CITY OF FAIR OAKS RANCH

CITY COUNCIL REGULAR MEETING

Thursday, June 17, 2021 at 6:30 PM

City Hall Council Chambers, 7286 Dietz Elkhorn, Fair Oaks Ranch

AGENDA

OPEN MEETING

1. Roll Call - Declaration of a Quorum
2. Pledge of Allegiance

CITIZENS and GUEST FORUM

To address the Council, please sign the Attendance Roster located on the table at the entrance of the Council Chambers. In accordance with the Open Meetings Act, Council may not discuss or take action on any item which has not been posted on the agenda. Speakers shall limit their comments to five (5) minutes each.

3. Citizens to be heard.

PRESENTATIONS

4. Presentation and discussion moderated by the City Attorney regarding the various roles and responsibilities of City Council. This workshop is intended and developed as an informal and interactive workshop with City Attorney Santee, City Manager Maples, and senior staff to assist in the orientation and integration of the new Council. Topics may include, but are not limited to the following:

   A. The City as the entity we all represent

   B. The City Charter

   C. The City Code and the difference between a Resolution and Ordinance

   D. The City Council meeting and the rights and responsibilities of council members

   E. Conflicts of Interest, Ethics, Nepotism

   F. Parliamentary Procedures

   G. Certain provisions of the Texas Public Information Act (TPIA) and Texas Open Meeting Act (TOMA)

   H. Litigation and the different ways coverage and representation work

   I. Confidentiality, attorney client privilege

   J. Your boards and commissions and the Municipal Development District (MDD)

CONSENT AGENDA

All of the following items are considered to be routine by the City Council, there will be no separate discussion on these items and will be enacted with one motion. Items may be removed by any Council Member by making such request prior to a motion and vote.

5. Approval of the June 3, 2021 Regular City Council meeting minutes.

   Amanda Valdez, Deputy City Secretary

6. Approval of the June 9, 2021 Special City Council meeting minutes.

   Amanda Valdez, Deputy City Secretary

REPORTS FROM STAFF/COMMITTEES/COUNCIL

7. Monthly Finance Update.

   Sarah Buckelew, CPA, Finance Director
   Joanna Merrill, Director of Human Resources and Communications

CONVENE INTO EXECUTIVE SESSION

Pursuant to Section 551.101 of the Open Meetings Act, Texas Gov't Code, a quorum of the governing body hereby convenes into closed session:

Sec. 551.071 (Consultation with Attorney) the City Council will meet in private consultation with legal counsel to seek the advice of its attorneys about pending or contemplated litigation, a settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Government Code; to wit:

8. To receive legal advice and to receive and deliberate an offer of settlement for claims made on behalf of a real property owner against the City's operation of well K-2.
9. To receive legal advice from Special Counsel and the City Attorney regarding the City's ground water rights.
10. Cause No. 2018-CI-00202; the City of Fair Oaks Ranch, Texas vs. Edward I. Hill, Robert E. Heckendorn, Craig M. Luitjen, Roger Fuentes, Wesley A. Pieper, Esther W. Hicks, William A. McDowell, Yolanda D. Ayala, PG Pfeiffer Ranches LLC, Maureen Pfeiffer Stevenson Family Trust.

RECONVENE INTO OPEN SESSION

Discussion and possible action on items discussed in Executive Session.

ADJOURNMENT

Requests for City topic needing additional information/research; or, potential consideration for a future agenda

Signature of Agenda Approval: s/Tobin E. Maples

Tobin E. Maples, City Manager

I, Christina Picioccio, City Secretary, certify that the above Notice of Meeting was posted on the outside bulletin board at the Fair Oaks Ranch City Hall, 7286 Dietz Elkhorn, Fair Oaks Ranch, Texas, and on the city's website www.fairoaksranchtx.org, both places being convenient and readily accessible to the general public at all times.

As per Texas Government Code 551.045, said Notice was posted by 6:30 PM, June 14, 2021 and remained so posted continuously for at least 72 hours before said meeting was convened.

The Fair Oaks Ranch City Hall is wheelchair accessible at the side entrance of the building from the parking lot. Requests for special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary's office at (210) 698-0900. Braille is not available. The City Council reserves the right to convene into Executive Session at any time regarding an issue on the agenda for which it is legally permissible; pursuant to Texas Government Code Chapter 551. Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

CITY OF FAIR OAKS RANCH

CITY COUNCIL REGULAR MEETING

Thursday, June 03, 2021 at 6:30 PM

City Hall Council Chambers, 7286 Dietz Elkhorn, Fair Oaks Ranch

MINUTES

OPEN MEETING

Council Present: Mayor Maxton and Council Members: Stroup, Elizondo, Koerner, Parker, and Muenchow

Council Absent: Council Member Hartpence

With a quorum present, the meeting was called to order at 6:30 PM.

CITIZENS and GUEST FORUM

1. Citizens to be heard.

   Rich Nichols asked Council to begin meetings with a positive message and recognize members of the community for their random acts of kindness.

   Jay Abbott, representative of the Fair Oaks Ranch Golf & Country Club, thanked Council for considering the agenda item regarding the Water Supply Agreement.

PRESENTATIONS

2. Joanna Merrill, Director of Human Resources & Communications, introduced the following new employees: Police Officers Hayden Griffiths and Iris Solis, IT Network Specialist, Jason MacDonald and Payroll & A/P Specialist, Amanda Sturgeon.

CONSENT AGENDA

3. **Approval of the May 19, 2021 Special City Council meeting minutes.**
4. **Approval of the May 20, 2021 Regular City Council meeting minutes.**

MOTION: Made by Council Member Elizondo, seconded by Council Member Muenchow, to approve the Consent Agenda.

VOTE: 6-0; Motion Passed.

CONSIDERATION/DISCUSSION ITEMS

5. **Consideration and possible action authorizing the City Manager to sign an Assignment and Assumption of the Fair Oaks Ranch Golf & Country Club Water Supply Agreement and a Temporary Assignment and Assumption of the Fair Oaks Club Corp Effluent Disposal Agreement.**

MOTION: Made by Council Member Elizondo, seconded by Council Member Koerner, to approve Assignor and Assignee request the City's consent to that certain Temporary Assignment and Assumption of the Effluent Agreement, attached hereto as Exhibit A, and to that certain Assignment and Assumption of the Potable Agreement, attached hereto as Exhibit B.

VOTE: 6-0; Motion Passed

6. **Consideration and possible action adopting a Charter for a Utility Rate Advisory Panel and determining ways and means of seating said panel.**

MOTION 1: Made by Council Member Elizondo, seconded by Council Member Koerner, to adopt the Water/Wastewater/Reuse Rate Study Advisory Panel Charter as written, except for the following modifications:

VOTE: As addressed in subsequent motion 6.

MOTION 2: Made by Council Member Elizondo, seconded by Council Member Koerner, to amend the first sentence in section "Composition, Size, and Recruitment of the Panel as follows: "The panel will be made up of no more than 15 ~~but not less than 12~~ members from the community with the members selected by Council after receiving and reviewing applicants".

VOTE: 6-0; Motion Passed

MOTION 3: Made by Council Member Koerner, seconded by Council Member Elizondo, to rename section 'Decision-Making Process and Role of Facilitator" to "Role of the Facilitator", and to amend as following:

"While the Panel will not be making any decisions for the City, their input will inform recommendation made for City Council and adoption. ~~*A consensus will be sought to reach agreement from the Panel on any recommendations to put forth to the Council. A consensus process means general agreement from most is achieved, but it is not a majority vote. Elements of a consensus-based recommendation include:*~~

- ~~*All parties agree with and support the recommendations publicly*~~
- ~~*No party blocks, obstructs, or otherwise criticizes the recommendations*~~
- ~~*Neutrality is considered support for consensus*~~

~~*Consensus can take many forms including:*~~

- ~~*An unqualified "Yes!"*~~
- ~~*I can accept the recommendation*~~
- ~~*I can live with the recommendation*~~
- ~~*I do not fully agree with the recommendation; however, I will not block it and I will support it"*~~

The facilitator will be responsible for record keeping and documentation of the meetings. After each meeting, the facilitator will prepare a meeting summary that captures the discussion, the outcomes, and next steps. The panel will be asked to review each summary for inclusion in the final report.

VOTE: 6-0; Motion Passed

MOTION 4: Made by Council Member Stroup, seconded by Council Member Koerner, to amend the section titled "Roles and Responsibilities of Panel Members" as follows: "Share information they learn with groups or people they represent *within the boundaries set by the facilitator*".

VOTE: 6-0; Motion Passed

MOTION 5: Made by Council Member Muenchow, seconded by Council Member Stroup, to amend the Section titled Advisory Panel Relationship and Duty to the Broader Public as follows: "Panel meetings can be open to the public so that the public can observe the Panel's work, however, ~~*we recommend that*~~ no public comment or questions *will* be permitted during the meetings. Opportunities for additional public input into the rate study process ~~*can*~~ *will* be provided ~~*through an alias email address (or form at website) to which residents can send ideas, questions, or concerns and through the Public Hearing process*~~.

VOTE: 6-0; Motion Passed

MOTION 6: Made by Council Member Elizondo, seconded by Council Member Muenchow, to amend his original motion to accept the changes to the charter document.

VOTE: 6-0; Motion Passed

MOTION 7: Made by Council Member Stroup, seconded by Council Member Muenchow, to approve the following method and timing for seating the Water/Wastewater/Reuse Rate Study Advisory Panel: release the application as soon as possible with a target due date for applications to be received no later than June 25, 2021, and presented to Council for consideration on July 1, 2021.

VOTE: 6-0; Motion Passed

7. **Consideration and possible action regarding opportunities to provide multi-platform access and participation to In-Person City Council meetings.**

MOTION: Made by Council Member Elizondo, seconded by Council Member Muenchow, to authorize staff to develop, as part of the budget process, an initiative to provide video streaming and teleconference interaction in support of citizens to be heard.

VOTE: 6-0; Motion Passed

REPORTS FROM STAFF/COMMITTEES/COUNCIL

8. John Merritt, CIAC Chairperson, provided to Council information and history about the CIAC as well as semi-annual reports for the meetings held in September 24, 2020 and March 30, 2021. His recommendation to Council at the moment is not to take action on the impact fee.

9. Christina Picioccio, City Secretary, presented to Council a proposed timeline regarding open positions on Boards and Commissions and the plan to fill the possibly 18 open positions.

CONVENE INTO EXECUTIVE SESSION

City Council convened into Executive Session at 8:29 PM regarding:

Sec. 551.071 (Consultation with Attorney) the City Council will meet in private consultation with legal counsel to seek the advice of its attorneys about pending or contemplated litigation, a settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Government Code; to wit:

11. Cause No. 2018-CI-00202; the City of Fair Oaks Ranch, Texas vs. Edward I. Hill, Robert E. Heckendorn, Craig M. Luitjen, Roger Fuentes, Wesley A. Pieper, Esther W. Hicks, William A. McDowell, Yolanda D. Ayala, PG Pfeiffer Ranches LLC, Maureen Pfeiffer Stevenson Family Trust.
13. Update on the pending police Administrative Hearing for a Report of Separation regarding former officer Richard Davila, and/or Richard J. Davila Jr. vs. City of Fair Oaks Ranch, Texas A/K/A City of Fair Oaks Ranch Cause No. 2021CI05780 (37th Judicial District, Bexar County, Texas), and other matters in connection therewith.

City Council did not convene into Executive Session regarding:

10. To receive legal advice and to receive and deliberate an offer of settlement for claims made on behalf of a real property owner against the City's operation of well K-2.
12. To receive legal advice from Special Counsel and the City Attorney regarding the City's ground water rights.

RECONVENE INTO OPEN SESSION

Mayor Maxton reconvened into Open Session at 9:29 PM. No action was taken.

ADJOURNMENT

Council Member Elizondo asked for an agenda item to discuss the Council's committee and liaison assignments.

Mayor Maxton asked for a presentation to the new Council Members regarding flooding issues. City Manager Maples relayed that there was already a plan to address this at a future meeting.

Mayor Maxton adjourned the meeting at 9:31 PM

ATTEST: Gregory C. Maxton, Mayor

Christina Picioccio, City Secretary

CITY OF FAIR OAKS RANCH

CITY COUNCIL SPECIAL MEETING

Thursday, June 09, 2021 at 1:00 PM

City Hall Council Chambers, 7286 Dietz Elkhorn, Fair Oaks Ranch

MINUTES

OPEN MEETING

Council Present: Mayor Maxton and Council Members: Stroup, Elizondo, Koerner, Parker, and Muenchow

Council Absent: Council Member Hartpence

With a quorum present, the meeting was called to order at 1:00 PM.

CITIZENS and GUEST FORUM

1. There were no citizens to be heard.

PURPOSE OF SPECIAL CALLED MEETING

2. **Presentation and discussion of the City's Water, Wastewater, and Reuse Master Plan, Utility System Capital Improvement Plan, and the draft FY 2021-22 Enterprise Fund Operating Budget.**

A presentation and discussion regarding the City's Water, Wastewater, and Reuse Master Plan, Utility System Capital Improvement Plan, and the draft FY 2021-22 Enterprise Fund Operating Budget were led by City Manager Tobin Maples, Finance Director Sarah Buckelew, General Engineering Consultant Oscar Michael "Mike" Garza, and representative from K Friese, Mike Persyn.

Mayor Maxton called for a ten-minute break at 2:55 PM.

Mayor Maxton reconvened that meeting at 3:06 PM.

MOTION: Made by Council Member Koerner, seconded by Council Member Elizondo, to approve capital projects to be included in the draft FY 2021-22 Enterprise Fund Budget as presented.

VOTE: 6-0; Motion Passed.

ADJOURNMENT

Mayor Maxton adjourned the meeting at 3:53 PM

ATTEST:

Gregory C. Maxton, Mayor

Christina Picioccio, City Secretary

CITY COUNCIL STAFF REPORT ITEM
CITY OF FAIR OAKS RANCH, TEXAS
June 17, 2021

AGENDA TOPIC:	Monthly Financial Update
DATE:	June 17, 2021
DEPARTMENT:	Finance
PRESENTED BY:	Sarah Buckelew, CPA, Finance Director

INTRODUCTION/BACKGROUND:

Purpose of this presentation is to review the City's financial condition and projections for this year's financial results.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Discussion/presentation item only. Refer to presentation.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

Discussion/presentation item only. Refer to presentation.

LEGAL ANALYSIS:

No formal action is required.

RECOMMENDATION/PROPOSED MOTION:

No formal action is required.

Monthly Financial Update

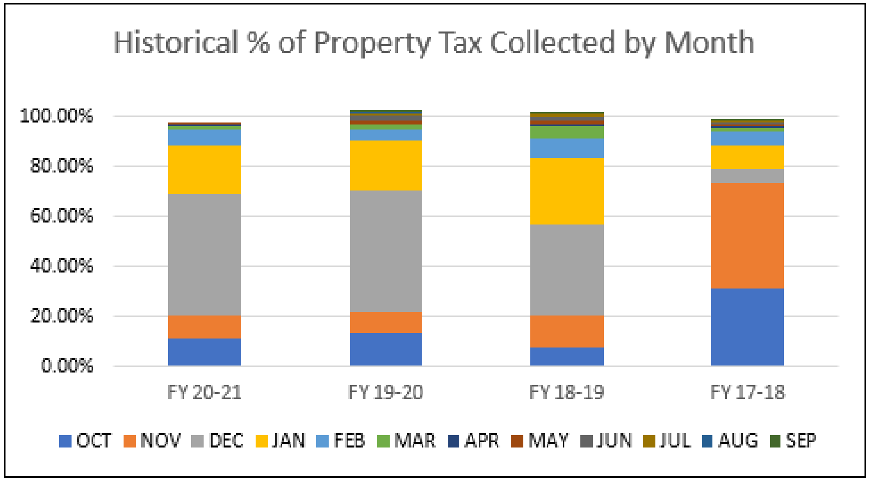
City of Fair Oaks Ranch

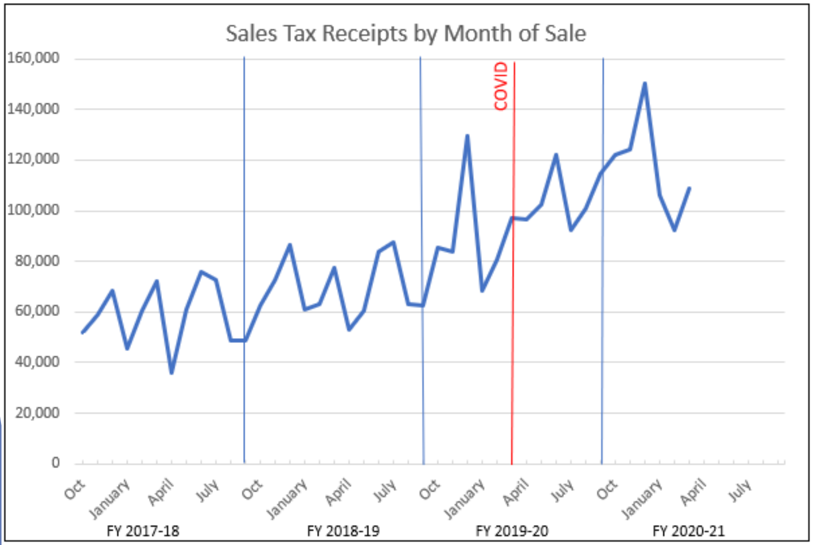
June 17, 2021

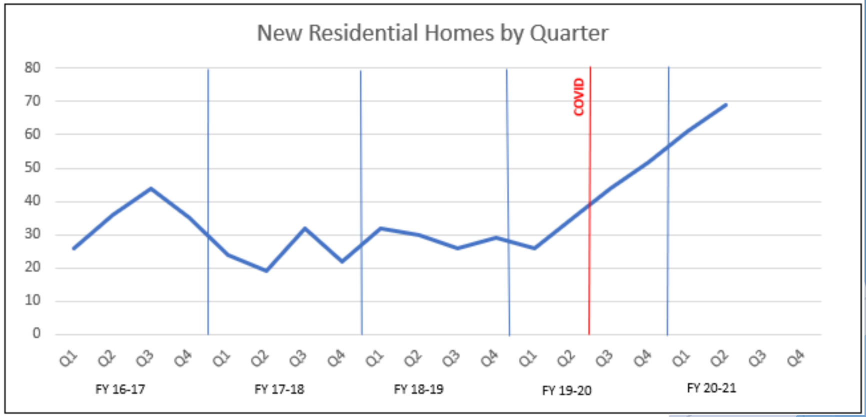
General Fund

General Fund Highlights Through May 31

- 97.7% of Budgeted Ad Valorem Tax levy collected through May.
- 97.7% of Budgeted Sales Tax Revenue collected through March sales.
- New Residential Home permits continues to rise.







General Operations Year-to-Date Summary
May 31, 2021
66.67% of Fiscal Year

	Original Budget	Budget Adjustments	Amended Budget	Projection	Amended Budget vs Projection		Year-to Date Actual	Percent of Budget	Budget Balance
Revenues:									
Taxes	6,161,691	423,237	6,584,928	7,286,219	701,291	(a)	6,403,672	97.2%	(181,256)
Franchise Fees	632,700	-	632,700	627,700	(5,000)	(b)	339,383	53.6%	(293,317)
Interest	69,000	-	69,000	20,000	(49,000)	(c)	3,767	5.5%	(65,233)
Permits	242,750	-	242,750	442,249	199,499	(d)	334,180	137.7%	91,430
Animal Control	3,400	-	3,400	1,400	(2,000)		445	13.1%	(2,955)
Fines & Forfeitures	100,263	-	100,263	110,263	10,000	(e)	84,289	84.1%	(15,974)
Fees & Services	268,711	-	268,711	255,296	(13,415)	(f)	179,442	66.8%	(89,269)
Miscellaneous Income	18,400	-	18,400	222,605	204,205	(g)	215,050	1168.8%	196,650
Transfers	240,000	165,648	405,648	362,642	(43,006)	(h)	244,638	60.3%	(161,010)
Total Revenues	**7,736,915**	**588,885**	**8,325,800**	**9,328,374**	**1,002,574**		**7,804,867**	**93.74%**	**(520,933)**
Expenditures:									
Personnel	4,751,988	95,081	4,847,069	4,342,749	(504,320)	(i)	2,751,128	56.76%	2,095,942
Supplies, Maintenance & Operations	702,325	20,464	722,789	779,692	56,903	(j)	147,426	20.40%	575,363
Professional Services	1,243,318	61,120	1,304,438	1,254,505	(49,933)	(k)	724,967	55.58%	579,471
Shared Services	371,466	29,750	401,216	373,242	(27,974)	(l)	273,691	68.22%	127,526
Capital Outlay	240,000	177,827	417,827	390,821	(27,006)	(h)	255,981	61.26%	161,846
Debt Service	-	-	-	-	-		-	0.00%	-
Transfers & Non-Cash Adjustments	442,993	15,000	457,993	457,993	-		457,993	100.00%	-
Total Expenditures	**7,752,090**	**399,243**	**8,151,333**	**7,599,002**	**(552,331)**		**4,611,185**	**56.57%**	**3,540,147**
Transfer to 6 month Reserve	157,251	-	157,251	157,251	-		160,597		
Allocated Fund Balance	(184,539)	-	(184,539)		184,539				
Restricted Fund Balance	12,113	-	12,113	(1,910)	(14,023)		4,406		
Use of Fund Balance	-	-	-	(16,823)	(16,823)		(16,823)		
Change in Unallocated Fund Balance	-	-	-	1,590,854	1,590,854		3,045,502		
Surplus/(Deficit)	**-**	**-**	**-**	**-**	**-**		**-**		

NOTES

(a) Sales Tax collections are at 97.7% of budget through March sales. Increased budget to reflect another six months of sales.
(b) Decreased projection for AT&T franchise fees due to SB1152.
(c) Decreased projection for interest based on current rates.
(d) Increased projection for New Residential Permits due to current growth.
(e) Increased court fines based on current YTD actuals.
(f) Decreased projection for Special fees and removal of Civic Center Rental Income.
(g) Covid Relief, WebEx refund and sale of patrol vehicle.
(h) Projection decreased for Public Safety Building HVAC contract less than budgeted.
(i) Updated projection to include vacancies for 2 Police Sergeants, Public Works Director, IT Tech and routine turnover. There are 15 positions currently vacant at the City. This projection of savings may increase if the City continues to have difficulty filling positions. This savings line is earmarked for use by City Council's direction only.
(j) Covid related supplies not budgeted; will be receiving Covid relief funds to offset.
(k) Decreased projection for City Secretary digitization and recodification, and Court professional fees to Judge and Prosecutor due to lower number of citations.
(l) Liability insurance lower than budgeted.

Why is there a General Fund Unallocated Fund balance from prior year?

Prior Year Unallocated Fund Balance 2019-20

Council took action in early Q2 2020 to freeze hiring and slow down or stop projects in response to the onset of the COVID pandemic, and seeing the financial impact to surrounding cities. At the same time, residents increased online spending instead of visiting brick-and-mortar establishments. This led to much higher sales tax revenues than originally forecasted. Additionally, as part of the year end close, Council took action to close this surplus out to unallocated fund balance in the anticipation that there were projects that would need to be started back up.

Prior Year surplus $1.3M – Primary drivers

Revenues were $820k higher than budget:

Surplus Sales Taxes	$421k	From online sales
Surplus Property Taxes	$112k	Levy was higher than budget due to outstanding valuation disputes that were resolved
Permits	$157k	Higher residential permits, and commercial permit for storage facility on I-10
COVID reimbursement	$50k	Grant Proceeds
Franchise Fees	$75k	Telecom Franchise Fee impact of SB1152 didn't impact us as much as expected

Expenses were $530 less than budget:

Personnel Savings	$400k	Savings due to turnover and then hiring freezes due to COVID
General Liab. Ins	$47k	Delay in the City Hall renovation and Civic Center Project
Equip. Purchases	$40k	Delay in purchasing PD vehicles due to COVID supply chain issues offset by overage on street sweeper
Prof. Services	$140k	Decrease legal fees due to fewer meetings and projects, savings in training/meetings/travel due to COVID
COVID Expenses	$(90k)	Higher expense for COVID expenditures – partially offset by grant above

Reminder of General Fund Unallocated Fund balance from prior year, current year budget surplus

▶ Projected 2019-20 Unallocated Fund Balance	$1,309,007
▶ Projected 2020-21 Surplus	$ 1,590,855
▶ Projected Available for Projects 9/30/21	$2,899,862

Uses under consideration	Estimate
• Annual Street Maintenance	TBD
• Drainage Repair at Rocking Horse	$100,000
• Phase 1 Stormwater Projects	$2.14 M
• 1 month operating expense	$603,663
• Fire protection contract	*increase already included in draft budget*
• Reduction in the M&O tax rate	$170k per $0.01/$100 valuation reduction
	*Est.

Item #7.

General Fund Strategic and Capital Projects

May 31, 2021

66.67% of Fiscal Year

	Budget	Budget Amendment	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance	Comments
Beginning Fund Balance	**1,006,190**		**1,154,394**	**1,154,394**	**1,154,394**		**1,006,190**	
Revenues:								
Grant Funding	600,000		600,000	-	-	0%	600,000	
Transfer from General Fund	152,500	15,000	167,500	167,500	167,500	100%	-	
Total Revenue	**752,500**	**15,000**	**767,500**	**167,500**	**167,500**	**21.8%**	**600,000**	
Financial Integrity								
Stormwater Funding	-	77,729	77,729	42,225	33,925	44%	43,804	Project has been cancelled.
Grants & Utilities Reporting	10,000		10,000	-	-	0%	10,000	No costs expected this FY.
Stormwater Utility Cost Center	50,000		50,000	-	-	0%	50,000	Project has been cancelled.
Total Financial Integrity	60,000	77,729	137,729	42,225	33,925		103,804	
Responsible Growth Management	-	See Note below	-					
City Right of Way Beautification	10,000		10,000	-	-	0%	10,000	Possible tree trimming for pre-construction.
Tree Preservation and Oak Wilt Program	15,000		15,000	9,000	3,318	22%	11,682	Decreased projection for Oak Wilt program savings
Total Responsible Growth Management	25,000	-	25,000	9,000	3,318		21,682	
Reliable & Sustainable Infrastructure								
Long-term Road Cond Analysis	-	32,754	32,754	41,020	41,020	125%	(8,266)	PY project completed.
City Civic Center	600,000		600,000	713	713	0%	599,288	
City Campus Renovation	436,729	16,500	453,229	13,814	13,814	3%	439,416	Design phase in progress, construction bids starting.
Total Reliable & Sustainable Infrastructur	1,036,729	49,254	1,085,983	55,546	55,546		1,030,438	

Note regarding Funding of the Civic Center:
Grant funding from the Municipal Development District has been made available in the amount not to exceed $600,000 for this project. Funding from the Municipal Development District comes from Sales Tax Revenue.

General Fund Strategic and Capital Projects continued

May 31, 2021

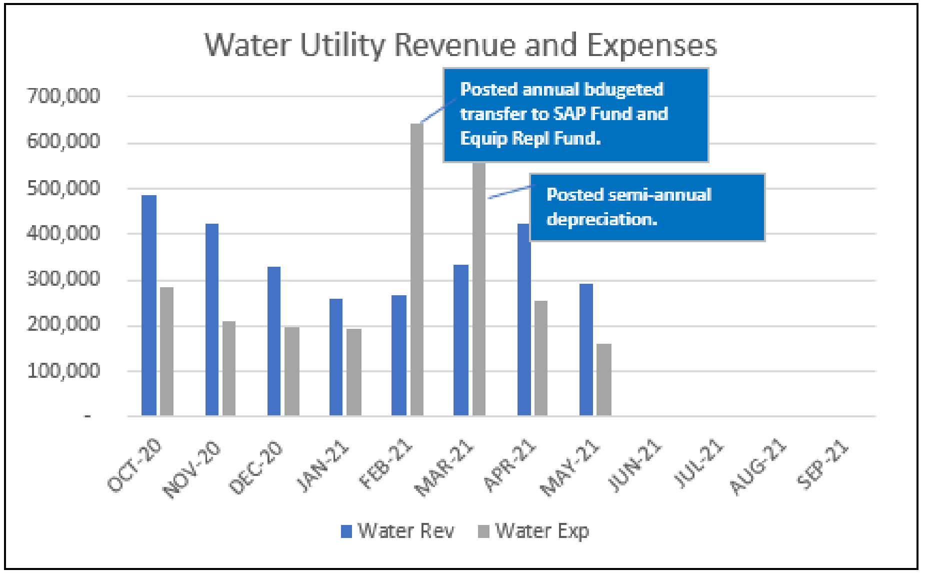
66.67% of Fiscal Year

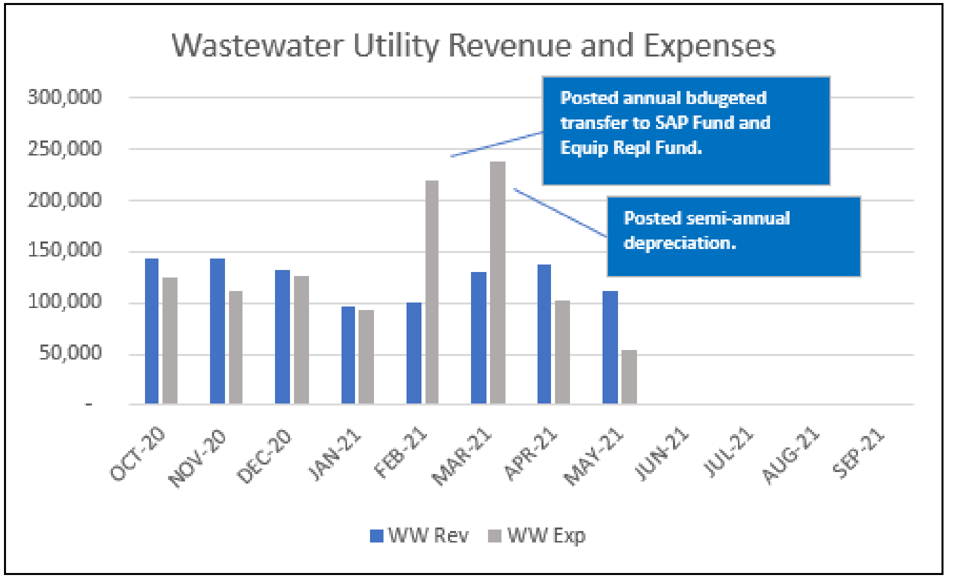
	Budget	Budget Amendment	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance	Comments
Beginning Fund Balance	**1,006,190**		**1,154,394**	**1,154,394**	**1,154,394**		**1,006,190**	
Revenues:								
Grant Funding	600,000		600,000	-	-	0%	600,000	
Transfer from General Fund	152,500	15,000	167,500	167,500	167,500	100%	-	
Total Revenue	**752,500**	**15,000**	**767,500**	**167,500**	**167,500**	**21.8%**	**600,000**	
Public Health, Safety and Welfare								
PS Command Structure Review	25,000		25,000	20,000	108	0%	24,892	Bid notice in newspaper.
Fire Services Program Review	25,000		25,000	20,000	108	0%	24,892	Bid notice in newspaper.
EMS Program Review	25,000		25,000	20,000	108	0%	24,892	Bid notice in newspaper.
Total Public Health, Safety and Welfare	75,000	-	75,000	60,000	324		74,676	
Operational Excellence								
Compensation & Benefit Plan Study	-	-	-	-	-	0%	-	
Employee Handbook	-	3,034	3,034	3,034	-	0%	3,034	PY unspent budget rolled forward for this project.
HR Technology Upgrade	-		-	-	-	0%	-	
Development Training Program	-		-	-	-	0%	-	
Communications & Mktg Strategy	29,000		29,000	29,000	6,773	23%	22,228	
Records Management	-	7,850	7,850	7,850	-	0%	7,850	PY unspent budget rolled forward for this project.
IT Risk Analysis	166,185		166,185	166,185	69,763	42%	96,422	
Public Communications Technology	-		-	-	-	0%	-	
City Records Digitization	26,000		26,000	26,000	-	0%	26,000	
Agenda and Minutes Software Program	10,000		10,000	6,600	6,600	66%	3,400	Project complete; savings for not implementing timestamp yet.
Ticketing with GIS Compatibility	12,500		12,500	12,500	-	0%	12,500	Procurement process started.
Total Operational Excellence	243,685	10,884	254,569	251,169	83,136		171,433	
Capital Outlays								
Infrastructure	-			-	-	0%	-	
Personal Property	261,000	4,239	265,239	4,559	4,559	2%	260,681	$250k for Civic Ctr/CH furniture; remaining from PY carryover for new FTE computers/furniture
Total Capital Outlays	261,000	4,239	265,239	4,559	4,559		260,681	
Total Expenditures	**1,701,414**	**142,106**	**1,843,520**	**422,498**	**180,807**	**9.8%**	**1,662,713**	
Revenue Over / (Under) Expenditures	**(948,914)**	**(127,106)**	**(1,076,020)**	**(254,998)**	**(13,307)**	**1.2%**	**(1,062,713)**	
Ending Fund Balance	**57,276**	**(127,106)**	**78,374**	**899,396**	**1,141,087**		**(56,523)**	

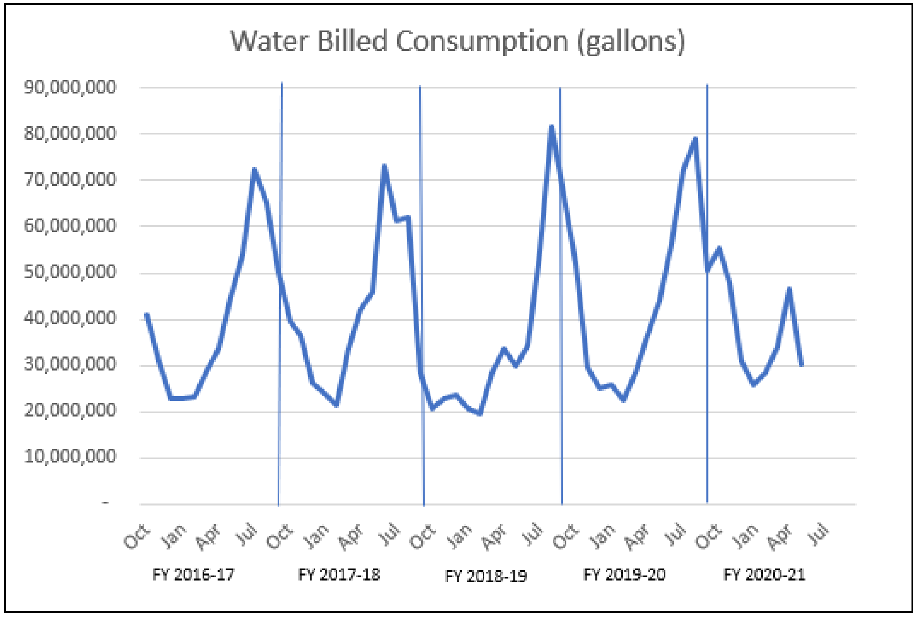
Enterprise Fund

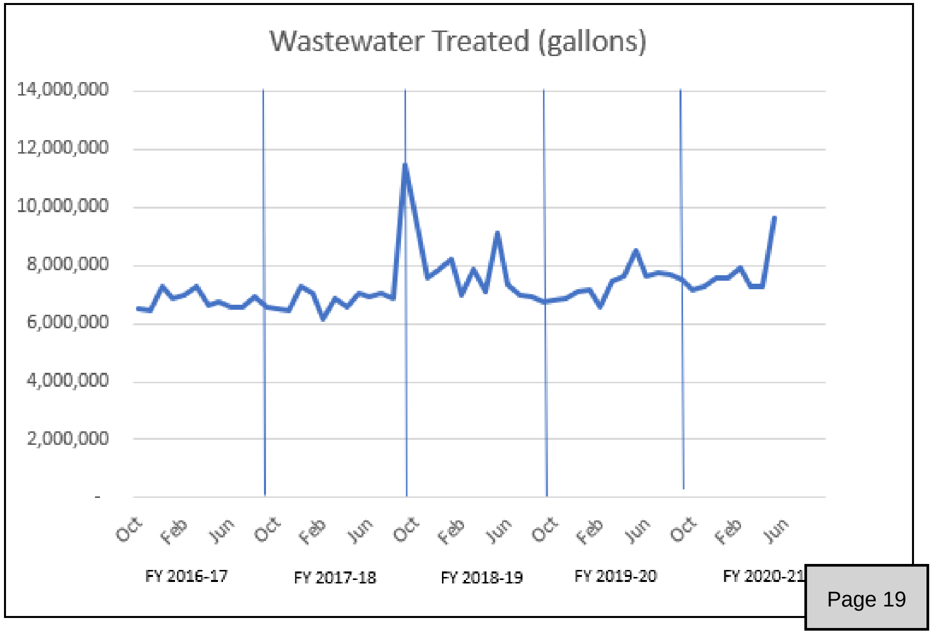
Item #7.

Enterprise Fund Highlights









Combined Utilities
May 31, 2021
66.67% of Fiscal Year

	Amended Budget	Projection	Amended Budget vs Projection		Year-to-Date Actual	Percent of Budget	Budget Balance
Revenues	5,402,116	5,502,146	100,030	(a)	3,809,919	70.5%	(1,592,196)
Operating Expenses	-						
Personnel	1,546,010	1,380,043	(165,967)	(b)	881,214	57.0%	664,796
Supplies, Maintenance & Operations	2,458,988	2,366,144	(92,844)	(c)	1,386,177	56.4%	1,072,811
Services	217,604	300,011	82,407	(d)	262,339	120.6%	(44,735)
Total Operating Expenses	4,222,602	4,046,198	(176,404)		2,529,731		1,692,871
Operating Income	1,179,513	1,455,948	276,434		1,280,189		100,675
Capital Outlay	1,784,628	796,206	(988,422)	(e)	252,254	14.1%	1,532,374
Debt Service Expense	81,040	21,824	(59,216)	(f)	9,552	11.8%	71,488
Transfers & Non-Cash	(305,069)	460,110	765,179	(g)	519,135	-170.2%	(824,204)
Net Income/(Loss)	**(381,086)**	**177,807**	**400,100**		**499,247**		**880,332**

Notes:

(a) Projection includes increase in Impact Fee revenue due to increase in rate and development.

(b) Updated projection to include vacancies for Public Works Director, IT Tech, and routine turnover.

(c) Projection decreased for Stormwater Utility expenses.

(d) Projection includes increase for water rights legal and professional fees.

(e) Projection decreased for halting Creek Crossing West waterline project.

(f) Projection includes updated bond interest for refinance of capital lease.

(g) Projection updated to reflect capitalizable project costs transferred to the Balance Sheet per GAAP.

Water Utility Fund Summary
May 31, 2021
66.67% of Fiscal Year

Item #7.

	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance	
Water Revenues	3,951,644	4,220,584	2,815,593	71.3%	(1,136,051)	Projection includes increase in Impact Fee revenue due to increase in rate and development.
Water Operating Expenses						
Personnel	836,075	693,360	449,148	53.7%	386,927	Updated projection to include vacancies for Public Works Director, IT Tech, and routine turnover.
Supplies, Maintenance & Operations	1,733,967	1,737,848	1,017,317	58.7%	716,650	
Services	117,908	217,908	225,211	191.0%	(107,303)	Water rights legal and professional fees not budgeted.
Total Water Operating Expenses	2,687,950	2,649,116	1,691,675		996,275	
Operating Income	1,263,694	1,571,468	1,123,917		(139,777)	
Capital Outlay	1,393,378	434,609	246,633	17.7%	1,146,745	See Schedule Below
Debt Service Expense	68,074	18,332	8,024	11.8%	60,050	Projection updated bond interest for refinance of capital lease.
Transfers & Non-Cash	(437,046)	328,133	363,146	-83.1%	(800,192)	Asset transfer to B/S once all invoices are in.
Net Income/(Loss)	**239,288**	**790,394**	**506,115**		**266,827**	

	Amended Budget	Projected	Actual	Budget Balance	Notes
Water CIP					
Elevated Storage Tank	482,318	62,890	62,890	419,428	Project may be put on hold.
Creek Crossings West Waterline	245,000	52,659	2,659	242,341	Project on hold; will be rolled forward to next Fiscal Year.
Plant 2 HydroTank and Variable Drives	364,810	42,810	28,735	336,075	Project will roll into next Fiscal Year.
SCADA System Upgrades	159,800	159,800	143,820	15,980	Project almost complete.
GIS Compatible Work Order System	6,250	6,250	-	6,250	Project in process.
Water Rate Study	75,000	50,000	-	75,000	Rate study is in process; will roll forward to next Fiscal Year.
Water System EPA Risk Assessment	40,200	40,200	8,529	31,671	Risk Assessment is in process, but will carry over to next Fiscal Year.
	1,373,378	414,609	246,633	1,126,745	
Water Operations					
Utility lights	5,000	5,000	-	5,000	
Towable Manlift	15,000	15,000	-	15,000	Procurement in process.
	20,000	20,000	-	20,000	
Total Capital Outlay	1,393,378	434,609	246,633	1,146,745	
	-	-	-	-	

Wastewater Utility Fund Summary
May 31, 2021
66.67% of Fiscal Year

Item #7.

	Amended Budget	Projection	Year-to-Date Actual	Percent of Budget	Budget Balance	
Wastewater Revenues	1,168,461	1,281,562	994,326	85.1%	(174,135)	Projection includes increase in Impact Fee revenue due to increase in rate and development.
Wastewater Operating Expenses						
Personnel	709,936	686,683	432,067	60.9%	277,869	Updated projection to include vacancies for Public Works Director, IT Tech, and routine turnover.
Supplies, Maintenance & Operations	673,994	628,297	368,860	54.7%	305,134	
Services	82,103	82,103	37,129	45.2%	44,974	
Total Wastewater Operating Expenses	1,466,033	1,397,082	838,055		627,978	
Operating Income	(297,572)	(115,521)	156,271		453,843	
Capital Outlay	391,250	361,598	5,622	1.4%	385,628	See Schedule Below
Debt Service Expense	12,966	3,492	1,528	11.8%	11,438	Projection updated bond interest for refinance of capital lease.
Transfers & Non-Cash	206,977	206,977	155,989	75.4%	50,988	
Net Income/(Loss)	**(908,765)**	**(687,587)**	**(6,868)**		**901,897**	

	Amended Budget	Projection	YTD Actual	Budget Balance	Notes
Wastewater CIP Fund					
Solids Handling	-	145,348	3,088	(3,088)	Prior Year unspent budget rolled forward for this project.
Future WWTP	200,000	50,000	-	200,000	Project on hold; will roll forward to next Fiscal Year.
GIS Compatible Work Order System	6,250	6,250	-	6,250	Project in process.
Wastewater Rate Study	75,000	50,000	-	75,000	Rate study is in process; will roll forward to next Fiscal Year.
Wastewater System EPA Risk Assessme	50,000	50,000	2,534	47,466	Risk Assessment is in process, but will carry over to next Fiscal Year.
	331,250	301,598	5,622	325,628	
Wastewater Operations					
Replacement Pump	5,000	5,000	-	5,000	No replacement pumps have been required.
Replacement Pump	5,000	5,000	-	5,000	No replacement pumps have been required.
Replacement Pump	5,000	5,000	-	5,000	No replacement pumps have been required.
Pump	45,000	45,000	-	45,000	Procurement in process.
	60,000	60,000	-	60,000	
Total budgeted purchases	391,250	361,598	5,622	385,628	
	-	-	-	-	