 1 and Elgin MUD No. 2 – $ 15,308.62
- Without Joint Election – $ 24,400.23

This cost was approved in the 2020-2021 FY budget in account 101 04-00-5681.

RECOMMENDATION:
Recommend consideration and action to approve Resolution No. R-2021-22 of the City Council of the City of Bastrop, Texas, approving a Joint Agreement between the City of Bastrop, Bastrop Independent School District, Elgin Municipal Utility District No. 1, and Elgin Municipal Utility District No. 2 for the May 1, 2021 General Election for Bastrop, Texas, attached as Exhibit A; authorizing the City Manager to execute all necessary documents; and providing an effective date.

ATTACHMENTS:

- Resolution – English
- Resolution – Spanish
- Exhibit A

MEMORANDUM

TO: Paul A. Hofmann, City Manager

FOR: Staff Report for Item 8B

FROM: Ann Franklin, City Secretary

DATE: March 9, 2021

On January 12, 2021, the Bastrop City Council approved a resolution approving a joint agreement between the City of Bastrop and Bastrop Independent School District for the May 1, 2021 General Election for Bastrop Texas.

On February 23, 2021, the City of Bastrop received an email from Kristin Miles, Elections Administrator for Bastrop County. Ms. Miles informed the City of Bastrop that Elgin Municipal Utility District #1 and Elgin Municipal Utility District #2 will also be having an election on May 1, 2021 and wish to conduct the election jointly.

Because there will be additional entities in the joint election with the City of Bastrop a new joint agreement must be approved by Council.

The estimated election cost for the City of Bastrop will now be $15,308.62 rather than $16,566.01, a savings of $1,257.39.

RESOLUTION NO. R-2021-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING A JOINT AGREEMENT BETWEEN THE CITY OF BASTROP, BASTROP INDEPENDENT SCHOOL DISTRICT, ELGIN MUNICIPAL UTILITY DISTRICT NO. 1, AND ELGIN MUNICIPAL UTILITY DISTRICT NO. 2 FOR THE MAY 1, 2021 GENERAL ELECTION FOR BASTROP TEXAS, ATTACHED AS EXHIBIT A; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Bastrop ("the City") has called a general election for Saturday, May 1, 2021; and

WHEREAS, the Bastrop Independent School District ("the BISD"), Elgin Municipal Utility District No. 1, and Elgin Municipal Utility District No. 2 have also called an election for Saturday, May 1, 2021; and

WHEREAS, the BISD, Elgin Municipal Utility District No. 1, and Elgin Municipal Utility District No. 2 have expressed their desire for a joint election with the City; and

WHEREAS, state law allows local governments holding elections on the same day to do so jointly, thereby making voting more convenient; and

WHEREAS, the Bastrop County Elections Administrator will provide all election services for the City, the BISD, Elgin Municipal Utility District No. 1, and Elgin Municipal Utility District No. 2, as agreed upon by the Bastrop County Elections Administrator and each entity through a separate contract; and

WHEREAS, it is necessary to authorize an agreement in accordance with Section 271.002 of the Texas Election Code, whereby the City, the BISD, Elgin Municipal Utility District No. 1, and Elgin Municipal Utility District No. 2 agree to hold a joint election on May 1, 2021.

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

Section 1. The City Council of the City of Bastrop hereby authorizes that the May 1, 2021 General Election be held jointly with the BISD, Elgin Municipal Utility District No. 1, and Elgin Municipal Utility District No. 2.

Section 2. The City Manager is hereby authorized to execute an agreement with the BISD, Elgin Municipal Utility District No. 1, and Elgin Municipal Utility District No. 2 for a joint election on Saturday May 1, 2021. The agreement is attached hereto as Exhibit A.

Section 3. That this Resolution shall take effect immediately upon its passage, and it is so resolved.

.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 9th day of March, 2021.

APPROVED:

____

Connie B. Schroeder, Mayor

ATTEST:

____

Ann Franklin, City Secretary

APPROVED AS TO FORM:

____

Alan Bojorquez, City Attorney

RESOLUCIÓN NO. R-2021-22

RESOLUCIÓN DEL CONSEJO DE LA CIUDAD DE BASTROP, TEXAS, PARA APROBAR UN CONTRATO CONJUNTO ENTRE LA CIUDAD DE BASTROP, EL DISTRITO ESCOLAR BASTROP INDEPENDENT SCHOOL DISTRICT y ELGIN MUNICIPAL UTILITY DISTRICT NO. 1 y ELGIN MUNICIPAL UTILITY DISTRICT NO. 2 PARA LLEVAR A CABO LA ELECCIÓN GENERAL DEL 1 DE MAYO, 2021, DE BASTROP TEXAS, ADJUNTADO COMO ADJUNTO A; AUTORIZACIÓN PARA QUE EL GERENTE DE LA CIUDAD EJECUTE TODO DOCUMENTO NECESARIO; Y PROPORCIONANDO LA FECHA DE VIGOR.

POR CUANTO, la Ciudad de Bastrop ("la Ciudad") ha convocado una elección general que se lleve a cabo el sábado, 1 de mayo, 2021; y

POR CUANTO, el distrito escolar Bastrop Independent School District ("*BISD*"), Elgin Municipal Utility District No. 1 y Elgin Municipal Utility District No. 2 también han convocado una elección para el sábado, 1 de mayo, 2021; y

POR CUANTO*,* BISD*,* Elgin Municipal Utility District No. 1 y Elgin Municipal Utility District No. 2 han expresado su deseo de llevar a cabo una elección conjunta con la Ciudad; y

POR CUANTO, la ley estatal permite que gobiernos locales que estén llevando a cabo elecciones el mismo día las administren en colaboración, y para que así la votación sea más conveniente; y

POR CUANTO, el/la Administrador/a Electoral del Condado de Bastrop proveerá todos los servicios electorales para la Ciudad, para BISD, y para Elgin Municipal Utility District No. 1 y Elgin Municipal Utility District No. 2 de acuerdo con convenios entre el/la Administrador/a Electoral del Condado de Bastrop y cada entidad por medio de contratos separados; y

POR CUANTO, es necesario autorizar el convenio de acuerdo con la Sección 271.002 del Código Electoral de Texas, en cual la Ciudad, BISD y Elgin Municipal Utility District No. 1 y Elgin Municipal Utility District No. 2 quedan de acuerdo que han de llevar a cabo la elección conjunta el 1 de mayo, 2021.

AHORA, POR LO TANTO, RESUÉLVASE POR EL CONSEJO DE LA CIUDAD DE BASTROP, TEXAS:

Sección 1. El Consejo de la Ciudad de Bastrop por lo presente autoriza que la Elección General del 1 de mayo, 2021 sea llevada a cabo junto con BISD, Elgin Municipal Utility District No. 1 y Elgin Municipal Utility District No. 2.

Sección 2. El Gerente de la Ciudad por lo presente es autorizado para que ejecute un convenio con BISD, Elgin Municipal Utility District No. 1 y Elgin Municipal Utility District No. 2 para llevar a cabo la elección conjunta el sábado, 1 de mayo, 2021. El convenio es adjuntado a lo presente con el título de Adjunto A.

<u>Sección 3:</u> Que esta Resolución sea efectiva inmediatamente cuando sea aprobada y así se resuelve.

DEBIDAMENTE RESUELTO Y ADOPTADO por el Consejo de la Ciudad de Bastrop este día 9 de marzo, 2021.

APROBADO:

____
Connie B. Schroeder, Alcalde

CERTIFICO:

____
Ann Franklin, Secretaria de la Ciudad

APROBADA SU REDACCIÓN:

____
Alan Bojorquez, Fiscal de la Ciudad

AGREEMENT TO CONDUCT JOINT ELECTION BETWEEN THE CITY OF BASTROP, BASTROP INDEPENDENT SCHOOL DISTRICT, ELGIN MUNICIPAL UTILITY DISTRICT NO. 1 AND ELGIN MUNICIPAL UTILITY DISTRICT NO. 2 FOR THE MAY 1, 2021 ELECTION

THE STATE OF TEXAS §
§
COUNTY OF BASTROP §

This Agreement to Conduct Joint Election (this "**Contract**") is entered into by and among City of Bastrop, a political subdivision of the State of Texas (the "**CITY**"), Bastrop Independent School District, a political subdivision of the State of Texas, (the "**ISD**"), Elgin Municipal Utility District No. 1, a political subdivision of the State of Texas, (the "**MUD1**"), and Elgin Municipal Utility District No. 2, a political subdivision of the State of Texas, (the "**MUD2**"), each individually, a "**Party**" or, collectively, the "**Parties**," pursuant to Chapter 271 of the Texas Election Code.

RECITALS

WHEREAS, the CITY, the ISD, the MUD1 and MUD2 each expect to call an election to be held on May 1, 2021; and

WHEREAS, the CITY, the ISD, the MUD1 and MUD2 desire to conduct such elections jointly pursuant to Chapter 271 of the Texas Election Code, and

WHEREAS, the CITY, the ISD, the MUD1 and MUD2 desire to enter into a contract setting out the respective responsibilities of the Parties;

NOW, THEREFORE, the Parties agree as follows:

ARTICLE I
PURPOSE

1.01 The Parties have entered into this Contract to conduct a joint election on May 1, 2021. The purpose of this agreement is to maintain consistency and accessibility in voting practices, polling places, and election procedures in order to best assist the voters of the Parties.

ARTICLE II
JOINT ELECTION

2.01 The Parties agree to conduct their respective May 1, 2021 elections jointly pursuant to Chapter 271 of the Texas Election Code. Specifically, the Parties agree to the use of common polling places for both early voting and election day. The Parties also agree that the election officers may be appointed to serve both elections and that a common ballot may be used where appropriate and that common equipment and ballot boxes may be used for both elections for all relevant purposes as provided in Chapter 271.

ARTICLE III.
TERM

3.01 Except as hereinafter set out, the term of this Contract shall be from the time of execution until all items with respect to this Contract have been completed.

ARTICLE IV
EACH PARTY RESPONSIBLE FOR ITS PRO RATA COST OF SERVICE AS BILLED

4.01 The Parties acknowledge that they have each separately contracted for election services to be provided by Bastrop County Elections Administrator for the elections. All costs incurred by the Parties attributable to the coordination, supervision, and running of the election and incurred on behalf of the Parties, including expenses for supplies in connection with the election school(s), election supplies, wages paid for election workers, any paper ballots to be used for the election, and any other expenses reasonably and directly related to the election, including, without limitation, rental and programming of direct recording electronic voting devices and audio ballots shall be borne by the Parties based on their respective Election Services Agreement with the County Elections Administrator, and each Party will be responsible for their pro rata portion.

ARTICLE V
GENERAL PROVISIONS

5.01 This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Bastrop County, Texas.

5.02 In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision, and this Contract shall be construed as if the invalid, illegal, or unenforceable provision had never been a part of the Contract.

5.03 This Contract constitutes the only agreement of the Parties hereto and supersedes any prior understanding or written or oral agreement between the parties respecting the written subject matter.

5.04 No amendment, modification, or alteration of this Contract shall be binding unless it is in writing, dated subsequent to the date of the Contract and duly executed by all of the Parties.

5.05 Any notice to be given hereunder by any party to the other shall be in writing and may be affected by personal delivery, by certified mail, or by common carrier. Notice to a party shall be addressed as follows:

ISD:

Kristi Lee
Executive Director of
Communications & Community Services
Bastrop Independent School District
906 Farm Street
Bastrop, TX 78602

CITY:

Ann Franklin
City Secretary
City of Bastrop
PO Box 427
Bastrop, TX 78602

MUD 1:
PLEASE ADD CONTACT INFO

MUD 2:
PLEASE ADD CONTACT INFO

Notice by hand-delivery is deemed effective immediately, notice by certified mail is deemed effective three days after deposit with a U.S. Postal Office or in a U.S. Mail Box, and notice by a common carrier, is deemed effective upon receipt. Each party may change the address for notice to it by giving notice of such change in accordance with the provisions of this Section.

Executed to be effective the ____ day of _________________, 2021.

ISD:

BY:_________________________________

Barry Edwards, Superintendent
Bastrop Independent School District

Executed to be effective the ____ day of _________________, 2021.

CITY:

BY:_________________________________

City Manager
City of Bastrop

Executed to be effective the ____ day of _________________, 2021.

MUD1:

BY:________________________________

Executed to be effective the ____ day of _________________, 2021.

MUD2:

BY:________________________________

BASTROPTX
Heart of the Lost Pines / Est. 1832

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM:** 11C

TITLE:
Consider action to approve Resolution No. R-2021-24 of the City Council of the City of Bastrop, Texas approving a Public Improvement Plan Agreement with Hunt Communities Bastrop, LLC for The Colony MUD 1C Section 1, as attached in Exhibit A; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date.

STAFF REPRESENTATIVE:
Jennifer C. Bills, Assistant Planning Director

BACKGROUND/HISTORY:
The Public Improvement Plan Agreement was developed as part of the City of Bastrop's Development Manual. This standardized agreement is a tool that can be used by staff. It allows a developer to establish the infrastructure costs, inspections fees and begin construction of public street and utility infrastructure. The agreement also establishes the process to record the final plat with a fiscal guaranty for the approved section of the subdivision prior to the completion of all public improvements. The cost estimates and scope of work included in the Agreement were approved with the Public Improvement Plans approved by the City Engineer.

POLICY EXPLANATION:
Texas Local Government Code 212.010 Standards for Approval of Plat requires that a new subdivision should extend roads and utilities in conformance to the city requirements and bonds be submitted in accordance with the municipal policy for the approval of subdivision plats.

Section 1.4.003 Public improvement Plan Agreement (PIPA) establishes the requirements for approval of the PIPA.

FUNDING SOURCE:
N/A

RECOMMENDATION:
The Planning Director recommends City Council consider action to approve Resolution No. R-2021-24 of the City Council of the City of Bastrop, Texas approving a Public Improvement Plan Agreement with Hunt Communities Bastrop, LLC for The Colony MUD 1C Section 1, as attached in Exhibit A; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date.

ATTACHMENTS:
- Resolution No. R-2021-24
- Exhibit A – The Colony MUD 1C Section 1 Public Improvement Plan Agreement
- Attachment 1 - Engineer's Cost Estimates

RESOLUTION NO. R-2021-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS APPROVING A PUBLIC IMPROVEMENT PLAN AGREEMENT WITH HUNT COMMUNITIES BASTROP, LLC FOR THE COLONY MUD 1C, SECTION 1, AS ATTACHED IN EXHIBIT A; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; PROVIDING FOR A REPEALING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, The City Council has adopted the Bastrop Building Block (B^3) Code and related codes that provide a process for the standards and construction of public improvements that support the development created during the subdivision process; and

WHEREAS, the Development Manual includes the requirement for a developer to provide a Public Improvement Plan Agreement to ensure the installation of the public improvements; and

WHEREAS, the "Developer" known as Hunt Communities Bastrop, LLC has an approved Preliminary Plat and Public Improvement Plan for the construction of a single-family subdivision; and

WHEREAS, The City Council also understands the importance of the required public improvements and the value they bring in regard to the public safety of neighborhoods.

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

Section 1: That the City Manager will execute the Public Improvement Plan Agreement attached as Exhibit A.

Section 2: All orders, ordinances, and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 3: That this Resolution shall take effect immediately upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 9th day of March, 2021.

APPROVED:

____

Connie B. Schroeder, Mayor

ATTEST:

____

Ann Franklin, City Secretary

APPROVED AS TO FORM:

____

Alan Bojorquez, City Attorney

CITY OF BASTROP, TEXAS

Public Improvement Plan Agreement

THE COLONY MUD 1C SECTION 1

The State of Texas

County of Bastrop

WHEREAS, HUNT COMMUNITIES BASTROP, LLC., hereinafter referred to as, "Developer", is the developer of the following described property and desires to make certain improvements to the following lots and blocks in THE COLONY MUD 1C SECTION 1, a development in the City of Bastrop ETJ, Texas: being 22 LOTS AND 1 BLOCK; and

WHEREAS, the said Developer has requested the City of Bastrop, a Home Rule Municipality of Bastrop County, Texas, hereinafter referred to as, "City", to provide approvals and cooperative arrangements in connection with said improvements:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That said Developer, acting herein by and through RICK NEFF, its duly authorized officer, and the City, acting herein by and through PAUL A. HOFMANN, its City Manager, for and in consideration of the covenants and agreements herein performed and to be performed, do hereby covenant and agree as follows regarding assurance of construction of sanitary sewer facilities (MUD Facility – Provided to MUD), streets (Bastrop County - Included), drainage (MUD Facility – Provided to MUD), street lights and street signs (Bastrop County - Included), and park/trail improvements (MUD Facility – Provided to MUD); summary of applicable infrastructure (development) amounts; assurance payments to the City; payment of inspection fees; and miscellaneous provisions relating to the acceptable completion of said construction according to the plans for The Colony MUD 1C Section 1 approved by the City on March 9th, 2021.

1.00 Assurance of Infrastructure Construction

1.10 Employment of Contractors

In accordance with this agreement, the Developer agrees to employ a general contractor or contractors in accordance with the conditions set forth in Section 4.00 for work for which the Developer is providing as stated herein and indicated in the Summary of Infrastructure (Development) Assurance Amounts, Section 2.30 on page 4 of this agreement.

1.11 Public Infrastructure Construction and Acceptance Process

a) The Developer and the City agree that a pre-construction meeting will not be held and notice to proceed issued until the payment of the Public Improvement Inspection fees are paid to the City and a copy of the approved plan set provided to the City Construction Manager. The Public Improvement Inspection fees will be two percent (2%) of the total infrastructure costs (water, wastewater, streets, sidewalks, and drainage), per the First Amendment to the Consent Agreement of the Colony Municipal Utility District No. 1 and successor districts.

b) Upon completion of the Infrastructure, the developer must furnish the City with the following prior to acceptance and release of fiscal guarantee (if provided):

    1. As-Built/Record Drawings of Public Improvement Plans in pdf format and in CAD/GIS format;

    2. The Developer agrees to require the contractor(s) to furnish the City and County with a two (2) year maintenance bond in the name of the City and County, subject to City approval, for ten percent (10%) of the

contract price of the public streets, sidewalk, and drainage improvements. The maintenance bond(s) shall be submitted and approved prior to the final acceptance of the improvements;

3. Letter of Concurrence from the Design Engineer.

c) Once these items are provided, the City will provide a Letter of Acceptance from the City Engineer.

d) In order to record the Final Plat, the developer must complete one of the following:

   1. Have received a Letter of Acceptance from the City Engineer and MUD Engineer; or

   2. Provide fiscal guarantee for 125% of the outstanding Infrastructure (Development) Improvement Costs, with Engineer's Estimate of Probable Costs. This guarantee will not be release until acceptance of the Infrastructure by the City Engineer.

1.12 Payment of Miscellaneous Construction Costs

It is further agreed and understood that additional costs may be required of the Developer to cover such additional work, materials and/or other costs as may be made necessary by conditions encountered during construction and within the scope of this project.

1.13 Compliance with Tree Preservation Ordinance

The Developer is responsible to fully comply with the requirements of the consent agreement relating to tree preservation.

2.00 Infrastructure (Development) Improvement Costs

All infrastructure (development) improvement costs are the full responsibility of the Developer unless otherwise noted, or unless otherwise funded with a public improvement district revenue, tax increment reinvestments zone revenue, or a Chapter 380 grant, pursuant to a separate agreement. The following improvement costs have been developed using the Developer's plans and specifications and recommendations by the City in accordance with the construction guidelines set forth by the City:

2.10 Sanitary Sewer Improvements (MUD Facility-Provided to MUD)

The distribution of costs between the City and MUD for all sanitary sewer are as follows:

	Full Project Cost	Assurance Amount	City Participation
Water Facilities	$ 67,303.00	$84,128.75	$0.00
Sanitary Sewer Facilities	$122,301.00	$152,876.25	$0.00
Total Construction Cost	$189,604.00	$237,005.00	$0.00

2.20 Drainage Improvements (MUD Facility-Provided to MUD)

The distribution of costs between the City and MUD for drainage improvements are as follows:

	Full Project Cost	Assurance Amount	City Participation
Storm Drainage Facilities	$484,984.00	$606,230.00	$0.00

2.30 Street Improvements (Bastrop County- Included)

The distribution of costs between the City and the Developer for all street improvements are as follows:

	Full Project Cost	Assurance Amount	City Participation
Streets & Sidewalks	$665,277.88	$831,597.35	$0.00
Erosion Control Items	$48,578.14	$60,722.67	$0.00
Total Construction Cost	$713,856.02	$892,320.02	$0.00

2.40 Summary of Infrastructure (Development) Assurance Amounts

	Final Assurance Amount
Utility Facilities	$237,005.00
Storm Drainage Facilities	$606,230.00
Streets, Sidewalks & Erosion Control Improvements	$892,320.02
Total Development Assurance Amounts	$1,735,555.02

INSPECTION FEES TO HOLD IN ESCROW TO BE PAID PRIOR TO PRE-CONSTRUCTION MEETING:

Percentage Final of Construction Improvement

		Construction Cost Amount	Inspection Fee
Streets, Sidewalks & Erosion Control Improvements	2.0%	$713,856.02	$14,277.12
Water	2.0%	$ 67,303.00	$1,346.06
Wastewater	2.0%	$122,301.00	$2,446.02
Drainage	2.0%	$484,984.00	$9,699.68
Payment to the City			**$27,768.88**

The final construction amount is ***$1,388,444.02***, and the Public Improvement Inspection fee amount is ***$27,768.88*** (the "Final Fiscal Guaranty Amount").

RECOMMENDED:

03/02/2021

Tony Buonodono, P. E. Date
City Engineer

3.00 Miscellaneous Improvements

3.10 Drainage Operation and Maintenance Plan (MUD Facility)

N/A

3.10 Sidewalks (Bastrop County- Included)

The Developer shall be responsible for installing sidewalks along rights-of-way on open space lots and other lots that will not contain single family residential units within Colony MUD 1C Section 1 as shown on the approved Public Improvement Plans. All sidewalks shall be in compliance with the County's Master Transportation Plan, and conform to the City of Bastrop Standard Construction Details.

3.20 Screening Wall, Landscaping, and Irrigation (MUD Facility)

N/A

3.30 Street Lights (MUD/HOA Facility)

The Developer is responsible for the initial installation and maintenance of all street lights. The MUD or HOA will be responsible or obligated to maintain and/or replace any standard or non-standard street light poles.

3.40 Street Name and Regulatory Signs (Bastrop County)

Street name and regulatory signs shall be installed by the Developer at the Developer's expense at locations specified by the City's Director of Public Works per the signage regulations ***in compliance with the Consent Agreement*** and the Bastrop County Sign Standards and Details. The signs shall conform to The State of Texas Manual on Uniform Traffic Control Devices and County requirements, including but not limited to, exact placement, sign height and block numbers. The City and County shall not be responsible or obligated to maintain and/or replace any non-standard sign poles, street name signs, or regulatory signs. Installation shall be completed prior to the acceptance of the subdivision.

RECOMMENDED:

____

Curtis Hancock   Date
Public Works Director

3.50 Land Dedication

N/A

3.60 Impact Fees (MUD Facility)

N/A

4.00 Miscellaneous Provisions

4.10 Bonds

The developer will provide the City with proof of payment to the surety and that all other obligations of the developer or contractor have been met in order for the bonds to be binding upon the surety.

4.20 Public Liability

The Developer shall further require the contractor(s) to secure Public Liability Insurance. The amount of Insurance required shall include Public Liability, Bodily Injury and Property Damage of not less than $100,000 one person, $300,000 one accident and $100,000 property damage. The minimum requirements for automobile and truck public liability, bodily injury and property damage shall also include not less than $100,000 one person, $300,000 one accident, and $100,000 property damage.

The Contractor shall provide Worker's Compensation Insurance in accordance with the most recent Texas Workers' Compensation Commission's rules.

4.30 General Indemnity Provisions

The Developer shall waive all claims, fully release, indemnify, defend and hold harmless the City and all of its officials, officers, agents, consultants, employees and invitees in both their public and private capacities, from any and all liability, claims, suits, demands or causes of action, including all expenses of litigation and/or settlement which may arise by injury to property or person occasioned by error, omission, intentional or negligent act of Developer, its officers, agents, consultants, employees, invitees, or other person, arising out of or in connection with the Agreement, or on or about the property, and Developer will, at its own cost and expense, defend and protect the City and all of its officials, officers, agents, consultants, employees and invitees in both their public and private capacities, from any and all such claims and demands. Also, Developer agrees to and shall indemnify, defend and hold harmless the City and all of its officials, officers, agents, consultants, employees and invitees in both their public and private capacities, from and against any and all claims, losses, damages, causes of action, suit and liability of every kind, including all expenses of litigation, court costs and attorney fees for injury to or death of any person or for any damage to any property arising out of or in connection with this Agreement or any and all activity or use pursuant to the Agreement, or on or about the property. This indemnity shall apply whether the claims, suits, losses, damages, causes of action or liability arise in whole or in part from the intentional acts or negligence of developer or any of its officers, officials, agents, consultants, employees or invitees, whether said negligence is contractual, comparative negligence, concurrent negligence, gross negligence or any other form of negligence. The City shall be responsible only for the City's sole negligence. Provided, however, that nothing contained in this Agreement shall waive the City's defenses or immunities under Section 101.001 et seq. of the Texas Civil Practice and Remedies Code or other applicable statutory or common law. Notwithstanding anything to the contrary in this section, the Developer shall not be required to indemnify the City in the event the claims, suits, losses, damages, causes of action or liability arise in whole or in part as a result of the City's breach of this agreement or a separate agreement pertaining to the property governed by this agreement.

4.31 Indemnity Against Design Defects

Approval of the City Engineer or other City employee, official, consultant, employee, or officer of any plans, designs or specifications submitted by the Developer under this Agreement shall not constitute or be deemed to be a release of the responsibility and liability of the Developer, its engineer, contractors, employees, officers, or agents for the accuracy and competency of their design and specifications. Such approval shall not be deemed to be an assumption of such responsibility or liability by the City for any defect in the design and specifications prepared by the consulting engineer, his officers, agents, servants, or employees, it being the intent of the parties that approval by the City Engineer or other City employee, official, consultant, or officer signifies the City's approval of only the general design concept of the improvements to be constructed. In this connection, the Developer shall indemnify and hold harmless the City, its officials, officers, agents, servants and employees, from any loss, damage, liability or expense on account of damage to property and injuries, including death, to any and all persons which may arise out of any defect, deficiency or negligence of the engineer's designs and specifications incorporated into any improvements constructed in accordance therewith, and the Developer shall defend at his own expense any suits or other proceedings brought against the City, its officials, officers, agents, servants or employees, or any of them, on account thereof, to pay all expenses and satisfy all judgments which may be incurred by or rendered against them, collectively or individually, personally or in their official capacity, in connection herewith. Notwithstanding anything to the contrary in this section, the Developer shall not be required to indemnify the City in the event the claims, suits, losses, damages, causes of action or liability arise in whole or in part as a result of the City's breach of this agreement or a separate agreement pertaining to the property governed by this agreement.

4.32 Approval of Plans

The Developer and City agree that the approval of plans and specifications by the City shall not be construed as representing or implying that improvements built in accordance therewith shall be free of defects. Any such approvals shall in no event be construed as representing or guaranteeing that any improvement built in accordance therewith will be designed or built in a good and workmanlike manner.

Neither the City or County, nor its elected officials, officers, employees, contractors and/or agents shall be responsible or liable in damages or otherwise to anyone submitting plans and specifications for approval by the City for any defects in any plans or specifications submitted, revised, or approved, in the loss or damages to any person arising out of approval or disapproval or failure to approve or disapprove any plans or specifications, for any loss or damage arising from the non- compliance of such plans or specifications with any governmental ordinance or regulation, nor any defects in construction undertaken pursuant to such plans and specifications.

4.33 Venue

Venue of any action brought hereunder shall be in the City of Bastrop, Bastrop County, Texas.

4.40 Dedication of Infrastructure Improvements

Upon final acceptance of ***Colony MUD 1C Section 1,*** the public streets and sidewalks shall become the property of the County.

4.60 Assignment

This agreement, any part hereof, or any interest herein shall not be assigned by the Developer without written consent of the City Manager, said consent shall not be unreasonably withheld, and it is further agreed that such written consent will not be granted for the assignment, transfer, pledge and/or conveyance of any refunds due or to become due to the Developer except that such assignment, transfer, pledge and/or conveyance shall be for the full amount of the total of all such refunds due or to become due hereunder nor shall assignment release assignor or assignee from any and all Development assurances and responsibilities set forth herein.

4.70 Conflicts

In the event of a conflict between this agreement and that certain Consent/Development Agreement between the ***City of Bastrop*** and ***Hunt Communities Bastrop, LLC.*** effective ***March 4th, 2020*** (the "Consent/Development Agreement"), the Consent/Development Agreement shall control. Nothing in this agreement shall be construed as amending the Consent/Development Agreement.

IN TESTIMONY WHEREOF, the City of Bastrop has caused this instrument to be executed in duplicate in its name and on its behalf by its City Manager, attested by its City Secretary, with the corporate seal of the City affixed, and said Developer has executed this instrument in duplicate, at the City of Bastrop, Texas this the __ day of __________, **2021.**

THE COLONY MUD 1C SECTION 1	***City of Bastrop, Texas***
Rick Neff Hunt Communities Bastrop, LLC.	Paul A. Hofmann City Manager
ATTEST:	
Ann Franklin City Secretary	Date

APPROVED AS TO FORM AND LEGALITY:

Alan Bojorquez City Attorney	Date

Distribution of Originals: Developer
City Secretary
Planning and Development Department

BASTROPTX
Heart of the Lost Pines / Est. 1832

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 11D

TITLE:
Consider action to approve Resolution No. R-2021-25 of the City Council of the City of Bastrop, Texas re-appointment of Blas Coy, Jr. as Presiding Municipal Judge and approving a contract to provide services, attached as Exhibit A; authorizing the City Manager to execute all necessary documents; repealing conflicting provisions; and establishing for an effective date.

STAFF REPRESENTATIVE:
Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:
At the October 24, 2017 Council Meeting, Blas Coy, Jr. was appointed as Assistant Municipal Judge. He served in this capacity until January 2019 when he was appointed Presiding Judge, after the retirement of Charlotte Hinds. The change in job functions required a new contract for services and the establishment of a salary amount. This contract was for a two-year term.

The current two-year contract is expiring on March 11, 2021. This re-appointment and contract will run for another two-year term.

POLICY EXPLANATION:
The City of Bastrop Charter states that the Presiding Judge must be nominated by the Mayor and appointed by the Council and that the salary shall be fixed.

FUNDING SOURCE:
General Fund

RECOMMENDATION:
Tracy Waldron, CFO recommends approval of Resolution No. R-2021-25 of the City Council of the City of Bastrop, Texas re-appointment of Blas Coy, Jr. as Presiding Municipal Judge and approving a contract to provide services, attached as Exhibit A; authorizing the City Manager to execute all necessary documents; repealing conflicting provisions; and establishing for an effective date.

ATTACHMENTS:
- Resolution No. R-2021-25
- Exhibit A - Contract for Presiding Municipal Judge

RESOLUTION NO. R-2021-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS RE-APPOINTMENT OF BLAS COY, JR. AS PRESIDING MUNICIPAL JUDGE AND APPROVING A CONTRACT TO PROVIDE SERVICES, ATTACHED AS EXHIBIT A.; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; REPEALING CONFLICTING PROVISIONS; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Section 30.00006 of the Texas Government Code provides that the term of office for municipal judges "must be for a definite term of two or four years."

WHEREAS, Section 5.02 of the City of Bastrop Home Rule Charter states that the Judge of the Municipal Court "shall be nominated by the Mayor and appointed by the Council"; and

WHEREAS, Section 7.01.003(a) of the Bastrop City Code provides that the presiding municipal judge "shall be appointed by the City Council for a term of two (2) years and shall be entitled to a salary set by the City Council."

WHEREAS, the Presiding Judge of the Municipal Courts term expires on March 11, 2021; and

WHEREAS, the City of Bastrop needs a Presiding Judge of the Municipal Court; and

WHEREAS, Blas Coy, Jr., has served as Presiding Judge of the Municipal Court for the last two years; and

WHEREAS, the City Council has the power to authorize the City Manager to execute a contract for services; and

WHEREAS, the City Council of the City of Bastrop, Texas has determined that it is in the best interest of the City of Bastrop and for the orderly operation of the City of Bastrop Municipal Court to re-appoint Blas Coy, Jr. as Presiding Judge of the Bastrop Municipal Court.

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

Section 1. The City hereby re-appoints, under the authority of Section 5.02 of the City of Bastrop Home Rule Charter and Section 7.01.003 of the Bastrop City Code, Blas Coy, Jr., to the position of Municipal Court Presiding Judge for a term of two (2) years.

<u>Section 2</u>. The City Manager is hereby authorized to execute a contract for Presiding Municipal Judge Services between the City of Bastrop, Texas and Blas Coy, Jr., attached as Exhibit A, as well as all other necessary documents related to this contract.

<u>Section 3</u>. All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

<u>Section 4</u>. This Resolution shall take effect immediately from and after its passage, and it is so resolved

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop, Texas this 9th day of March 2021.

APPROVED:

____
Connie B. Schroeder, Mayor

ATTEST:

____
Ann Franklin, City Secretary

APPROVED AS TO FORM:

____
Alan Bojorquez, City Attorney

STATE OF TEXAS §
COUNTY OF BASTROP §

AGREEMENT BETWEEN THE CITY OF BASTROP
AND
BLAS J. COY, JR.

This agreement is effective the 9th day of March 2021, between the City of Bastrop, acting through its duly elected City Council of the City of Bastrop and Blas J. Coy, Jr. as follows:

WITNESSETH:

WHEREAS, pursuant to the authority granted to the City Council through **The City Charter** and the laws of the State of Texas, the City Council of the City of Bastrop has appointed Blas J. Coy, Jr. as Presiding Municipal Court Judge; and

WHEREAS, the parties desire to enter into a written agreement setting forth all terms, conditions, and obligations of the parties;

NOW, THEREFORE, in consideration of the mutual covenants and promises, the parties agree as follows:

I. TERM

1.1 The term of this Agreement shall be for two years to run for the portion of such unexpired term as may remain at the time of the appointment, unless sooner terminated as provided by the terms of this Agreement.

2. SCOPE OF AGREEMENT

2.1 The purpose of this Agreement is to engage Blas J. Coy, Jr. for the express purpose of serving the City of Bastrop, Texas, as the City's Presiding Municipal Court Judge.

2.2 Blas J. Coy, Jr. shall perform all duties of the Municipal Court Judge of the City of Bastrop, Texas, as set forth in the current or revised **Charter of the City of Bastrop** as required by **The Code of the City of Bastrop, as amended,** by applicable State law, as it now exists or may be amended in the future, and the **Texas Code of Judicial Conduct.**

2.3 These duties include but are not limited to:

- Preside over Municipal Court for all criminal class C Misdemeanors, criminal jury and nonjury trials, pre-trial conferences, juvenile warnings and other cases appropriately tried in Municipal Court
- Preside over civil truant conduct hearings/trials.

- Maintain a central docket of all cases filed in the City of Bastrop.
- Establish and maintain Court Security panel.
- Review and/or deny requests for continuances.
- Determine innocence or culpability (when hearing cases without a jury) and levies fine commensurate with the violation in such manner to preserve equity and uniformity in the application of existing laws and ordinances.
- Supervise the administration of juror notification and direct jurors in trial cases on their role in the interpretation and application of law.
- Be available, or have adequate associate judge expertise available, on a 24/7 basis, to review and/or sign complaints, summons, subpoenas, affidavits for search and arrest warrants, appeal bonds, etc.
- Support court activities with Municipal Court Clerk and City Prosecutor and other city departments.
- Review legislation and current case law affecting offenses and the criminal justice system and implement procedures to ensure compliance. Perform legal research as needed and determine fine amounts.
- Conduct hearings (including property, emergency protective order, code enforcement, dangerous dog, etc.).
- Daily jail magistrations – rights warnings, set bonds
- Juvenile hearings.
- Indigent hearings.
- Approve/Deny Personal Recognizance (PR) Bond requests.
- Issue warrants (search, arrest, mental health), summons, magistrate warnings, etc.
- Primarily responsible for the review and signing of all paperwork prepared by court clerks.

2.4 The City of Bastrop's regular Municipal Court shall be held at Bastrop Municipal Court located at 104 Grady Tuck Lane, Bastrop, Texas 78602. However, the City of Bastrop reserves the right to designate days of the week, hours, and alternate locations where the Municipal Court may be held in the event that facility should not be available.

2.5 The City Council shall have the power to create and establish additional Municipal Courts, with the same or separate jurisdictions, and to appoint an additional Magistrate for each Court so established.

2.6 Blas J. Coy, Jr. agrees to provide prompt, courteous, efficient, and professional services in the performance of his duties.

2.7 Blas J. Coy, Jr. shall deal with the administrative services of Municipal Court solely through the Municipal Court Clerk or the City Manager.

2.8 In the event Blas J. Coy, Jr. is unable to act for any reason, the Council may appoint an Alternate Municipal Court Judge to act in the Judge's place.

2.9 Blas J. Coy, Jr. shall meet with the City Attorney, City Manager, Director of Planning and Community Development, City Prosecutor, and the Chief of Police, or such officials' respective designees, on request, to discuss procedures within the Municipal Court.

3. SALARY AND BENEFITS

3.1 Blas J. Coy, Jr. shall be deemed an independent contractor of the City.

3.2 The City agrees to pay Blas J. Coy, Jr. annually at $53,000, paid monthly in the amount of $4,417 for all the duties sited in section 2.3, which equate to approximately 1,000 hours annually.

3.3 Blas J. Coy, Jr. shall pay all applicable local, state, federal taxes, including income tax, withholding tax, social security tax, and pension contributions, if any.

3.4. The City agrees to pay Blas J. Coy, Jr. travel and expenses to attend the Texas Municipal Courts Education Center ("TMCEC") judges training, up to a maximum of three (3) days annually. Blas J. Coy, Jr. is required to attend the TMCEC judges training each year during the term of this contract.

4. TERMINATION

4.1 Blas J. Coy, Jr. may terminate this Agreement at any time, with or without notice.

4.2 Blas J. Coy, Jr. shall waive all claims for compensation if not claimed within thirty (30) days for the date of the termination of this Agreement.

5. GENERAL PROVISIONS

5.1 If any provision of this Agreement shall, for any reason, be held to violate of any applicable law, the invalidity of such a specific provision of this Agreement shall not be deemed to invalidate any other provisions of this Agreement, which shall remain in full force and effect unless removal of the invalid provisions destroy the legitimate purposes of this Agreement, in which event the parties shall deem this Agreement canceled.

5.2 The paragraph headings used in this Agreement are descriptive only and shall have no legal force or effect.

5.3 This Agreement represents the entire agreement by and between the parties, except as otherwise provided in this Agreement, and it may not be changed except by written amendment duly executed by all parties.

5.4 This Agreement shall be subject to and governed by the laws of the State of Texas. Any and all obligations or payments are due and payable in the City of Bastrop, Bastrop County, Texas.

IN WITNESS WHEREOF, the City Council of the City of Bastrop, by and through the Mayor, has caused this Agreement to be executed and that upon execution thereof, it shall be deemed the act and deed of the City of Bastrop.

[SIGNATURES FOLLOW ON PAGE 4]

CITY OF BASTROP, TEXAS

BY: ____

Paul A. Hofmann, City Manager

BY: ____

Blas J. Coy, Jr., Presiding Municipal Court Judge

ATTEST: ____

Ann Franklin, City Secretary

BASTROPTX
Heart of the Lost Pines / Est. 1832

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM:** 12A

TITLE:
Consider and adopt on first and final reading Ordinance No. 2021-02 as an emergency measure ratifying temporary Emergency Orders enacted by the Mayor in her capacity as Emergency Management Director in regards to the current Local State of Disaster, for the immediate preservation of the public peace, health or safety.

STAFF REPRESENTATIVE:
Paul A. Hofmann, City Manager

BACKGROUND/HISTORY
A declaration of local disaster and public health emergency includes the ability to take measures to reduce the possibility of exposure to disease, control the risk, prevent the spread of the disease, and promote the health and safety of individuals in the City of Bastrop; and

POLICY EXPLANATION:
On March 16, 2020 the City Council Confirmed a Declaration of Disaster due to the novel coronavirus (COVID-19). Within that declaration the mayor is granted the authority to take extraordinary measures to protect the health and safety of the citizens of Bastrop.

FUNDING SOURCE:
N/A

RECOMMENDATION:
Recommend adopting on first and final reading Ordinance No. 2021-02 as an emergency measure ratifying temporary Emergency Orders enacted by the Mayor in her capacity as Emergency Management Director in regards to the current Local State of Disaster, for the immediate preservation of the public peace, health or safety.

ATTACHMENTS:
- Ordinance No. 2021-02

EMERGENCY ORDINANCE 2021-02

AN EMERGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, CONFIRMING AND RATIFYING THE EMERGENCY ORDERS ISSUED BY THE MAYOR AS THE EMERGENCY MANAGEMENT DIRECTOR, AS DESCRIBED IN EXHIBIT A; PROVIDING FOR FINDINGS OF FACT, REPEALER, SEVERABILITY, ENFORCEMENT, AND PENALTY; ESTABLISHING AN EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.

WHEREAS, the novel coronavirus (COVID-19) has been recognized globally as a contagious respiratory virus; and

WHEREAS, on March 13, 2020, Texas Governor Greg Abbott declared a State of Disaster for all counties in Texas, and the President of the United States of America declared a national emergency in relation to COVID-19; and

WHEREAS, on March 16, 2020, the Mayor issued a Declaration of Local Disaster to allow the City of Bastrop to take measures to reduce the possibility of exposure to COVID-19 and promote the health and safety of Bastrop residents; and

WHEREAS, Section 418.108 of the Texas Government Code provides that a declaration of local disaster activates the City's Emergency Management Plan; and

WHEREAS, in furtherance of the declaration of local disaster, the Mayor issued certain orders pursuant to Chapter 418 of the Texas Government Code; and

WHEREAS, Section 3.15(b) of the Bastrop City Charter allows the City Council to adopt an emergency ordinance relating to the immediate preservation of the public peace, health or safety, and such emergency ordinances shall take effect immediately upon adoption and execution without a second consideration; and

WHEREAS, Section 54.001 of the Texas Local Government Code generally provides the maximum penalties for violations of municipal ordinances, rules, or police regulations; and

WHEREAS, Section 418.173 of the Texas Government Code provides that a local emergency management plan may provide that failure to comply with the plan or with a rule, order, or ordinance adopted under the plan is an offense punishable by a fine not to exceed $1,000 or confinement in jail for a term not to exceed 180 days; and

WHEREAS, the City Council of the City of Bastrop, Texas, finds it reasonable and necessary for the protection of the health and safety of the residents of the City of Bastrop to confirm and ratify the orders issued by the Mayor pursuant to Chapter 418 of the Texas Government Code, as described in **Exhibit A**; and

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

SECTION 1. FINDINGS OF FACT: The foregoing recitals are incorporated into this Emergency Ordinance by reference as findings of fact as if expressly set forth herein.

SECTION 2. CONFIRMATION & RATIFICATION: The City Council of the City of Bastrop, Texas, in accordance with the authority vested in the governing body of the City of Bastrop, Texas, by Section 418.108 of the Texas Government Code, hereby confirms and ratifies the emergency orders issued by the Mayor in furtherance of the declaration of local disaster, as described in **Exhibit A.**

SECTION 3. PUBLIC NOTICE: The City Secretary is hereby directed to give prompt and general publicity to this Emergency Ordinance.

SECTION 4. CONFLICTS: In the case of any conflict between other provisions of this Emergency Ordinance and any existing Ordinance of the City, the provisions of this Emergency Ordinance will control.

SECTION 5. SEVERABILITY: If any provision of this Emergency Ordinance or the application thereof to any person or circumstance is held invalid, that invalidity or the unenforceability will not affect any other provisions or applications of this Emergency Ordinance that can be given effect without the invalid provision.

SECTION 6. ENFORCEMENT: The City shall have the power to administer and enforce the provisions of this Emergency Ordinance as may be required by governing law. Any person violating any provision of this Emergency Ordinance violates Section 1.08.011 of the Bastrop City Code. In accordance with Section 418.173 of the Texas Government Code, a violation is a misdemeanor punishable by a fine not to exceed $1,000 or confinement in jail for a term not to exceed 180 days. Nothing in this ordinance shall be construed as a waiver of the City's right to bring a civil action to enforce the provisions of this ordinance and to seek remedies as allowed by law and/or equity.

SECTION 7. EFFECTIVE DATE: In accordance with Section 3.15(b) of the Bastrop City Charter, this Emergency Ordinance shall be *effective immediately* upon passage.

SECTION 8. OPEN MEETING: It is hereby officially found and determined that the meeting at which this Ordinance 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 Open Meetings Act, Texas Government Code, Chapter 551.

READ, ACKNOWLEDGED & APPROVED on the First & Final Reading on this, the 9th day of March 2021.

APPROVED:

____
Connie B. Schroeder, Mayor

ATTEST:

____
Ann Franklin, City Secretary

APPROVED AS TO FORM:

____
Alan Bojorquez, City Attorney

Exhibit A

BASTROPTX
Heart of the Lost Pines / Est. 1832

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 12B

TITLE:
Consider action to approve Resolution No. R-2021-29 of the City Council of the City of Bastrop, Texas authorizing the City Manager to take certain actions regarding fitness and recreational facilities and programs as related to a city pilot recreation membership program; and providing an effective date.

STAFF REPRESENTATIVE:
Paul Hofmann, City Manager

BACKGROUND/HISTORY:
See attached Memo regarding "Recreation Programing Update, Next Steps, and Interim Decision-Making."

FUNDING SOURCE:
General Fund

RECOMMENDATION:
Paul Hofmann, City Manager recommends approval of Resolution No. R-2021-29 of the City Council of the City of Bastrop, authorizing the City Manager to take certain actions regarding fitness and recreational facilities and programs as related to a city pilot recreation membership program; and providing an effective date.

ATTACHMENTS:
- Resolution No. R-2021-29
- Memo

TO: Honorable Mayor and Members of the City Council

From: Paul A. Hofmann, City Manager

Date: March 9, 2021

Subject: Recreation Programming Update, Next Steps, and Interim Decision-Making

Update

The City of Bastrop began providing recreation programing in response to the YMCA-Austin decision to terminate recreation programing services for Fiscal Year 2021. The City of Bastrop's approach, as approved by Council last November, was to plan and provide those services in three phases. We are currently in Phase 1, which began January 1 and will run through the end of March 2021.

We established a budget of $37,500 to cover the cost of recreation programing for the rest of FY21. The budget amount was derived from the $50,000 appropriated to support the annual contract between the City and the YMCA for recreation programing services. One quarter of the annual amount had already been remitted to the YMCA for current year services, leaving the $37,500 available to cover the city's costs.

Phase 1 provided various fitness classes and an open gym at no cost to participants. The idea was to provide an easy transition for former YMCA members. The City provided an online registration system, contracted with instructors, and hired temporary staff to manage the open gym. The City has entered into 6-month lease agreements with two downtown properties, 1112 Main Street, and 1109 Main Street. We have contracted with Terry Moore, formerly with the YMCA, to coordinate and oversee these activities.

In January and February 619 participants engaged in our fitness classes offered Monday through Saturday. Average class size is 6 participants with a variance of 5 to 18 in any given class. Prior to the creation of the City recreation program, the average class size for fitness classes in the space sat at 3 meaning it has doubled since the City taking on the fitness programing efforts. Our open gym has had 72 participants in January and February. Both the open gym and fitness programing combined has been serving an average of 17 people per day. Participation has doubled since YMCA classes and open gym were offered previously. Registration numbers for City Recreation programs have shown to be about half new participants and half previously registered YMCA members.

Phase 2

Phase 2 begins in April and would run through the end of the fiscal year. Consistent with the approach approved last November, participants in Phase 2 would pay for the services provided.

The implementation plan for Phase 2 is based on Phase 1 experience, conversations with other cities on how they approach recreation programing, and the results of a call for instructors issued in February. The plan moving forward is for the City to continue to contract with fitness class instructors, and to implement a pilot registration/membership process.

City of Bastrop Pilot Recreation Program Member Benefits

As you know, the YMCA has recently informed the City they would not be providing services at the Bastrop State Park Pool this year. Bastrop State Park officials have informed that they are reviewing options to manage Pool operations this summer. We are working through the details with Bastrop State Park but believe we will be able to offer as a benefit of the pilot membership fitness classes offered at the Pool, and discounts on Pool daily use fees.

We have been working to add other “value – added” benefits to membership. We have taken heed of Council’s emphasis on providing services for youth. Based on discussions so far, we believe membership will enable discounted rates for participation in some youth – oriented programing provided by others, including dance, sports clinics, family wellness programs, and programing targeted to the home school community. Another opportunity exists to partner with the Bastrop Opera House so that membership in the City program provides discounted registration in their youth academy. In these instances, the service providers would be able to use city facilities at reduced or no cost, in exchange for offering discounts to city recreation program members.

Facilities

The leases of the two facilities currently used expires at the end of June. The monthly cost of those leases is $1,900.

The proposed plan is to make the City building located at 1008 Water Street (the old Senior Center) available for use beginning in July. In order to make that building suitable, we will need to replace the HVAC system and install a basic security system, including functioning door handles and locks. Our estimate to get this done is $12,000, which can be absorbed within the current City general fund budget.

Because we anticipate the value-added benefits and partnerships described above will increase programs and participation, there will be a need for additional space. Based on conversations so far, we believe we can schedule activities at the existing Senior Center that will increase the offerings currently available there and incent seniors to become members of the City program. We may also be able to use the Kerr Center for uses appropriate for that building.

Membership Fees for the Pilot Program

Based on our understanding of the market, the services being offered, the revenues we hope to achieve, and a conservative estimate of participation in the program, the recommended fee structure is:

Individual Membership per month

Resident	$30	Non-Resident	$35

Family Membership per month

Resident	$50	Non-Resident	$55

Senior Discount

Resident	$20	Non-Resident	$25

City Employee Discount

$20 for individual, $40 for family

We are able to conservatively estimate 20 individual resident and 20 individual non-residents per month, and 10 resident family and 10 non-resident family memberships per month. With no assumptions on how discounts offered to seniors and city employees affects that mix, this translates into a revenue estimate for Phase 2 of $14,100.

Fiscal Impact

Phase 1 (January through March) total program expenses are estimated to be just under $15,000. This includes the rent of two spaces, temporary staff hired to open and operate the Wellness Center (open gym) instructor contracts, utilities, and custodial services. This does not include the cost of the contract with Ms. Moore for program coordination and oversite.

Phase 2 (April – September) total program expenses are estimated to be $29,250, which assumes the leases of the two spaces currently being rented are not renewed.

Total estimated costs for Phases 1 and 2 are $44,250. Because we are working with a budget of $37,250, we need revenues for recreation programs to be at least $7,000 to break even.

Not included in this calculation is the $12,000 to make the old Senior Center suitable for use. Over time, the benefit of avoiding rent payments will pay for the cost of replacing the HVAC system.

Competition with Private Sector

Council feedback from last December was that we should avoid competition with private sector fitness program providers. I believe we have worked to provide a mix of services, including fitness activities at the Pool, that is not provided by the private sector. We have also provided a fee schedule that does not undercut what private facilities are offering.

We should also be sensitive that we do not replicate the services provided by other well-established programs, like the various youth sports organizations in our area.

Pool Operations

The contract with YMCA – Austin calls for a City of Bastrop payment of $30,000 per year so that Bastrop residents, and others, can enjoy the pool. So far, this fiscal year, we have paid one – quarter of that amount, or $7,500. Based on the wording of the contract, I have asked YMCA-Austin to return that payment to the City, as we do not owe the YMCA anything if they do not open the pool.

Assuming we are re-paid, then we are able to establish a $30,000 budget for the operation of the Pool. Bastrop State Park has understandably asked for the City's support of their efforts to operate the Pool this summer, and we plan to honor that request with the available funds as approved by Council in this year's budget.

In partnership with the State Park, we are also able to approach other jurisdictions in Bastrop County whose residents use the Pool and ask for assistance in covering the costs of Pool operations.

Next Steps

Based on Council concurrence with the plan described above, and approval of the recommended pilot membership fee proposal, the next steps are:

- Marketing of the plan
- Registration of plan participants
- Renovation of the old Senior Center

- Continued discussions with users of the current Senior Center, other service providers, and the Kerr Center
- Discussions with other potential funding partners for both recreation programing and the Pool
- Planning for Phase 3, including the development of a budget for FY 22 that continues to provide recreation and pool services to Bastrop residents and others.

Please let me know of any questions.

RESOLUTION NO. R-2021-29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, AUTHORIZING THE CITY MANAGER TO TAKE CERTAIN ACTIONS REGARDING FITNESS AND RECREATIONAL FACILITIES AND PROGRAMS AS RELATED TO A CITY PILOT RECREATION MEMBERSHIP PROGRAM; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Bastrop ("City Council") finds it to be a public priority to offset the loss of these fitness and recreational facilities and programs after the closure of the YMCA facilities; and

WHEREAS, the City Manager has identified short-term and long-term opportunities that provide a public benefit and are in the public interest; and

WHEREAS, the City is statutorily authorized to establish, acquire, lease, equip, repair, operate, or maintain recreational facilities pursuant to Texas Local Government Code Chapter 331 and Texas Government Code Chapter 1504; and

WHEREAS, the City Council of the City of Bastrop ("City Council") finds passage of this Resolution to be in the public interest, and necessary for the public health, safety and welfare.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Bastrop:

Section 1: **Fee.** The City Council hereby authorizes the City Manager to create and charge a fee schedule to individuals and families wanting to participate in the Pilot Recreation Membership program.

Section 2: **Instructors.** The City Council hereby authorizes the City Manager to enter into professional services agreements with fitness instructors who will conduct exercise classes and related programs.

Section 3: **Value Added Benefit.** The City Council hereby authorizes the City Manager to enter into agreements with program providers for use of City facilities and assets in return for benefits for Pilot Recreation Members.

Section 4: **Open Meeting.** 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.

DULY RESOLVED & ADOPTED by the City Council of the City of Bastrop, TX, on this, the 9th day of March, 2021.

APPROVED:

____
Connie B. Schroeder, Mayor

ATTEST:

____
Ann Franklin, City Secretary

APPROVED AS TO FORM:

____
Alan Bojorquez, City Attorney

BASTROPTX
Heart of the Lost Pines / Est. 1832

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM**: 12C

TITLE:
Consider action to approve Resolution No. R-2021-26 of the City Council of the City of Bastrop, Texas, approving a Master Services Agreement with Aqua Metrics, attached as Exhibit A, to upgrade the current Regional Network Interface related to the Advanced Metering Infrastructure System; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing for an effective date.

STAFF REPRESENTATIVE:
Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:
The City of Bastrop currently uses Logic hardware and software provided by Aqua Metrics to facilitate a functional Automated Meter Infrastructure (AMI) system. This software and hardware allow the utility staff to manage the meter readings, review consumption, and provide customers current information regarding their consumption history. This information is used by staff to pull reads for billing purposes and review various reports to provide a courtesy notice to customers when consumption is higher than average.

Aqua Metrics is no longer going to support Logic software so the city needs this Master Service Agreement to procure the new analytic software that will replace our current Logic software. Utility staff participated in a presentation of the new software in 2020. This new software had many advantages over our current software and will be very beneficial to the utility customer services staff along with the utility field crew.

The cost of this upgrade is already included in the FY2021 budget.

POLICY EXPLANATION:
The Financial Management Policy request that all professional service contracts over $50,000 are to be approved by City Council.

FUNDING SOURCE:
The one-time charge for this upgrade is split 50/50 between BP&L and Water/Wastewater in their Contractual Services line items (page 103 & page 109). The increase to the annual support is in the Utility Customer Service budget line item maintenance and repairs (page 55).

RECOMMENDATION:
Tracy Waldron, CFO recommends approval of Resolution No. R-2021-26 of the City Council of the City of Bastrop, Texas, approving a Master Services Agreement with Aqua Metrics, attached as Exhibit A, to upgrade the current Regional Network Interface related to the Advanced Metering Infrastructure System; authorizing the City Manager to execute all necessary documents; proving for a repealing clause; and establishing for an effective date.

ATTACHMENTS:

- Resolution R-2021-26
- Exhibit A – Master Service Agreement

RESOLUTION NO. R-2021-26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING A MASTER SERVICES AGREEMENT WITH AQUA METRIC, ATTACHED AS EXHIBIT A, TO UPGRADE THE CURRENT REGIONAL NETWORK INTERFACE RELATED TO THE ADVANCED METERING INFRASTRUCTURE SYSTEM; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; PROVIDING FOR A REPEALING CLAUSE AND ESTABLISHING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Bastrop entered into an agreement with Aqua Metrics in February of 2014 to provide Advanced Metering Infrastructure, which included hardware and software; and

WHEREAS, advancements have been made to improve the hardware and software related to the Advanced Metering Infrastructure; and

WHEREAS, the procurement of new hardware and software through this Master Service Agreement will provide the City of Bastrop with the most current technology available to properly analyze the data being provided by the Advanced Metering Infrastructure; and

WHEREAS, the City Council finds that the performance of this contract is in the common interest of the citizens of Bastrop.

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

SECTION 1: The City Council hereby approves the Master Service Agreement with Aqua Metrics, which is attached as Exhibit A, and authorizes the City Manager to execute all necessary documents.

SECTION 2: Any prior resolution of the City Council in conflict with the provisions contained in this resolution are hereby repealed and revoked.

SECTION 3: Should any part of this resolution be held to be invalid for any reason, the remainder shall not be affected thereby, and such remaining portions are hereby declared to be severable.

SECTION 4: This resolution shall take effect immediately from and after its passage, and it is duly resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop, Texas on the 9th day of March 2021.

CITY OF BASTROP, TEXAS

APPROVED:

____
Connie B. Schroeder, Mayor

ATTEST:

____
Ann Franklin, City Secretary

APPROVED AS TO FORM:

____
Alan Bojorquez, City Attorney

MASTER SERVICES AGREEMENT

This Master Services Agreement (the "Agreement") is made by and between Thirkettle Corporation dba Aqua-Metric Sales Company, a California corporation, having its principal location at 4050 Flat Rock Drive, Riverside, CA 92505 ("Aqua-Metric") and City of Bastrop, having its principal location at 1311 Chestnut Street, Bastrop, Texas 78602, (the "Client"). Aqua-Metric and Client are each referred to individually as "Party" or collectively as the "Parties". The Parties agree as follows:

RECITALS

A. Client seeks to procure the product and services necessary to upgrade its current Regional Network Interface ("RNI") equipment and software to a managed Software-as-a-Service hosted network.

B. Aqua-Metric is the exclusive reseller of certain services, hardware, and software related to the technology manufactured by Sensus USA, Inc. ("Sensus") and used to measure consumer consumption of utility resources.

C. Client has engaged Aqua-Metric to furnish the products and services described hereunder to facilitate a functional AMI System for the measurement and metering of Client's utility resources.

D. Aqua-Metric agrees to, in accordance with the terms of this Agreement, supply the goods and perform the services as described in the attached Exhibits and Appendices, which is attached hereto and made a part hereof for all purposes. This Agreement shall include the following:

   1. Exhibit A: Project Pricing
   2. Exhibit B: Scope of Work
   3. Exhibit C: Annual Services Agreement
   4. Exhibit D: Sensus Software-as-a-Service and Spectrum Lease Agreement

In consideration of the mutual agreements, covenants, representations and warranties contained herein, and in reliance thereon, intending to be legally bound, Aqua-Metric and Client agree as follows:

1. TERM. This Agreement shall commence on February 1, 2021, (the "Effective Date") and shall continue until all work and services are completed in accordance with the Exhibits and appendices herein unless terminated earlier in accordance with Section 15, below.

2. LICENSES. Pursuant to the Sensus Software-as-a-Service and Spectrum Lease Agreement, the Client shall be provided with leased spectrum and those systems necessary to operate the AMI System including use of the Sensus license and frequencies necessary, the Regional Network Interface (RNI) and Sensus Analytics for the ongoing function of the AMI System.

3. COMMUNICATIONS NETWORK. Client acknowledges and agrees that it is solely responsible for procuring a secure wide-area network connectivity to each Basestation and the connectivity between data centers and that Aqua-Metric exercises no control whatsoever over Client's communications network or performance related issues resulting thereof.

4. PRICING AND PAYMENT. Subject to the provisions of this Agreement, Client agrees to pay Aqua-Metric for delivery of materials and performance of services in the amount set forth in Exhibit A within thirty (30) days from the date of invoice. Notwithstanding, if Client fails to pay any invoices within thirty (30) days from the date of invoice, Aqua-Metric may, at its sole discretion, withhold or suspend the services until Client has paid any past due invoiced amounts or seek to termination pursuant to Section 15 of this Agreement. Aqua-Metric reserves the right to issue late fees to Client for past due amounts at a maximum rate of 1.5% of the invoice total for each additional day past due. All pricing and payments shall be in US currency.

5. AMENDMENTS AND CHANGE ORDERS. No amendment or change order to this Agreement or the services herein shall be binding upon either Party hereto unless such amendment or change order is set forth in writing

and duly executed by an Authorized Representative of each Party. The Parties each acknowledge additional products or services not described herein may be necessary to complete the services. Either Party may initiate an amendment or change order request to add, substitute, or remove product or services; however, no additional product or service will be permitted unless and until written amendment or change order to this Agreement has been duly executed by an Authorized Representative from both Parties. Unless otherwise agreed upon, all additional product or services will be priced at the then current market values at time of request.

6. OWNERSHIP.

6.1. Aqua-Metric Materials. Aqua-Metric or its suppliers shall retain all right, title and interest (including but not limited to copyright, trademark, patents, and other proprietary or intellectual property rights) in Aqua-Metric's Confidential Information and Proprietary Materials (excluding Client Data and Client Confidential Information).

6.2. Client Materials. The Client shall retain all right, title and interest (including copyright and other proprietary or intellectual property rights) in Client's Confidential Information and Client Data. Aqua-Metric may access Client Data only to provide the services, respond to technical problems, or at the Client's request, and for the purposes of hosting such Client Data in connection with the provision of the services to the Client. Without limiting the generality of the foregoing, Aqua-Metric agrees that information and data on how the services are used by Client (such as, but not limited to, benchmarking data, usage patterns and roles) constitute Confidential Information and may only be used by Aqua-Metric to improve the delivery of the services to Client, and may not be used for other purposes, may not be distributed, transferred in detail or summary form to any third party without the express written consent of Client.

7. CONFIDENTIAL INFORMATION.

7.1. Each party shall hold the other party's Confidential Information in confidence and shall not disclose such Confidential Information to third parties other than to consultants or contractors, subject to similar terms of confidentiality, when disclosure is necessary for the purposes set forth herein, nor use the other party's Confidential Information for any purpose other than the purposes set forth under this Agreement. The foregoing restrictions on disclosure shall not apply to information which is: (i) already known by the recipient, (ii) becomes, through no act or fault of the recipient, publicly known, (iii) received by recipient from a third party without a restriction on disclosure or use, (iv) independently developed by recipient without reference to the other party's Confidential Information, or (v) is a public record under applicable laws, which shall control, subject to the terms of this Section. Subject to the Act, the Client will maintain the confidentiality of all Aqua-Metric Confidential Information, and Aqua-Metric will maintain the confidentiality of all Client Confidential Information, with each party taking all reasonable precautions to protect the same, at a minimum taking those precautions used to protect its own Confidential Information from unauthorized use or disclosure. All Client Data shall be deemed Client Confidential Information for purposes of this Agreement and the protections and requirements set forth herein.

7.2. The Client acknowledges that Aqua-Metric may use products, materials, or methodologies proprietary to Aqua-Metric. The Client agrees that Aqua-Metric's provision of services under this Agreement shall not be grounds for the Client to have or obtain any rights in such proprietary products, materials, or methodologies unless the parties have executed a separate written agreement with respect thereto. Aqua-Metric, for itself and its officers, agents and employees, agrees that it shall treat all information provided to it by the Client as confidential and shall not disclose any such information to a third party without the prior written approval of the Client. Subcontractors and affiliates of Aqua-Metric who need to know the Confidential Information to perform the Services shall not be considered third party for purposes of this Section.

7.3. Unauthorized Access. Aqua-Metric shall store and maintain Client Information in a secure manner and shall not allow unauthorized users to access, modify, delete or otherwise corrupt Client Information in any way. Aqua-Metric shall notify the Client immediately if the security or integrity of any Client information has been compromised or is believed to have been compromised, in which event, Aqua-Metric shall, in good faith, use all commercially reasonable efforts to cooperate with the Client in identifying what information has been accessed by unauthorized means and shall fully cooperate with the Client to protect such information from further unauthorized disclosure.

8. COMPLIANCE WITH LAWS.

8.1. Aqua-Metric Compliance with Laws. Aqua-Metric will perform their respective obligations under this Agreement in a manner that complies with all Laws: (i) applicable to Aqua-Metric's respective business and activities, including Laws of any country or jurisdiction from which or through which Aqua-Metric provides the product or services; and (ii) applicable to Client and Client's affiliates. "Laws" shall include and refer to any and all federal (national), state, provincial, municipal or local laws, regulations, rules, judicial decrees, decisions and judgments, executive and government orders and ordinances, and any and all directives of regional legislative and regulatory bodies and implementing legislation, as well as rules and regulations of any self-regulatory organization by which any party may be bound.

8.2. Client Compliance with Laws. Client will perform its obligations under this Agreement in a manner that complies with all Laws applicable to Client's business, activities, and facilities. "Laws" shall include and refer to any and all federal (national), state, provincial, municipal or local laws, regulations, rules, judicial decrees, decisions and judgments, executive and government orders and ordinances, and any and all directives of regional legislative and regulatory bodies and implementing legislation, as well as rules and regulations of any self-regulatory organization by which any party may be bound.

9. REPRESENTATIONS, WARRANTIES, AND COVENANTS.

9.1. Aqua-Metric represents, warrants and covenants as follows:

a. Aqua-Metric has the right to enter into this Agreement and perform in accordance with the terms of this Agreement, and such actions do not violate any third-party agreement or other obligation by which Aqua-Metric is bound.

b. Aqua-Metric is duly qualified to do business and is in good standing in every jurisdiction in which such qualification is required for purposes of this Agreement, except where the failure to be so qualified, in the aggregate, would not reasonably be expected to adversely affect its ability to perform its obligations under this Agreement;

c. Aqua-Metric has the full right, corporate power and authority to enter into this Agreement, to grant the rights and licenses granted under this Agreement and to perform its obligations under this Agreement;

d. The execution of this Agreement by Aqua-Metric's representative herein has been duly authorized by all necessary corporate action of Aqua-Metric.

10. WARRANTIES.

10.1. Disclaimer. EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, THE SERVICES AND SOFTWARE ARE PROVIDED BY AQUA-METRIC ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE; provided; however any such warranties received by Aqua-Metric from its suppliers shall be passed on to Client.

10.2. Aqua-Metric warrants that the services provided by Aqua-Metric will be performed in a professional and workmanlike manner with a degree of care, skill and competence that is consistent with the then generally accepted industry standards reasonably expected of similar types of engagements and the deliverables herein this Agreement will substantially conform to the deliverables specified in the applicable Exhibits and Appendices hereto through the term of the Agreement.

10.3. Limitations. Unless otherwise expressly provided herein, neither Aqua-Metric nor any of its service providers, licensors, employees or agents warrant that the operation of the services will be uninterrupted or error free. Aqua-Metric will not be responsible for any damages that Client may suffer arising out of use, or inability to use, the Services.

10.4. Standard Manufacturer Warranty. Standard manufacturer product warranties provided shall apply to all product(s) furnished under this Agreement.

11. LIMITATIONS AND DISCLAIMERS OF LIABILITY. DISCLAIMER OF CERTAIN DAMAGES. IN NO EVENT SHALL ANY PARTY HAVE ANY LIABILITY TO THE ANOTHER PARTY HERETO FOR ANY LOST PROFITS (WHETHER DIRECT OR INDIRECT), LOSS OF USE, COSTS OF COVER, OR FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES HOWEVER CAUSED AND, WHETHER IN CONTRACT, TORT, WARRANTY OR UNDER ANY OTHER THEORY OF LIABILITY, WHETHER OR NOT THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

12. INDEMNIFICATION.

12.1. Aqua-Metric's Obligation. Aqua-Metric shall defend, indemnify and hold each Client Indemnitee (as defined below) harmless from any and all losses, costs, fines, penalties, damages and other amounts (including reasonable attorney fees) incurred by, assessed against or imposed on a Client Indemnitee arising from or in connection with any and all third party suits, claims, actions or demands (a "Claim"): (i) alleging any product, software or any service infringes any valid and issued patent, copyright, or trademark or similar property right of a third party, (ii) for personal injuries, death or damage to tangible personal and real property caused by the gross negligence or willful misconduct of Aqua-Metric, its employees, contractors or agents; (iii) relating to or arising out of Aqua-Metric's failure to comply with applicable law; and (iv) relating to or arising out of Aqua-Metric's breach of its confidentiality obligations hereunder. "Client Indemnitee" shall mean Client, and its respective officers, directors, employees, agents, successors and assigns.

12.2. Client Obligation. To the extent allowed by the laws of the State of Texas, Client shall defend, indemnify and hold Aqua-Metric harmless from any and all losses, costs, fines, penalties, damages and other amounts (including reasonable attorney fees) incurred by, assessed against or imposed on Aqua-Metric arising from or in connection with any and all third party suits, claims, actions or demands (a "Claim"): (i) for personal injuries, death or damage to tangible personal and real property caused by the negligence or willful misconduct of Client, its employees, contractors or agents other than Aqua-Metric; (ii) relating to or arising out of Client's failure to comply with applicable law; and (iii) relating to or arising out of Client's breach of its confidentiality obligations hereunder.

13. FORCE MAJEURE. Neither party shall be held liable for delay in fulfilling or failure to fulfill its obligations under this Agreement, if such delay or failure is caused by events beyond the reasonable control of such party, including, without limitation, natural calamity, acts of God, terrorist events, pandemic, epidemic or delays in product shipment caused by any of the preceding events, provided payment obligations shall not be so excused. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this Agreement.

14. SUSPENSION OF WORK. Except in the event of force majeure pursuant to Section 13, and notwithstanding anything to the contrary contained herein, in the event of prolonged or indefinite delays or suspension not caused by the Aqua-Metric, Aqua-Metric may, at its discretion and upon written notice to Client, elect to remove Aqua-Metric assets including but not limited to personnel, equipment, storage and disposal facilities, product and materials from the Project worksite. Client agrees to pay for fees incurred by Aqua-Metric resulting from but not limited to loss of payroll/subcontractor compensation, contracted or broken lease fees, demobilization and remobilization fees. Should the Client elect to suspend or postpone indefinitely any portion of the services requested, Aqua-Metric may demobilize all staff, subcontractors, and/or facilities until such suspension has been lifted or Agreement termination.

15. TERMINATION.

15.1. Default. In the event a Party hereto breaches this Agreement and such breach is not cured during the Cure Period (defined below), if applicable, the non-breaching Party may terminate this Agreement by providing no less than sixty (60) business days' prior written notice of termination (the "Termination Period") to the other Party.

15.2. Breach. Subject to the terms herein, either party may terminate this Agreement for breach of duty, obligation or warranty upon exhaustion of all remedies set forth herein.

15.3. In the event of such termination, all Work shall be suspended as provided in the termination instruction. Client shall pay Aqua-Metric pursuant to the terms herein for all product and services rendered prior to and through the effective date set forth in the notice of termination.

15.4. Upon termination of this Agreement for any reason, Aqua-Metric shall provide the Client with copies of all completed or partially completed documents prepared under this Agreement contemporaneously with the Client making a final payment to Aqua-Metric in the amount (a) consistent with services rendered as of the date of termination, including such subscription services Aqua-Metric has contracted for in fulfillment of the terms of this Agreement, *plus* (b) amounts incurred by Aqua-Metric to demobilize and orderly conclude open matters/invoices. In the event Aqua-Metric has received access to Client information or data as a requirement to perform services hereunder, Aqua-Metric shall return all Client provided data to the Client in a machine-readable format or other format deemed acceptable to the Client, in the Client's reasonable discretion.

15.5. Cure Period. As used in this Agreement, "Cure Period" means a period a of thirty (30) days after receipt by a breaching Party of written notice from the non-breaching Party that this Agreement has been breached; provided, however, no Cure Period shall be permitted if a Party to this Agreement is found to have already breached this Agreement three (3) times.

16. INFORMAL DISPUTE RESOLUTION. Except in the event of termination pursuant to Section 15, if either Aqua-Metric or Client has a claim, dispute, or other matter in question for breach of duty, obligations, services rendered or any warranty that arises under this Agreement, the Parties shall first attempt to resolve the matter through this dispute resolution process. The disputing Party shall notify the other Party in writing as soon as practicable after discovering the claim, dispute, or breach. The notice shall state the nature of the dispute and list the Party's specific reasons for such dispute. Within ten (10) business days of receipt of the notice, both Parties shall commence the resolution process and make a good faith effort, either through email, mail, phone conference, in person meetings, or other reasonable means to resolve any claim, dispute, breach or other matter in question that may arise out of, or in connection with this Agreement. If the Parties fail to resolve the dispute within sixty (60) days of the date of receipt of the notice of the dispute, then the Parties shall submit the matter to non-binding mediation in the county courts located within Bastrop County, Texas. The mediator shall be agreed to by the Parties. If the Parties cannot agree on a mediator, each Party shall select a mediator and the mediators selected by the Parties shall select a mediator to mediate the dispute. Each Party shall be liable for its own expenses, including attorney's fees; however, the Parties shall share equally in the costs of the mediation. If the Parties cannot resolve the dispute through mediation, then either Party shall have the right to exercise any and all remedies available under law regarding the dispute. Notwithstanding the fact that the Parties may be attempting to resolve a dispute in accordance with this informal dispute resolution process, the Parties agree to continue without delay all of their respective duties and obligations under this Agreement not affected by the dispute. Either Party may, before or during the exercise of the informal dispute resolution process set forth herein, apply to a court having jurisdiction for a temporary restraining order or preliminary injunction where such relief is necessary to protect its interests.

17. NOTICES. All notices permitted or required to be given by either Party under this Agreement to the other shall be in writing through each Party's authorized representative(s) as follows:

If to Aqua-Metric:

Thirkettle Corporation
DBA Aqua-Metric Sales Company
Attn: Christopher Newville
16914 Alamo Parkway, Building 2
Selma, TX 78154
Email: chris.newville@aqua-metric.com

If to Client:

City of Bastrop
Attn: Tracey Waldron
1311 Chestnut Street
Bastrop, Texas 78602

Any such notice shall be deemed to have been properly served if delivered in person or by mail, fax or email to the address of the representative designated above. The date of such notice shall be the date on which it is actually received by the Party to whom it is addressed.

18. AGREEMENT AUTHORIZED. Each party represents to the other party that: (i) it has the power and authority to execute and deliver this Agreement and perform its obligations hereunder; (ii) the execution, delivery, and performance of this Agreement has been duly approved and authorized by it; and (iii) the execution and delivery of, and performance by, such party of this Agreement does not and will not, directly or indirectly, (iv) require the consent, approval, or action of, or any filing or notice to (collectively, "Consents"), any corporation, firm, person or other entity or any public, governmental or judicial authority, which Consents have not already been obtained, (v) violate the terms of any instrument, document or agreement to which it is a party, or by which it is bound, or be in conflict with, result in a breach of or constitute (upon the giving of notice or lapse of time or both) a default under any such instrument, document or agreement, or (vi) violate any order, writ, injunction, decree, judgment, ruling, law rule or regulation of any federal, state, county, municipal, or foreign court or governmental authority applicable to it.

19. INDEPENDENT CONTRACTOR. The relationship of the Aqua-Metric to Client is that of an independent contractor, and this Agreement shall not create any joint venture, partnership, or similar relationship. Neither party shall represent itself as an agent or employee of the other party. Further, Aqua-Metric expressly warrants and represents that they alone are exclusively responsible for all terms and conditions of employment, including the compensation, of any and all personnel whom Aqua-Metric assigns to perform any of the services contemplated by this Agreement. Aqua-Metric further expressly represents and warrants that it maintains all applicable and required insurance (including workers compensation insurance) with respect to such personnel and that in no event shall Client be liable to any Aqua-Metric employee for any of the terms and conditions of their employment.

20. NON-SOLICITATION OF EMPLOYEES. Neither the Client nor Aqua-Metric shall, during the term of this Agreement and additionally for a period of one year after its termination, solicit for employment or employ, whether as employee or independent contractor, any person who is or has been employed by the other during the term of this Agreement, without the prior written consent of the person's employer. This provision shall not apply to an employee who responds to a general solicitation or advertisement of employment by either party.

21. CONFLICTS OF INTEREST. Aqua-Metric hereby warrants to the Client that Aqua-Metric has made full disclosure in writing of any existing or potential conflicts of interest related to Aqua-Metric's services under this Agreement. In the event that any conflicts of interest arise after the Effective Date of this Agreement, Aqua-Metric hereby agrees immediately to make full disclosure to the Client in writing.

22. ANTI-ISRAEL BOYCOTT PROVISION. Aqua-Metric certifies that it is not currently engaged in and agrees for the duration of the Agreement not to engage in a boycott of Israel.

23. REMEDIES. Except for remedies specifically designated as exclusive, no remedy conferred by the Agreement is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder, now or hereafter existing at law, in equity, by statute or otherwise. The election of any one or more remedies shall not constitute a waiver of the right to pursue other available remedies.

24. SEVERABILITY. If any term, provision or part of the Agreement is to any extent held invalid, void or unenforceable by a court of competent jurisdiction, the remainder of the Agreement shall not be impaired or affected thereby, and each term, provision, and part shall continue in full force and effect, and shall be valid and enforceable to the fullest extent permitted by law.

25. SUCCESSORS. This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective successors and assigns (if such assignment was properly made pursuant to this Agreement).

26. ASSIGNMENT. Aqua-Metric may not assign any of their respective rights or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of the other party, including any assignment or transfer in connection with a merger, reorganization, or sale of all or substantially all of the assets or equity of such party. Any attempted assignment in breach of this Section shall be void and Client shall have the right to terminate this Agreement as set forth herein. This Agreement shall bind and inure to the benefit of the parties, their respective successors and permitted assigns.

27. NONWAIVER. Any failure or delay by any party to exercise or partially exercise any right, power or privilege hereunder shall not be deemed a waiver of any of the rights, powers or privileges under this Agreement. The waiver by either party of a breach of any term, condition or provision of this Agreement shall not operate as, or be construed as, a waiver of any subsequent breach thereof.

28. ENTIRETY OF AGREEMENT. This Agreement, including any exhibits attached hereto and any documents incorporated herein by reference, contains the entire understanding and agreement between the Client and Aqua-Metric, their assigns and successors in interest, as to the matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with any provision of this Agreement.

29. GOVERNING LAW. This Agreement will be governed by and construed in accordance with the laws of the State of Texas.

30. FORUM SELECTION. The Parties agree that any action to interpret or enforce this Agreement shall be brought and maintained only in the county courts located within Bastrop County, Texas. The Parties consent to the exclusive jurisdiction of such courts and waives any objection either Party might otherwise have to jurisdiction and venue in such courts and Parties consent to service of process out of said State of Texas by regular U.S. mail to each Party or any other method of service permitted by such courts.

31. HEADINGS. The headings contained in this Agreement are for convenience of reference only and shall not limit or otherwise affect in any way the meaning or interpretation of this Agreement.

32. DEFINITIONS.

    32.1. "Thirkettle Corporation", "Aqua-Metric Sales Company" or "Aqua-Metric" shall include Thirkettle Corporation and its representatives, with respect to any person, any such person's directors, officers, employees, agents, consultants, advisors, accountants, attorneys or other representatives authorized to conduct business on behalf of Thirkettle Corporation.

    32.2. "City of Bastrop" or "Client" shall include City of Bastrop and its representatives, with respect to any person, any such person's directors, officers, employees, agents, consultants, advisors, accountants, attorneys or other representatives authorized to conduct business on behalf of City of Bastrop.

    32.3. Aqua-Metric's "Authorized Representative" means any and all directors and officers of the corporation, including any person(s) designated as an authorized representative by the board of directors of the corporation who has been duly authorized to bind Aqua-Metric into this Agreement with Client.

    32.4. Client's "Authorized Representative" means any and all elected officials, board members, council members, directors, officers, agents, employees, or designees thereof who have been duly authorized to bind Client into this Agreement with Aqua-Metric.

    32.5. "Advanced Metering Infrastructure ("AMI") System" is an integrated system of smart meters, communications networks, and data management systems that enables two-way communication between utilities and customers.

    32.6. "Sensus Software-as-a-Service and Spectrum Lease Agreement" is an agreement between the Client and Sensus USA, Inc. ("Sensus" including but not limited to the use of the Sensus AMI System, Sensus Analytics Software-as-a-Service ("SaaS"), Spectrum License Lease, and Support Standards.

    32.7. Sensus "Software-as-a-Service ("SaaS") means a software distribution model in which Sensus USA, Inc. hosts the Sensus Analytics software in a secure cloud environment and makes available to customers over the Internet.

32.8. "Software" means the computer software described as such in the Sensus Agreement, in machine-readable form only, as well as any updates which may be provided pursuant to the terms of this Agreement.

32.9. "Confidential Information" means documents, data, work product and any other sources of information designated as confidential in writing by Client or Aqua-Metric, as applicable, and any other information that a party should reasonably know is confidential in light of the circumstances surrounding its disclosure.

32.10. "Aqua-Metric Proprietary Materials" means (i) software and all computer programs, documentation, products, forms, tools, methodologies, processes and procedures which were developed and owned by Aqua-Metric or its subcontractors prior to the Effective Date or which are developed during the term of the Agreement by Aqua-Metric staff (including employees and subcontractors), expressly excluding any Client Work Product; and (ii) any modifications thereof and derivative works based thereon.

32.11. "Client Data" means any or all of the following, and all copies thereof, regardless of the form or media in which such items are held: (i) Confidential Information of Client, including, but not limited to, personally identifiable information; (ii) data and/or information provided or submitted by or on behalf of Client or any Client affiliate to Aqua-Metric regardless of whether considered Confidential Information; and (iii) data and/or information stored, recorded, processed, created, derived or generated by Aqua-Metric as a result of and/or as part of the Services, regardless of whether considered Confidential Information.

[Signature page on following page.]

33. COUNTERPARTS AND ELECTRONIC SIGNATURE. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by facsimile or other electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

Client signatory represents and warrants that the signatory has all necessary authorization to purchase and pay for the Services indicated herein.

THE TERMS AND CONDITIONS SET FORTH HEREIN SHALL NOT BE BINDING UNTIL FULLY EXECUTED BY AN AUTHORIZED SIGNATORY FOR BOTH CLIENT AND AQUA-METRIC (OR ITS APPLICABLE AFFILIATE).

IN WITNESS WHEREOF, this Agreement is hereby executed on behalf of each of the parties hereto as of the date signed by both parties below.

THIRKETTLE CORPORATION DBA AQUA-METRIC SALES COMPANY 4050 Flat Rock Drive Riverside, CA 92505	City of Bastrop 1311 Chestnut Street Bastrop, Texas 78602
____________________ Signature	____________________ Signature
____________________ Name (Printed or Typed)	____________________ Name (Printed or Typed)
____________________ Title	____________________ Title
____________________ Date	____________________ Date

EXHIBIT A

PROJECT PRICING

Kristy Segarra - Manager, Bids & Proposals
16914 Alamo Parkway, Building 2 • Selma, TX 78154
Phone: (210) 967-6300 • Fax: (210) 967-6305
Email: kristy.segarra@aqua-metric.com
www.aqua-metric.com

October 19, 2020

Quote for	City of Bastrop, Texas
Attention	Tracey Waldron
Address	1311 Chestnut Street
City, State, ZIP	Bastrop, Texas 78602
Phone:	(512) 332-8820
Email	twaldron@cityofbastrop.org

Quantity	Description	Unit Price	Extended
	Year One System and Setup Costs		
1	RNI Setup Fee	$7,956.25	$7,956.25
1	RNI Core Education	$5,500.00	$5,500.00
1	Sensus Analytics Setup Fee		Included
1	Sensus Analytics Basic Integration to CIS[8]	$4,000.00	$4,000.00
1	Sensus Analytics Training	$4,000.00	$4,000.00
1	CMEP Integration for Smart Energy Portal[8]	$2,500.00	$2,500.00
1	Project Management	$12,500.00	$12,500.00
1	Annual RNI Software-as-a-Service (SaaS) Fee, Water and Electric	$7,770.04	$7,770.04
1	Annual Sensus Analytics Enhanced SaaS Fee, Water Only	$3,885.01	$3,885.01
1	Annual Sensus Analytics Enhanced SaaS Fee, Electric Only	$3,885.01	$3,885.01
1	Annual CMEP Fee	$500.00	$500.00
1	Annual S50 Basestation Extended Warranty	$3,219.00	$3,219.00
1	Annual Aqua-Metric Maintenance and Support	$7,500.00	$7,500.00
		Total:	**$63,215.31**
		One-Time Fees:	**$36,456.25**
		Annual Fees[5,6]:	**$26,759.06**

This quotation on the product and services named, may be subject to the conditions noted below:

1. Net 30 Days to Pay
2. Freight Allow on orders over $7,500.00
3. Quote is valid until November 10, 2021.
4. Return product may be subject to 25% restocking fee
5. 3% Increase on all Annual Services; Minimum 5 Year Term
6. Pricing based on 2,960 Water Services and 2,777 Electric Services
7. Pricing does not include bonding
8. City's billing system may require system integration fees on their end. Aqua Metric is unable to determine those costs at this time

EXHIBIT B

SCOPE OF WORK

1. OBJECTIVE.

City of Bastrop ("Client") has engaged Aqua-Metric Sales Company ("Aqua-Metric") to furnish the services described hereunder to move Client's local Regional Network Interface ("RNI") to the Sensus remote data center. This Scope of Work ("SOW") describes the Services that will be rendered by Aqua-Metric, Sensus USA, Inc. ("Sensus"), and Client during the upgrade and migration of Client's Regional Network Interface ("RNI").

1.1. Project Management

A. Contractor Responsibilities

I. Designate a primary point of contact to oversee project deployment.

II. Coordinate Planning & Discovery Workshop with Client to review Project Plan, Deliverables, and Timeline.

III. Oversee the installation, upgrade, and configuration of existing AMI System Components

1. Sensus Basestation(s)
2. Regional Network Interface (RNI)
3. Sensus Analytics

IV. Advise Client on issues related to challenges with project activities or risk mitigation strategies.

V. Manage open Sensus trouble tickets.

VI. Conduct System Integration Testing with Sensus RNI, Analytics, and the Client Billing vendor.

VII. Support the development and implementation of the System Acceptance Test (SAT) per Section 3.4 below.

B. Client Responsibilities

I. Appoint a primary point of contact to coordinate with Contractor on the overall delivery of the solution described herein.

1. Coordinate project activities with Contractor and technical resources.
2. Schedule with necessary Client personnel for meetings with Contractor.
3. Assist Contractor and Sensus, with tasks which require Client involvement.
4. Provide a list of Client personnel for communications and distribution of information.
5. Establish a communication and activity plan with reporting requirements during the project implementation and which Client personnel will be available to participate in the project.
6. Develop and implement the SAT to plan for formal acceptance of the RNI and Sensus Analytics Software implementation per Section 3.4 below.
7. This primary point of contact will not have authority to bind Client to any amendment to the Agreement or Statement of Work as those must be signed by the City Manager.

2. SYSTEM DEPLOYMENT

2.1. Regional Network Interface

A. Set-Up and Integration

I. Contractor/Sensus Responsibilities

1. Provide technical resources and identify the detailed steps of the standard integrations to support the implementation, configuration, and integration of the RNI, Sensus Analytics, and Client Billing System.
2. Sensus shall setup and configure the hosted RNI environment within Sensus' Data Centers. Contractor/Sensus shall be responsible for proper configuration of the various Sensus systems and providing guidance to Client on various application configurations when different options are available.
3. Contractor/Sensus shall facilitate integration services on the Sensus side between the RNI, Sensus Analytics, and the Client's Billing System. Contractor/Sensus shall provide the data integration specifications for the Client billing system provider to Client and Client's billing system provider.
4. Contractor/Sensus will work with Client's IT organization to connect the old Sensus RNI with new SaaS RNI.

5. Contractor/Sensus will work with Client's IT organization to connect the existing basestation(s) to the new SaaS RNI to facilitate cutover to new RNI.
6. Contractor/Sensus will do standard data migration, which is normally a maximum of 60 days of data from the client's current Sensus RNI. Sensus will attempt, but may not be able to migrate any data, depending on the state of the client's current Sensus RNI. If more than 60 days is required, a change order and associated fees would be required if client's current RNI's data is migratable.

II. Client Responsibilities

1. Contract with Client's Billing System provider to create a sync file that will be sent to Sensus Analytics nightly as well as interface to receive readings from Sensus Analytics. There will also be a meter swap process to get the meter change out data into the billing system.
2. Client agrees to conduct and System Acceptance Testing (SAT) of the RNI, Analytics, and the Client Billing system as specified in Section 3.4 in a timely manner. Client agrees to provide formal acceptance of the RNI environment and Sensus Analytics in writing after completion of SAT.
3. Client is to provide the connectivity and network support to connect the existing RNI to New SaaS RNI. This is required for the duration of the parallel test of the old and new environments, and provides client with parallel environment for testing.
4. Client is to provide network connectivity/backhaul and support to connect the existing basestation(s) to the new SaaS RNI to facilitate cutover to new RNI.
5. Client is to provide the deployed meter size and type for each location in order to check the meter multiplier and to confirm correct programming.

2.2. Sensus Analytics

A. Setup and Integration with RNI

I. Contractor/Sensus Responsibilities

1. Sensus shall setup, install, and configure Sensus Analytics instance for Client.
2. Integrate the SaaS RNI environment with Sensus Analytics and ensure that data is successfully delivered from the RNI to Sensus Analytics.

II. Client Responsibilities

1. Coordinate with Contractor, internal departments and/or vendors to facilitate the setup and integration of the RNI, Sensus Analytics.

B. Configuration of Sensus Analytics with Client Billing System Vendor

I. Contractor/Sensus Responsibilities

1. Work to configure the RNI and/or Sensus Analytics, as appropriate, with Client's Billing System according to Client's system requirements.
2. Configure Sensus Analytics so that it can receive data from the Client's billing system. This is to ensure that updates to meter information are received daily from Client's billing system into Sensus Analytics.
3. Configure the Sensus Analytics, as appropriate, to accept incoming data files from billing system.
4. Configure the Sensus Analytics, as appropriate, to accept the read request file from billing, and export reads to the billing system.

II. Client Responsibilities

1. Engage with Contractor and coordinate with internal departments and/or vendors to facilitate the setup and integration of the RNI and Sensus Analytics.
2. Collaboration may include, but is not limited to, the creation and delivery of data synchronization files from the billing system.
3. Provide the communication path between Sensus Analytics and Client's billing system for the purpose of the data exchange. Any fees/costs for modification and testing of the billing interface for Client's billing system charged by the Billing System Vendor will be responsibility of Client.
4. Sensus Analytics will provide file exports for billing, based on the daily synchronization file from the Billing/CIS system. The Billing/CIS synchronization delivery, would need to be configured by Client or their Billing System Vendor with the following.
   a) Delivery Frequency: Daily

b) Delivery Method: files will be posted to Sensus Secure File Transfer Protocol ("FTP") site by Client
c) Delivery Format is delimited or fixed width
d) Additional synchronization fields as needed and may be requested by Client for reporting, search, and other functionality of Sensus Analytics during the initial setup. Changes after setup will require a separate Statement of Work.

2.3. Validation and Testing Services

A. AMI Read Validation Testing

I. Contractor/Sensus Responsibilities
1. Contractor shall work with Client to define the configuration for each meter type; meter configuration, and FlexNet Radio activation configuration.
2. Contractor to resolve any issues identified during first validation testing.

II. Client Responsibilities
1. Client shall inspect and test meters, packaging and documentation provided to verify that they meet configuration and functionality requirements.
2. Client shall complete testing within five (5) days of receipt of the meters.

III. Acceptance Criteria
1. Client shall verify that the configuration and functionality of each meter type is as was specified in configuration documentation and product documentation from Sensus.
2. Client shall verify that the meter can be read, understood and provided to the Client billing system.

B. System Integration Testing (SIT)

I. Contractor/Sensus Responsibilities
1. Contractor/Sensus will validate and test all functionality of the system prior to the cut-over production of the RNI environment. Validation and testing include the connectivity to/from the Basestations, integration between Sensus Analytics and Client billing system. Contractor will submit their SIT plan for review and approval by the Client and implement the plan as approved.
2. Contractor will swap the transceiver in the existing Sensus Basestation at the Watermelon water tower. There will be a final check to make sure all Basestations are at the appropriate hardware and firmware build for RNI, the radio frequency cards are at the required revision and Global Positioning System ("GPS") is configured and functional.
3. Update the firmware and/or hardware required for any Sensus Basestation required to function in order to facilitate the RNI implementation.
4. Test Sensus Basestation configuration and communication to the RNI.
   a) Coordinate with Client to test backhaul and ensure that network traffic is being routed properly to the RNI environment.
   b) Contractor shall validate and test meter data information and verify traffic is transferred from Sensus Basestation to RNI.
   c) Issue certain two-way commands to Client specified test meters to ensure two-way communication is working and functional.

II. Client Responsibilities
1. Support the SIT performed by the vendors to the extent necessary.

III. Acceptance Criteria
1. Contractor shall verify that all integrations specified in this FlexNet SOW and necessary for functionality between the Sensus RNI, Sensus Analytics, and the Client billing system are working as specified in approved design documents.

C. System Acceptance Testing (SAT)

I. Contractor Responsibilities
1. Work with Client to choose existing meters for validation testing:
   a) Select test 10 meters of each commodity type in various sizes.
2. Support and resolve issues identified during Client SAT
3. Support the SAT conducted by the Client.

II. Client Responsibilities

1. Perform SAT to verify that all integrations between the RNI, Sensus Analytics, and the Client Billing System have been satisfactorily completed to support go-live.
    a) Functional testing – On Demand Read (ODR), Events and alarms, meter reading, and billing end to end.
2. Provide written notice of the completion of SAT to the Contractor once successfully completed. Testing to be completed within thirty (30) days of completion of the installation of test meters.

III. Acceptance Criteria

1. Client to verify that SAT performed assured that all integrations specified in this FlexNet SOW and necessary functionality between the Sensus RNI, Sensus Analytics, and the Client billing system are working as specified in approved design documents.

D. Production Go-Live

I. Contractor Responsibilities

1. Assure that all SaaS systems for the RNI, Sensus Analytics are working correctly.
2. Work with Client to determine production go-live date and timeline. After proper validation and testing has been performed on the RNI system, Sensus Analytics, and the Client Billing System as described above, go-live activities will take place and Contractor will work with Client to begin using the RNI system, Sensus Analytics, and the Client Billing system for meter billing.
3. After Client has provided written acceptance of the RNI solution, Sensus Analytics, and integration between these systems, any go-live/cutover activities identified will be performed.

II. Client Responsibilities

1. Coordinate with Contractor to facilitate and complete all go-live/cutover activities.

3. TRAINING

3.1. Contractor will provide remote and on-site training for Client as detailed below. Product documentation will also be provided. Additional services and training can be provided to the Client as requested. Depending on project complexity and training requirements, Contractor will provide additional and/or refresher training as necessary.

A. Field Refresher Training

I. Handheld Operation
II. Safety & Security
III. Residential Meter and Commercial Meter Installation
IV. SmartPoint Activation
V. Verification of SmartPoint Activation
VI. Troubleshooting SmartPoint Issues

B. Sensus AMI Overview

I. Sensus FlexNet Architecture and Components
II. FlexNet Roles and Responsibilities
III. Device Manager Overview
IV. Analytics Overview
V. Billing Setup and Integration
VI. Device Manager
VII. Sensus Analytics Meter Insight
VIII. Sensus Analytics Billing Overview
IX. FlexNet and Analytics Alarms
X. Sensus Analytics Report Access

C. Expanded System Capabilities – Overview of the AMI system's capabilities, including administration functions.

4. ASSUMPTIONS

4.1. This FlexNet Network Implementation Scope of Work is limited to the planned Sensus FlexNet infrastructure proposed as of contract execution. The project is detailed within Exhibit A – Contract Pricing. Any additional request for further systems integration or ongoing management/maintenance of the system, will require a Change Request and pricing will reflect this change.

4.2. Any costs or fees associated with the Billing System and the Billing System Vendor for software and/or services are the responsibility of Client.

4.3. Any costs or fees to integrate other systems are not included in the current scope.

4.4. Client shall keep existing and be responsible for supplying all electrical and network connections to each Basestation site. Should Client prefer Contractor to provide electrical services, pricing may be provided upon request and concluding a site visit at each Basestation site.

STAFF REPORT

MEETING DATE: March 9, 2021 **AGENDA ITEM:** 12D

TITLE:
Consider action to approve Resolution No. R-2021-28 of the City Council of the City of Bastrop, Texas, regarding a proposed mixed use development project, authorizing and creating the Viridian Public Improvement District (formerly known as the NEU Community Bastrop), establishing the PID boundaries for a 410-acre tract adjacent to the city limits to the west of FM 969 and south west of the Colorado River (original owner David K. Grassel), review of draft conceptual plans, and consideration and approval of related land use development contractual documents involving DR Horton, and Continental Homes of Texas (Submitted by: Trey Job, Assistant City Manager)

STAFF REPRESENTATIVES:
Trey Job, Assistant City Manager for Community Development

BACKGROUND/HISTORY:
On December 8, 2020, City Council held a public hearing to create the boundaries for the NEU Communities Public Improvement District for a 410-acre tract adjacent to the city limits to the west of FM 969. At the December 8, 2020 meeting the request from NEU Communities also included a request to approve a professional services agreement that allows the city to be reimbursed for professional services such as legal, engineering and review by the city's financial advisor. Lastly as an additional agenda item NEU Communities requested approval of a development agreement between NEU Communities LLC and the City of Bastrop. Elements of the proposed agreement were not in favor of the City of Bastrop or its future residents nor did the exhibits meet the intent of the B3 Codes ultimately leading to a recommendation for denial by staff.

The outcome from the December 8, 2021 regular council meeting was as follows:

- Item 9G (Professional Service Agreement) Approved
- Item 9H (Public hearing and establishing the NEU PID boundaries) No action taken
- Item 9I (Approval of a development agreement) No action taken

Since the December 8th City Council Meeting the original developer leading the project has changed. Although the 410-acre property and Public Improvement District boundaries are the same the development team now is Continental Homes of Texas, L.P., a Texas limited partnership. This new development team has provided a concept plan that meets the connectivity intent of the B3 code and is a more traditional style of residential development.

Continental Homes of Texas has also asked that the boundaries of the PID be established in good faith to provide a level of security for the investment into the community. In order to provide a comfort level, I have requested additional items that will limit the city's risk and allow the city to establish the PID boundaries while negotiating the conditions of the development agreement and

finalizing the SAP. Those additional items are a dissolution agreement that will dissolve the PID boundaries by September 30, 2023 if special assessments are not levied before that date.
Also attached to this report is an executed copy of a professional services agreement to cover the city's cost for the professional services needed to review the multiple documents that will be required to complete the development agreement and the service and assessment plan.

FINANCIAL ANAYSIS:
City Staff consulted with the City's financial advisory service, Special Public Finance, Inc., and PID consultant, P3Works, LLC, who are both experienced with reviewing and establishing PIDs. After reviewing the initial financial analysis, Mr. Hofmann and I spoke with both consultants on the phone and the level of comfort for viability of the PID is good. They feel a more detailed analysis will need to be provided for the final SAP. However, because new developer has a tested product in the market they are sure it can be underwritten. In addition to more confidence in the product the financial team also understands that simply establishing the boundaries doesn't not commit the city to any financial burden.

Within the terms of the PID, the applicant is asking for up to $40,000,000 in financing to build the public improvements allowed by state law. At this time, the developer has not submitted a project cost that specifies what improvements will be covered with the district. This debt will be owned by the PID and managed by the Local Government Corporation with City oversight.

As previously mentioned the developer has submitted an executed PID Dissolution Agreement that they have offered as an option to mitigate the risk to the City. With the agreement in place, if the first issuance of the PID Bonds or a levy of special assessments does not occur by September 30, 2023, the City can take action to dissolve the PID.

DEVELOPMENT AGREEMENT:
Along with the PID Petition, dissolution agreement and professional service agreement the applicant plans to submit a draft development agreement by the end of March. This agreement will be reviewed by planning staff and the city's legal team and provide City Council with an opportunity to approve it at a later date.

FUNDING SOURCE:
To continue with the creation of the PID, creation of the required agreements and studies required to issue bonds, a Professional Service Agreement has been provided to cover the City costs, per Article 1.14 of the Bastrop Code of Ordinances.

POLICY EXPLANATION:
The City of Bastrop does not have an adopted Public Improvement District policy or process, so all requirements default to the requirements of the Texas Local Government Code, Section 372 – Improvement District in Municipalities and Counties

A Public Improvement District (PID) is a special district created by a City or County under the authority of Chapter 372 of the Texas Local Code. The statute allows for a city or county to levy a special assessment against properties within the District to pay for improvements to the properties within the District.

Public improvement projects may include:

1) landscaping
2) erection of fountains, distinctive lighting, and signs

3) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of-way
4) construction or improvement of pedestrian malls
5) acquisition and installation of pieces of art
6) acquisition, construction, or improvement of libraries
7) acquisition, construction, or improvement of off-street parking facilities
8) acquisition, construction, improvement, or rerouting of mass transportation facilities
9) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements
10) the establishment or improvement of parks
11) projects similar to those listed in Subdivisions (1)-(10)
12) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement
13) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement
14) payment of expenses incurred in the establishment, administration, and operation of the district
15) the development, rehabilitation, or expansion of affordable housing.

PUBLIC NOTIFICATION:
Per the Texas Local Government Code, Section 372.009, a notice of the public hearing was placed in the November 20, 2020 Austin American Statesman and a mailed notice was sent to the one property owner subject to the PID assessment on November 18, 2020. No mailed notice was sent to surrounding property owners, as the City and the Local Government Code has no mailed notice requirements.

At the time of this report, no responses have been received.

RECOMMENDATION:
ACM Job recommends approval of Resolution No. R-2021-28 of the City Council of the City of Bastrop, Texas, authorizing and creating the Viridian Public Improvement District, establishing the boundaries as shown in Exhibit A, establishing findings of fact; and establishing an effective date.

ATTACHMENTS:
- Resolution R-2021-28
- Executed professional service agreement
- Executed dissolution agreement
- PID boundary exhibit
- Draft concept plan

RESOLUTION NO. R-2021-28

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, AUTHORIZING AND CREATING THE VIRIDIAN PUBLIC IMPROVEMENT DISTRICT (FORMERLY KNOWN AS THE NEU COMMUNITY BASTROP), ESTABLISHING THE PID BOUNDARIES FOR A 410-ACRE TRACT ADJACENT TO THE CITY LIMITS TO THE WEST OF FM 969 AND SOUTH WEST OF THE COLORADO RIVER (ORIGINAL OWNER DAVID K. GRASSEL), REVIEW OF DRAFT CONCEPTUAL PLANS, AND CONSIDERATION AND APPROVAL OF RELATED LAND USE DEVELOPMENT CONTRACTUAL DOCUMENTS INVOLVING DR HORTON, AND CONTINENTAL HOMES OF TEXAS

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") authorizes the creation of public improvement districts; and

WHEREAS, owners of real property located in Bastrop County west of Bastrop County Road 969, and south west of the Colorado River, delivered to the City of Bastrop a petition (the "Petition") indicating the (i) the owner of more than 50% of the appraised value of the taxable real property liable for assessment and (ii) the owners of more than 50% of the area of all taxable real property liable for assessment within the District (the "Owner" or "Developer") have executed the Petition requesting that the City Council create the Viridian Public Improvement District (the "District"), as shown on Exhibit "A" (the "Map of the District"); and

WHEREAS, after providing the notices required by Section 372.009 of the ACT, the City Council of the City of Bastrop on December 8, 2020 conducted a public hearing on the advisability of the improvements and services related to the proposed District; and

WHEREAS, the City Council adjourned such public hearing held on December 8, 2020 and after receiving the public input and considering same, and evaluating the supporting information received by the City from the Developer, related to the creation of the District, the Council takes the following action.

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

Section 1. **Findings.** Pursuant to the requirements of the Act, the City Council, after considering the Petition for the proposed District and the evidence and testimony presented at the public hearing on March 9, 2021 hereby finds and declares:

(a) Advisability of Services and Improvements Proposed for the District. It is advisable to create the District to provide the services and improvements described in this Resolution; the services and improvements will contribute to the public health, safety, and welfare.

(b) Nature of the Services and Improvements. The general nature of the services and improvements to be performed by the District are:

(i) acquisition, construction and improvement of sidewalks, streets, other roadways, and rights-of-way;

(ii) acquisition, construction, and improvement of water, wastewater and drainage facilities;

(iii) landscaping;

(iv) establishment and improvement of parks;

(v) acquisition, construction, and improvement of off-street parking facilities;

(vi) projects similar to those listed in subsections (i) - (v) above authorized by the Act;

(vii) other improvement projects not listed in subsections (i) - (vi) above but that are authorized by the Act; and

(viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (vii) above, including costs of establishing, administering, and operating the District.

(c) Estimated Cost of Services and Improvements. The estimated amount of bonds to be issued for the District through assessments for the first three (3) years of the District ' s term, is not more than $40,000,000. The total bonded indebtedness over the term of the District is anticipated to be not more than $40,000,000. The petitioners have represented to the City that these amounts will be supplemented with (i) additional revenue expected to be received from governmental reimbursement and participation agreements, and (ii) developer equity investment and debt financing. These anticipated additional funds are expected to be detailed in the proposed Service Plan associated with the District.

(d) Boundaries. The District is located in the extraterritorial jurisdiction of the City of Bastrop, Texas. The boundaries of the District are shown on the Map of the District, Exhibit "A."

(e) Method of Assessment. District costs may be assessed using any methodology that results in the imposition of equal shares of the costs on property similarly benefited within the District.

The City shall exclude the following classes of property from assessment: (i) property of the City; (ii) property of the County; (iii) property owned by political subdivisions of the State of Texas and used for public purposes; and (iv) other property that is excluded by law or by agreement of the City and the petitioners.

(f) Assessment Roll and Setting of Rate. The City Chief Financial Officer shall annually prepare or have prepared an assessment roll and file that roll with the County Clerk, in conformity with the exemptions from the assessment established under subparagraph (e) above. The annual assessment installment for the first year for which bonds are issued shall not exceed __% of each parcel' s anticipated build out value per $100.00 valuation of taxable real property as shown on the tax rolls of the Bastrop Central Appraisal District.

Section 2. **Authorization and Creation.** The NEU Community Public Improvement District is hereby authorized and created as a Public Improvement District under the Act in accordance with the findings set forth in this Resolution as to the advisability of the services and improvements. The District shall be subject to the terms, conditions, limitations, and reservations contained in the findings of Section 1 of this Resolution.

Section 3: **Notice of Authorization.** The City Secretary is directed to give notice of the authorization of establishment of the District by publishing a copy of this Resolution once in a newspaper of general circulation in the City of Bastrop. Such authorization shall take effect and the District shall be deemed to be established effective upon publication of such notice. The District can be terminated as provided by law. Subject to the last sentence of this Section 3, the power of the City to continue to levy and collect assessments within the District pursuant to the Act will cease and the District will be dissolved following the date that a petition requesting dissolution is filed with the City Secretary of the City of Bastrop and the petition contains signatures of at least the number of property owners in the District to make the petition sufficient for creation of a public improvement district as provided in Section 372.005(b) of the Act, and a public hearing has been held by the City Council as described in Section 372.011 of the Act. If the District is dissolved, the District shall remain in effect for the purpose of meeting obligations of indebtedness.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 9th day of March, 2021.

APPROVED:

____
Connie B. Schroeder, Mayor

ATTEST:

____
Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (this "**Agreement**"), dated the ___ day of ____________, 2021 (the "**Effective Date**"), is entered into by, between, among and for the benefit of the City of Bastrop, Texas, a home rule city (the "**City**"), and Continental Homes of Texas, L.P., a Texas limited partnership (the "**Developer**").

WHEREAS, the Developer desires that the City enter into negotiations related to a new development of an area located within the City's jurisdiction (the "**Project**"); and

WHEREAS, the Developer desires that a public improvement district ("**PID**") be created to help finance certain public improvements necessary to provide water, wastewater, drainage and roadway facilities and development amenities for the Property more particularly depicted in <u>EXHIBIT A</u> attached hereto (the "**Property**"); and

WHEREAS, a petition to create a PID on the Property pursuant to Chapter 372 of the Texas Local Government Code has been submitted to the City; and

WHEREAS, the City and the Developer desire to negotiate a development agreement to provide for terms and conditions related to the Project (the "**Development Agreement**"); and

WHEREAS, the City and the Developer recognize and agree that the City will incur fees and associated expenses and costs for professional services for work to negotiate, develop, draft, and consider various concepts and documents in connection with its consideration of the PID and Development Agreement, including but not limited to the following: appraisal, legal publications, notices, public hearing expenses, attorney's fees, assessment administrator fees and special consultant fees (collectively, the "**Professional Services**"); and

WHEREAS, the City and the Developer recognize and agree that the fees anticipated to be incurred by the City for Professional Services directly related to the Project cannot be recouped by the City through standard administrative or permit fees; and

WHEREAS, the City's engagement of professionals to perform the Professional Services and its participation in the undertakings described above are voluntary and of value to the Developer and the Developer desires to reimburse the City's fees and expenses related to the Professional Services.

NOW THEREFORE, in consideration of the mutual promises set forth in this Agreement, the City and the Developer agree as follows:

1. <u>Recitals</u>. The representations, covenants and recitations set forth in the foregoing recitals and in this Agreement are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this paragraph.

2. Developer Payment.

(a) Delivery. Developer shall deliver, or shall have delivered, to the City the sum of $26,000.00 upon the effective date of this Agreement, and shall deliver to the City an additional sum of $100,000.00 upon the formation of the PID (the "**Developer Payment**") to pay for the Professional Services and the related expenses incurred by the City.

(b) Invoices. Fees for all Professional Services to be covered by the Developer Payment shall be evidenced by monthly invoices that describe the work performed by date and time entries (copies of which invoices shall be provided to Developer at least 10 days before they are paid).

(c) Segregation of Funds. The Developer Payment shall be deposited in a segregated account and not be commingled with any other City funds.

(d) Replenishment of Funds. If the cost of Professional Services exceed the Developer Payment, the City shall notify the Developer in writing and the Developer may elect to: (i) make one or more additional payment(s) of $20,000.00 each within thirty (30) days of such written request and such additional payment will be deposited by the City and utilized in the same manner described above, or (ii) negotiate in good faith to amend this Agreement to provide for a reasonable amount of additional payment by Developer.

(e) Non-contingent. The payment(s) made by the Developer under this Agreement are not contingent upon any outcome of the negotiations between the City and the Developer.

(f) Non-inclusivity. The Developer Payment is in addition to, not instead of, standard, generally-applicable administrative or permit fees required by ordinance for City consideration and approval of development approvals. Nothing herein relieves the Developer from the obligation to remit payment of applicable administrative and permit fees for authorizations sought from the City.

3. Termination.

(a) Means. This Agreement may be terminated by either party with or without cause upon delivering to the other party written notice of termination. Unless earlier terminated by Developer or the City, this Agreement shall automatically terminate when the City has created the PID and the initial series of PID Bonds have been issued by the entity designated to issue such bonds.

(b) Stop Work. Upon termination of this Agreement for any reason, the City shall take all reasonable steps necessary to terminate the accrual of costs to the Developer.

(c) Refund. Upon termination of this Agreement for any reason, any balance of the Developer Payment and any balance of any additional payment(s) made by Developer under this Agreement that exceed the City's fees, costs and expenses incurred as of termination shall be returned to Developer.

4. Relationship. Nothing in this Agreement creates a relationship between the Developer and the City's Professional Services providers. Furthermore, this Agreement does not grant the Developer access to any privileged or confidential data provided to the City by the City's Professional Services providers.

5. Entire Agreement. This Agreement constitutes the entire agreement between the Parties regarding Professional Services.

6. Notices. Any notice required or permitted by this Agreement shall be in writing and shall be deemed given upon delivery by a nationally recognized private service (e.g., FedEx or UPS) to the following respective addresses of the parties:

To the City:	City of Bastrop Bastrop City Hall 1311 Chestnut Street Bastrop, TX 78602
With a copy to:	Alan Bojorquez Bojorquez Law Firm, PC 11675 Jollyville Rd., Ste 300 Austin, TX 78759 Alan@TexasMunicipalLawyers.com
To the Developer:	Continental Homes of Texas, L.P. Attn: Adib Khoury 10700 Pecan Park Blvd, 4th Floor Austin, TX 78750 ARKhoury@drhorton.com

With a copy to:

Talley J. Williams
221 W. 6th Street, Ste 1300
Austin, Texas 78751
TWilliams@mwswtexas.com

EXECUTED in multiple counterparts, each of which shall constitute an original, to be effective upon the date of execution by both parties.

CITY:

CITY OF BASTROP,
a Texas home rule City

By: ______________________
Name: Connie Schroeder
Its: Mayor

Date:______________________

ATTEST:

By: ______________________
Ann Franklin, City Secretary

OWNER:

Continental Homes of Texas, L.P.,
a Texas limited partnership

By: CHTEX of Texas, Inc.,
a Delaware corporation
Its General Partner

By:______________________
Name: Adib Khoury
Title: Assistant Secretary

Date: March 1st, 2020

EXHIBIT A
PROPERTY

Agreement Regarding the Dissolution of the NEU Community Bastrop Public Improvement District (n/k/a Viridian Public Improvement District)

This Agreement Regarding the Dissolution of the NEU Community Bastrop Public Improvement District (n/k/a Viridian Public Improvement District) (the "Agreement") is entered into on this ______ day of March, 2021 by Continental Homes of Texas, L.P., a Texas limited partnership ("Owner") and the City of Bastrop, Texas (the "City"). The Owner and the City are hereinafter sometimes referred to collectively as the "Parties".

Whereas, David K. Grassel ("Original Owner") has requested the City establish the NEU Community Bastrop Public Improvement District (n/k/a Viridian Public Improvement District) (the "District") in that certain Petition for the Creation of a Public Improvement District to Finance Certain Improvements to NEU Community Bastrop Subdivision (the "Petition");

Whereas, since the Original Owner's submission of the Petition to the City, Owner has acquired the Property (defined below);

Whereas, it is contemplated that the City will approve the formation of the District over the property depicted in **Exhibit A**, attached hereto and incorporated herein (the "Property") for all purposes by a resolution (a "Resolution");

Whereas, the Owner, or Owner's successors or assigns, will request the City to levy special assessments within the District and issue, or cause to be issued, bonds to assist with the financing of certain public improvements identified in the Resolution (the "PID Bonds"); and

Whereas, the parties desire to provide for the dissolution of the District if special assessments are not levied or the PID Bonds are not issued by the deadline set forth herein;

NOW, THEREFORE, for and in consideration of the above recitals and the terms, conditions and agreements stated in this Agreement, the Parties agree as follows:

1. The Owner agrees that this Agreement constitutes Owner's petition to dissolve the District under Section 372.011, Texas Local Government Code, and the City is hereby authorized to dissolve the District, in the event that the first issuance of PID Bonds or a levy of special assessments does not occur by September 30, 2023 (the "Authorization") or upon the earlier written request of Owner. The Owner will not oppose the City's dissolution of the District undertaken in accordance with this Agreement, and will cooperate with the City to cause the District to be dissolved. The Authorization shall terminate and expire upon the earlier of (i) the levy of special assessments or (ii) the first issuance of the PID Bonds.

2. This Agreement shall be a covenant running with the land and shall be binding upon future owners of the Property or portions thereof and shall further be binding upon and inure to the benefit of the Parties, their successors, and assigns.

3. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflict of laws provisions, and venue shall lie in Bastrop County, Texas.

4. It is acknowledged and agreed by the Parties that time is of the essence in the performance of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement and this Agreement is effective as of the first date indicated above.

CITY:
City of Bastrop

Attest:

By:____________________________
Ann Franklin, City Secretary

By:____________________________
Connie Schroeder, Mayor

THE STATE OF TEXAS §
COUNTY OF BASTROP §

This instrument was acknowledged before me on this ____ day of _____________, 2021, by Connie Schroeder, Mayor of the City of Bastrop, Texas on behalf of said City.

(SEAL)

____
Notary Public, State of Texas

OWNER:

Continental Homes of Texas, L.P., (a Texas limited partnership)

By: CHTEX of Texas, Inc.
(a Delaware corporation)
Its General Partner

By: ____________________
Name: Adib Khoury
Title: Assistant Secretary

STATE OF TEXAS §
§
COUNTY OF WILLIAMSON §

This instrument was acknowledged before me this 2 day of March, 2021, by Adib Khoury, the Assistant Secretary of CHTEX of Texas, Inc., a Delaware corporation, General Partner of Continental Homes of Texas, L.P., a Texas limited partnership, on behalf of said corporation and said limited partnership.

____
Notary Public, State of Texas

[Seal]

ROXANNA LEBRON
Notary Public, State of Texas
Comm. Expires 02-03-2022
Notary ID 12969791-5

Exhibit "A"

The Property