



City of Granite Shoals
City Hall
2221 N. Phillips Ranch Road
Granite Shoals, TX 78654
Phone (830) 598-2424 Fax (830) 598-6538
www.graniteshoals.org

NOTICE OF AGENDA
GRANITE SHOALS CITY COUNCIL
REGULAR CALLED CITY COUNCIL MEETING
GRANITE SHOALS, TX 78654
TUESDAY, FEBRUARY 8, 2022 AT 6:00 PM

AGENDA

This Notice and Meeting Agenda, and the Agenda Packet, are posted online at www.graniteshoals.org

Notice is hereby given of a meeting of the City Council of Granite Shoals, Texas to be held on the above-mentioned date, and location for the purpose of considering the following agenda items. All agenda items are subject to action. The City Council reserves the right to meet in closed session on any agenda item should the need arise and is applicable pursuant to authorization by Title 5, Chapter 551, or the Texas Government Code.

Topic: City Council Regular Called Meeting
Time: Feb 8, 2022 06:00 PM Central Time (US and Canada)
From desktop, smart phone or tablet:
Join Zoom Meeting
<https://us02web.zoom.us/j/86955749232>
Meeting ID: 869 5574 9232
Passcode: 905432
One tap mobile
888 788 0099 US Toll-free
Meeting ID: 869 5574 9232
Passcode: 905432

1. Call to Order/ Roll Call / Welcome
2. Invocation
3. Pledge of Allegiance to the flag of the United States and to the Texas Flag.
Texas Flag Pledge: Honor the Texas flag; I pledge allegiance to thee, Texas, one state, under God, one and indivisible.
4. Public Comment / Items of Interest:
 - 4.a Public Comments and Items of Interest.

At this time, any person with business before the Council not scheduled on the agenda may speak to the Council. No formal action can be taken on these items at this meeting. No discussion or deliberation can occur. Comments regarding specific agenda items should occur when the item is called. Anyone wishing to speak under this agenda item must complete a Comment Card and submit to the City Secretary prior to addressing the Council.
[Washington Birthday aka Presidents Day.pdf](#)

5. Public Hearing(s)

- 5.a Consider proposed Ordinance #826 to repeal and replace Ordinance #809-A Mining Regulations Ordinance, as discussed at the January 25, 2022 City Council regular meeting.
(City Manager Jeff Looney/City Attorney Josh Katz)
- 1.) Hold a Public Hearing.
 - 2.) Consider recommendation(s) from City Staff.
 - 3.) Discuss, consider and possibly take action related to proposed Ordinance #826.

[Ord. 809-A Mining Ordinance in city limits and ETJ 3 23 2021 version as passed.pdf](#)
[PH Notice for Ord 826 2 8 2022 as printed in Highlander News 1 28 2022.pdf](#)
[Ord. 826 Version 2 2 2022 Proposed repeal and replace mining ordinance \(01355113-5x7A30F\).pdf](#)

6. Presentations, Recognitions, Proclamations or Reports:

- 6.a Hear presentation, discuss, consider and possibly take action to accept the Audit report for City of Granite Shoals budget year 2020-2021 as presented by Lewis Breedlove, CPA.

Hear Presentation and formally accept report, as is done annually.

[Granite Shoals Annual Financial Report FY2021 - FINAL.pdf](#)

- 6.b 2021 Annual Racial Profiling Report - Police Chief Gary Boshears.
Hear Report. No action required.
[2021 Racial Profiling.pdf](#)

7. Meeting Minutes/Consent Agenda:

The items listed are considered to be routine and non-controversial by the City Council and will be approved by one motion, There will be no separate discussion of these items unless a Councilmember so requests, in which case the item will be removed from the Consent Agenda prior to a motion and vote. The item will be considered in its normal sequence of the regular agenda.

- 7.a Approve City Council Meeting Minutes from Regular Called Meeting January 25, 2022.
(City Secretary Elaine Simpson)
[20220125 granite-shoals-city-council reg called-_minutes_draft summary.pdf](#)

- 7.b Approve City Council Meeting Minutes from Special Called meeting February 1, 2022. (City Secretary Elaine Simpson)
[20220201 Spec. Called Mtg. Personnel Exec. Session mm..pdf](#)

8. Regular Items - items to be considered or upon which action may be taken:

- 8.a Discuss current regulations for Traffic Control Devices, Ord. 678 as passed 11-10-2015 as requested by Mayor Skinner at the City Council Regular Meeting of January 11, 2022.
(Police Chief Gary Boshears, Assistant City Manager Peggy Smith, City Manager Jeff Looney, City Attorney Josh Katz)
[Ord. 678 Revision of Traffic Control Ordinance signed by Mayor B and Brad Young for website approved 11 10 2015.pdf](#)
- 8.b Discuss proposed Ordinance and possible options for limiting consideration on the selling of City Parks, as requested at the City Council Regular Called meeting on January 25, 2022.
(Council Member Phil Ort, City Attorney Josh Katz.)
- 8.c Discuss issues related to the three dollar (\$3) optional donation fee on the city utility bills which benefit the Police Officers Association, the Fire Auxiliary and the Marble Falls Area EMS, respectively. *(Assistant City Manager Peggy Smith, Finance Director Russell Martin and City Manager Jeff Looney)*
- 8.d Discuss, consider and possibly take action related to projects, including but not limited to: update on engineering work from TRC, improvements at the water treatment plant, project to install/replace new water lines and fire hydrants, project to construct a new water storage tank at Bluebriar Drive at Phillips Ranch RD, improvements to the groundwater system, and extension of water intake pipe project. *(City Manager Jeff Looney/Utility Director/ACM Peggy Smith)*
This is a 'standing' item on each Regular City Council agenda allowing the Council to get the latest updates on projects related to grants, or to the 2019 Water Bonds.

9. Management Reports Management Report Topics Listed for City Manager, Assistant City Manager and City Secretary

- 9.a City Manager Management Report:
- Update on baseball field.
 - Update on Clean Up efforts / projects
- 9.b Assistant City Manager / Finance Director Russell Martin Management Report
- Draft of 5 Year Capital Plan as discussed 1-25-2022
- 9.c City Secretary / HR Manager Management Report *(Elaine Simpson)*
- City Vacancies - these vacancies, including all job descriptions/job ads are on the city website www.graniteshoals.org :
 - Parks / Recreation Coordinator
 - Public Works Maintenance Technician (2 vacancies)
 - Utility Water Operator
 - Elections Update - calendar, candidates, etc. related to upcoming elections.
[Granite Shoals City General Officers Election 5 7 22 Calendar Highlights.pdf](#)

10. Future Agenda Items

10.a Future Agenda Items

An agenda item where the agenda calendar planning document is reviewed and future agenda items are identified.

[Granite Shoals Agenda calendar 2-8-2022.pdf](#)

11. Adjournment

CERTIFICATION

I certify that the foregoing agenda has been posted at Granite Shoals City Hall, 2221 N. Phillips Ranch Road, both on the indoor bulletin board and outdoor notice boards of City Hall which are accessible to the public at all times, and the city website at www.graniteshoals.org Friday, February 4, 2022 on or before 6 PM. and shall remain there continuously from such time until after this meeting is adjourned which begins on Tuesday, February 8, 2022 at 6 PM. Requests for accommodations or interpretive services must be made 8 hours prior to this meeting. Please contact the City Secretary at (830) 598-2424 for further information.

Elaine Simpson, TRMC/MMC, City Secretary

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any matters listed on the agenda, as authorized by Texas Government Code Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), 551.087 (economic development), and/or 418.183 (homeland security).

V.T.C.A., Penal Code § 42.05, § 42.05. Disrupting Meeting or Procession

(a) A person commits an offense if, with intent to prevent or disrupt a lawful meeting, procession, or gathering, he obstructs or interferes with the meeting, procession, or gathering by physical action or verbal utterance.

(b) An offense under this section is a Class B misdemeanor. Credits: Acts 1973, 63rd Leg., p. 883, ch. 399, § 1, eff. Jan. 1, 1974. Amended by Acts 1993, 73rd Leg., ch. 900, § 1.01, eff. Sept. 1, 1994. V. T. C. A., Penal Code § 42.05, TX PENAL § 42.05 - Current through the end of the 2015 Regular Session of the 84th Legislature.

Pursuant to Section 551.045 of the Texas Government Code, reserves the right of City Council to hear emergency items when there is imminent threat to public health and safety.





City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 4.a

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary / HR Manager

Department: Administration

AGENDA CAPTION

Public Comments and Items of Interest.

At this time, any person with business before the Council not scheduled on the agenda may speak to the Council. No formal action can be taken on these items at this meeting. No discussion or deliberation can occur. Comments regarding specific agenda items should occur when the item is called. Anyone wishing to speak under this agenda item must complete a Comment Card and submit to the City Secretary prior to addressing the Council.

BACKGROUND

- At this time, any person with business before the Council not scheduled on the agenda may speak to the Council.
- No formal action can be taken on these items at this meeting.
- No discussion or deliberation can occur.
- Comments regarding specific items should occur when the item is called on the agenda.
- Anyone wishing to speak under this agenda item should complete a “Comment Card” and submit it to the City Secretary prior to addressing the Council, if possible.
- During video conferenced meetings, public comments are accepted via email to the City Secretary citysecretary@graniteshoals.org up to 2 hours before the meeting begins.

Texas Government Code, Section 551.042. Sec. 551.042. INQUIRY MADE AT MEETING.

(a) If, at a meeting of a governmental body, a member of the public or of the governmental body inquires about a subject for which notice has not been given as required by this subchapter, the notice provisions of this subchapter do not apply to:

- (1) a statement of specific factual information given in response to the inquiry; or
- (2) a recitation of existing policy in response to the inquiry.

(b) Any deliberation of or decision about the subject of the inquiry shall be limited to a proposal to place the subject on the agenda for a subsequent meeting.

V.T.C.A., Penal Code § 42.05, § 42.05. Disrupting Meeting or Procession

(a) A person commits an offense if, with intent to prevent or disrupt a lawful meeting, procession, or gathering, he obstructs or interferes with the meeting, procession, or gathering by physical action or verbal utterance.

(b) An offense under this section is a Class B misdemeanor.

Credits: Acts 1973, 63rd Leg., p. 883, ch. 399, § 1, eff. Jan. 1, 1974. Amended by Acts 1993, 73rd Leg., ch. 900, § 1.01, eff. Sept. 1, 1994. V. T. C. A., Penal Code § 42.05, TX PENAL § 42.05 - Current through the end of the 2015 Regular Session of the 84th Legislature

Staff Announcements (announcements of community interest) :

The Texas Open Meetings Act effective September 1, 2009, provides that “a quorum of the city council may receive from municipal staff, and a member of the governing body may make, a report regarding items of community interest during a council meeting without having given notice of the subject of the report, provided no action is taken or discussed.”

The law provides that an “item of community interest” includes the following:

- expressions of thanks, congratulations, or condolence;
- information regarding holiday schedules;
- honorary recognitions of city officials, employees, or other citizens;
- reminders about upcoming events sponsored by the city or other entity that is scheduled to be attended by a city official or city employee; and,
- announcements involving imminent public health and safety threats to the city.

The Open Meetings Act does not allow Council to discuss an item concerning pending City Council business unless it is specifically, appropriately posted on the agenda.

OPTIONS
RECOMMENDATION
FISCAL NOTES (IF APPROPRIATE)
ATTACHMENT(S) (IF APPROPRIATE)

- [Washington Birthday aka Presidents Day.pdf](#)



The City of Granite Shoals offices will be closed on Monday, February 21, 2022 in observance of Presidents Day holiday.



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 5.a

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary / HR Manager for City Manager Jeff Looney

Department: Administration

AGENDA CAPTION

Consider proposed Ordinance #826 to repeal and replace Ordinance #809-A Mining Regulations Ordinance, as discussed at the January 25, 2022 City Council regular meeting. *(City Manager Jeff Looney/City Attorney Josh Katz)*

- 1.) Hold a Public Hearing.
- 2.) Consider recommendation(s) from City Staff.
- 3.) Discuss, consider and possibly take action related to proposed Ordinance #826.

BACKGROUND

If the City Council wishes to consult with City Attorney Josh Katz in closed session, they will recess the open meeting and convene in Executive (Closed) Session under Consultation With Attorney, Texas Government Code 551.071 to discuss legal questions related to the proposed revisions to Ord. 809-A, the Mining Ordinance.

At the January 25, 2022 City Council Regular Meeting, the Council was introduced to the first draft version of proposed Ord. 826. After meeting in executive session to consult with attorney Josh Katz, the Council proceeded to set a Public Hearing to be held tonight on the proposed Ordinance. The public hearing notice was printed in the legal section of the city's newspaper of record THE HIGHLANDER on Friday, January 28, 2022. On Monday, January 31, 2022, the City Secretary notified all 'interested stakeholders' regarding this Public Hearing, as directed by City Manager Jeff Looney.

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)

ATTACHMENT(S) (IF APPROPRIATE)

- [Ord. 809-A Mining Ordinance in city limits and ETJ 3 23 2021 version as passed.pdf](#)
- [PH Notice for Ord 826 2 8 2022 as printed in Highlander News 1 28 2022.pdf](#)
- [Ord. 826 Version 2 2 2022 Proposed repeal and replace mining ordinance \(01355113-5x7A30F\).pdf](#)

ORDINANCE NO. 809-A

“Mining Activities Ordinance In City Limits And Portions Of ETJ”

AN ORDINANCE OF THE CITY OF GRANITE SHOALS, TEXAS, TO AMEND PART II, CHAPTER 10 (BUSINESSES AND BUSINESS REGULATIONS) AND ADOPT NEW ARTICLE VI (MINING ACTIVITIES) GENERALLY PROHIBITING MINING ACTIVITIES WITHIN THE CITY LIMITS AND EXTRATERRITORIAL JURISDICTION; PROVIDING FOR FINDINGS OF FACT; SAVINGS; SEVERABILITY; REPEALER; AN EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.

WHEREAS, the City Council of the City of Granite Shoals (“City”) seeks to provide for the health, safety, and welfare of its citizens; and

WHEREAS, pursuant to Texas Local Government Code Section 42.001, the City may adopt ordinances pertaining to its extraterritorial jurisdiction (“ETJ”) in order to protect the health, safety, and welfare of citizens residing in and adjacent to the City; and

WHEREAS, pursuant to Texas Local Government Code Section 217.042(a), the City may define and prohibit any nuisance within 5,000 feet outside of its City limits; and

WHEREAS, the City Council has found and determined that land surface mining operations involving the excavation of the surface of land for the exploration and/or production and removal of granite, granite gravel, coal, uranium, lignite, minerals, soils, sand, and stones should be prohibited because the attendant noise and dust associated with such mining or excavation operations have a detrimental effect on the health and welfare of persons living or working nearby and constitute a public nuisance, and such mining and excavation operations create an attractive nuisance to children and constitute a danger thereto, and such mining and excavation operations are detrimental to the property values of nearby property; and

WHEREAS, the Council has the authority to enact the provisions of this ordinance pursuant to its police power and Section 2.04 of the City Charter;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRANITE SHOALS, TEXAS:

SECTION I. FINDINGS OF FACT

All of the above premises are hereby found to be true and correct legislative and factual findings of the City of Granite Shoals and are hereby approved and incorporated into the body of this ordinance as if copied in their entirety.

SECTION II. REPEAL, ADOPTION, AND AMENDMENT

Part II (Code of ordinances), Chapter 10 (Businesses and Business Regulations), is hereby amended as follows:

“ARTICLE VI. MINING ACTIVITIES

Sec. 10-110 Definitions. The following words, terms, and phrases, when used in this Ordinance, shall have the meanings ascribed to them in this section except where the context clearly indicates meaning:

Continuous operation means a time in which surface or subsurface excavation, stockpiling, quarry, and mine improvements, sales of material, shipping of material, processing and/or reclamation has occurred within the past one (1) year by the owner or operator of a mine

Excavation means the removal of earthen material, rock, minerals, or soil to create a depression below the original topography in a commercially significant quantity.

Mine means a pit or excavation in the earth used for resource extraction, including, but not limited to, mining, excavating, or any use that is obnoxious or offensive by reason of odor, dust, smoke, gas, or noise.

Variance means a permit to engage in an act contrary to a usual rule, for example, the prohibitions against mining contained in this article.

Sec. 10-111. Mining Prohibited.

- (a) Mining Prohibited. Mining and excavation is generally prohibited in the municipal limits. Except as otherwise provided herein, the City prohibits mining operations, including any and all production and excavation operations within the City's municipal limits and within the portion of the City's ETJ that is within 5,000 feet of its municipal limits.
- (b) Continuous operations. The prohibitions of this ordinance do not apply to a mining operation that is in continuous operation as of the effective date of this Ordinance; provided, however, that the prohibitions of this Ordinance shall apply to a mining operation that ceases to remain in continuous operation upon the occurrence of one or more of the following:
 - a. The failure of the mining operation to remain in continuous operation for a period of over ninety (90) days.
 - b. The property upon which the mining or excavation site is located is conveyed to another person, either by sale, lease, or other grant of real property rights.
- (c) Excavation sites, and mining operations that lose their exemption as noted herein above, shall within ninety (90) days of losing the exemption, either be brought into compliance

with this Code, or take action to obtain a variance to operate as an expanded excavation site, or mining operation.

Sec. 10-112. Variances.

Variances for excavation and surface mining operations may be issued by the City Council upon approval of a petition for a variance to conduct an excavation or surface mining operation(s) within the city limits. All petitions for variances must be in writing, addressed to the City Council and include, at a minimum, the following information: Name, address, and phone number of petitioner; physical address for which the variance is being requested; petitioner's relationship to the property; detailed description of the operation to be conducted; period of time for which the variance is sought; and any other information deemed pertinent by either the City Manager or the petitioner. The City Council shall evaluate all information pertinent to the variance request. The decision of the City Council is final and not subject to appeal.

SECTION III. SAVINGS

The repeal of any ordinance or part of ordinances effectuated by the enactment of this ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the City under any section or provisions of any ordinances at the time of passage of this ordinance.

SECTION IV. SEVERABILITY

If any provision, section, sentence, clause or phrase of this ordinance, or the application of the same to any person or set of circumstances is for any reason held to be unconstitutional, void, invalid, or unenforceable, the validity of the remaining portions of this ordinance or its application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council of the City of Granite Shoals in adopting, and of the Mayor in approving this ordinance, that no portion thereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity of any portion, provision or regulation.

SECTION V. REPEALER

The provisions of this ordinance shall be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein, provided, however, that all prior ordinance or parts of ordinances inconsistent or in conflict with any of the provisions of this ordinance are hereby expressly repealed to the extent that such inconsistency is apparent. This ordinance shall not be construed to require or allow any act which is prohibited by any other ordinance.

SECTION VI. EFFECTIVE DATE.

This ordinance shall take effect immediately from and after its passage and publication as may be required by governing law.


SECTION VII. NOTICE AND 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, Chapter 551 of the Texas Government Code.

READ, PASSED, AND ADOPTED THIS 23 DAY OF MARCH, 2021.


Will Skinner, Mayor

ATTEST:


Elaine Simpson,
City Secretary

APPROVED AS TO FORM:

Josh Katz,
City Attorney

The Highland Lakes Classifieds Marketplace

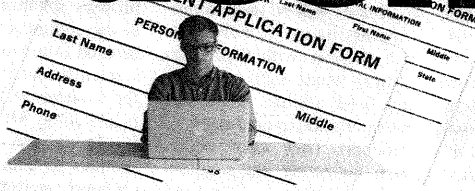
Classified



5B

January 28, 2022

The Highlander
Marble Falls, Texas



The Burnet B

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DEADLINE Tuesday Issue: WORD ADS: Tuesdays at 12 Noon
Classifieds@margie@highlandernews.com
DEADLINE Tuesday Issue: DISPLAY ADS: Mondays at 3pm

PUBLIC NOTICE PUBLIC NOTICE PUBLIC NOTICE PUBLIC NOTICE PUBLIC NOTICE PUBLIC NOTICE

Notice of Public Hearing

The City of Granite Shoals City Council will hold a Public Hearing and consider taking action on proposed Ordinance #826 Mining Regulations.

ORDINANCE NO. 826
"Amended mining activities ordinance"

AN ORDINANCE OF THE CITY OF GRANITE SHOALS, TEXAS, TO REPEAL AND REPLACE ORDINANCE NO. 809-A, AMENDING PART II, CHAPTER 10 (BUSINESSES AND BUSINESS REGULATIONS) AND AMENDING ARTICLE VI (MINING ACTIVITIES) GENERALLY REGULATING MINING ACTIVITIES WITHIN THE CITY LIMITS AND EXTRATERRITORIAL JURISDICTION; PROVIDING FOR FINDINGS OF FACT; SAVINGS; SEVERABILITY; REPEALER; AN EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.

This hearing will be held at the Regular Called City Council Meeting on Tuesday, February 8, 2022 at 6 PM in City Hall, 2221 N. Phillips Ranch RD, Granite Shoals, TX 78654, upstairs in the 2nd floor Council Chamber. The Public Hearing presents an opportunity for all to come and be heard. This meeting will also be held via ZOOM, instructions for meeting log-in will be on the meeting agenda posted at www.graniteshoals.org.

If you have questions about this proposed Mining Ordinance amendment, or any other municipal matter, please call City Hall, at 830-598-2424 and ask to speak with Mr. Jeff Looney, the City Manager. ###

NOTICE IN PROBATE BY PUBLICATION

STATE OF TEXAS – BURNET COUNTY
TO ANY SHERIFF OR ANY CONSTABLE WITHIN THE STATE OF TEXAS – GREETING:

You are hereby commanded to publish ONCE, and said publication shall not be less than ten days before the return day hereof, in some newspaper published in Burnet County, the following notice:

THE STATE OF TEXAS
To All Persons Interested IN THE MATTER OF THE ESTATE OF JUDY ELLENE TULL, Tyson Hunt Caldwell filed an application in the County

ADVERTISE

Meet Chester



The City of Horseshoe Bay, Texas is conducting a survey until 5:00 p.m. on Tuesday, February 8, 2022 at 8:00 a.m. on February 9, 2022.

Proposals are invited to provide the following:

The consultant will develop a system and determine what would assure interconnectivity.

Conduct a comprehensive survey of the Horseshoe Bay sector and private property. This will include a review of recommendations.

a newly designed system to meet external competitive market demands to be determined by the City of Horseshoe Bay.

The City of Horseshoe Bay is seeking to waive any information.

Proposals may be submitted by email to info@hshbtx.com or by mail to the City of Horseshoe Bay, 78657.

Request for Proposals for the City of Horseshoe Bay, 78657.

He: plenty of room and opportunity for exercise. Chester is confident and independent; he loves to learn new things and would make a great little ranch hand or work companion. Merely going for walks is not going to satisfy our handsome boy's remarkable intelligence and athleticism. At the end of the day Chester is ready to unwind and snuggle, but only after a job well done! Chester is neutered, vaccinated, microchipped, and heartworm negative.

TEXAS STATE SALE
DOG HOMES

ORDINANCE NO. ~~809-B826~~ 2-2-2022

“Amended mining activities ordinance”

AN ORDINANCE OF THE CITY OF GRANITE SHOALS, TEXAS, TO REPEAL AND REPLACE ORDINANCE NO. 809-A, AMENDING PART II, CHAPTER 10 (BUSINESSES AND BUSINESS REGULATIONS) AND AMENDING ARTICLE VI (MINING ACTIVITIES) GENERALLY REGULATING MINING ACTIVITIES WITHIN THE CITY LIMITS AND EXTRATERRITORIAL JURISDICTION; PROVIDING FOR FINDINGS OF FACT; SAVINGS; SEVERABILITY; REPEALER; AN EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.

WHEREAS, the City Council of the City of Granite Shoals (“City”) seeks to provide for the health, safety, and welfare of its citizens; and

WHEREAS, pursuant to Texas Local Government Code Section 42.001, the City may adopt ordinances pertaining to its extraterritorial jurisdiction (“ETJ”) in order to protect the health, safety, and welfare of citizens residing in and adjacent to the City; and

WHEREAS, the City of Granite Shoals seeks to protect the environment, promote compatible land use with adjoining properties, provide for the health, safety, and welfare of its citizens, and to allow for the safe development of commercial quarrying, cement and concrete products, and related industries, together with accessory support facilities that relate directly to the on-site quarrying, processing, and manufacturing operations; and

WHEREAS, the City of Granite Shoals also seeks to encourage residential and commercial development within its city limits and ETJ; and

WHEREAS, it is the intent of the City of Granite Shoals to allow for a broad range of directly related uses within a controlled environment for the development of diverse material extraction and processing activities in a manner that is protective of the public health, safety, and welfare; and

WHEREAS, the Council has the authority to enact the provisions of this ordinance pursuant to its police power and Section 2.04 of the City Charter and Chapter 51 of the Texas Local Government Code;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRANITE SHOALS, TEXAS:

SECTION I. FINDINGS OF FACT

All of the above premises are hereby found to be true and correct legislative and factual findings of the City of Granite Shoals and are hereby approved and incorporated into the body of this ordinance as if copied in their entirety.

SECTION II. REPEAL AND REPLACE

Part II (Code of ordinances), Chapter 10 (Businesses and Business Regulations), Article VI (Mining Activities) is hereby repealed and replaced as follows:

“ARTICLE VI. MINING ACTIVITIES

Sec. 10-110 Definitions.

The following words, terms, and phrases, when used in this Ordinance, shall have the meanings ascribed to them in this section except where the context clearly indicates meaning:

Continuous operation means a time in which surface or subsurface excavation, stockpiling, quarry and mine improvements, sales or marketing of material, shipping of material, processing, and/or reclamation of material has occurred within the past one (1) year by the owner or operator of a mine.

Excavation means the removal of earthen material, rock, minerals, or soil to create a depression below the original topography, or underground tunneling in a commercially significant quantity.

Legacy municipal limits means the portion of the city limits of the City of Granite Shoals, Texas, to the west of Valley View Lane and including lots abutting Valley View Lane, and south of RM 1431.

Mine means a pit, quarry, or excavation in the earth used for the mining of minerals by excavating and/or removing the overburden lying above the natural deposit of minerals, ~~and~~ mining directly from the natural deposits that are exposed and those aspects of underground mining having significant effects on the surface, and underground tunneling.

Mining operation means those activities conducted at or near the mining site and concomitant with the mining including extraction, storage, processing and shipping of minerals, and reclamation of the land affected by mining.

Variance means a permit to engage in an act contrary to a usual rule, for example, the prohibitions against mining contained in this article.

Sec. 10-111. Mining Generally Prohibited.

- (a) Mining Generally Prohibited. Mining and excavation is generally prohibited in the City’s legacy municipal limits, as that term is defined herein. With respect to that portion of the corporate limits of the City located to the north of RM 1431, no mining or excavation

will be permitted within 1000 feet of the property boundary of a public school and no excavation will be permitted within 200 feet of the northern right-of-way line for RM 1431, or as otherwise provided by state law. State or federal permits may include areas within 200 feet of RM 1431 so long as there is no physical mining excavation. Access to and from current and future mining operations is allowed through the 200 foot area along RM 1431 in which excavation is not permitted. –Except as otherwise provided herein, the City prohibits mining operations, including any and all production and excavation operations, within the City's legacy municipal limits and the above-stated 1,000 feet of the property boundary of a public school.–

~~(a)~~ (b) Continuous operations grandfathered. The prohibitions of section (a) of this ordinance and setbacks defined in paragraph (a) of Section 10-112 do not apply to a mining operation that is in continuous operation as of the effective date of this Ordinance; provided, however, that the prohibitions of this Ordinance shall apply to a mining operation that ceases to remain in continuous operation as defined in Section 10-110, and provided that any operator of property that is currently being used for a mining operation must file with the city secretary a metes and bounds description of the property that is currently being used for mining operations within the City limits within one hundred eighty (180) days from the effective date of this ordinance.

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~~(c)~~ (c) Excavation sites and mining operations that lose their exemption as noted herein above, shall be notified by the City and, within ninety (90) days of losing the exemption either be brought into compliance with this Code, or take action to obtain a variance to operate as an expanded excavation site, or mining operation.

~~(b)~~ (d) Previously mined materials. The removal, sale, marketing, or shipping of materials resulting from mining activities that occurred prior to the effective date of this Ordinance is not prohibited.

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Sec. 10-112. Operating Conditions

The following operating conditions and standards must be met at all times for all mining operations within the legacy municipal limits of the City:

- (a) Setbacks. Quarrying, excavating, mining, and other related land disturbance for new operation shall not take place within:
 - a. One hundred (100) feet of adjoining property lines not owned by the operator or owner outright or through other property rights;
 - b. Two hundred (200) feet of any existing occupied structures on property now owned by the operator or owner outright or through other property rights; or
 - c. Two hundred (200) feet of any contiguous property not owned by operator or owner outright or through other property rights which is subdivided into residential lots.

- (b) Fencing. For the protection of the general public, a fence shall be constructed prior to the commencement of the operation. Said fence shall be, at a minimum, three (3) strand wire fence posted with warning signs.
- (c) Dust control. The operator must construct, maintain, and operate all equipment in such a manner as to minimize on-site and off-site dust produced by mining operations. Access roads shall be constructed and maintained in such a manner that the deposit of earth materials on public roads is minimized.
- (d) Noise. All equipment and other sources of noise must operate in accordance with federal and state noise standards.
- (e) Storm water. All mining operations must be permitted, to the extent required by law, under the Texas Pollutant Discharge Elimination System. In addition, all mining operations shall comply with Lower Colorado River authority requirements as applicable.
- (f) Trucking operations. The operator of a mining operation shall ensure that all loads leaving a mining operation within the City are loaded and operated in compliance with state law.
- (g) Point of Contact. The operator of mining operations must be clearly posted at the facility entrance in order to facilitate communication of public concerns.
- (h) Insurance. The operator of a mining facility shall provide proof of bodily injury, property damage, and public liability insurance, and blasting insurance when appropriate, in the amount of \$1,000,000 for any occurrence.

Sec. 10-113. Variances.

Variances for excavation and surface mining operations may be issued by the City Council upon approval of a petition for a variance to conduct an excavation or surface mining operation(s) within the city limits. All petitions for variances must be in writing, addressed to the City Council and include, at a minimum, the following information: Name, address, and phone number of petitioner; physical address for which the variance is being requested; petitioner's relationship to the property; detailed description of the operation to be conducted; period of time for which the variance is sought; and any other information deemed pertinent by either the City Manager or the petitioner. The City Council shall evaluate all information pertinent to the variance request. The decision of the City Council is final and not subject to appeal.

SECTION III. SAVINGS

The repeal of any ordinance or part of ordinances effectuated by the enactment of this ordinance shall not be construed as abandoning any action now pending under or by virtue of

such ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the City under any section or provisions of any ordinances at the time of passage of this ordinance.

SECTION IV. SEVERABILITY

If any provision, section, sentence, clause or phrase of this ordinance, or the application of the same to any person or set of circumstances is for any reason held to be unconstitutional, void, invalid, or unenforceable, the validity of the remaining portions of this ordinance or its application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council of the City of Granite Shoals in adopting, and of the Mayor in approving this ordinance, that no portion thereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity of any portion, provision or regulation.

SECTION V. REPEALER

The provisions of this ordinance shall be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein, provided, however, that all prior ordinance or parts of ordinances inconsistent or in conflict with any of the provisions of this ordinance are hereby expressly repealed to the extent that such inconsistency is apparent. This ordinance shall not be construed to require or allow any act which is prohibited by any other ordinance.

SECTION VI. EFFECTIVE DATE.

This ordinance shall take effect immediately from and after its passage and publication as may be required by governing law.

SECTION VII. NOTICE AND 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, Chapter 551 of the Texas Government Code.

READ, PASSED, AND ADOPTED THIS __ DAY OF _____, 2022.

Will Skinner, Mayor

ATTEST:

Elaine Simpson,
City Secretary

APPROVED AS TO FORM:



Josh Katz,
City Attorney



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 6.a

Subject: Hear Presentation and formally accept report, as is done annually.

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary / HR Manager for Finance
Director Russell Martin
Department: Administration

AGENDA CAPTION

Hear presentation, discuss, consider and possibly take action to accept the Audit report for City of Granite Shoals budget year 2020-2021 as presented by Lewis Breedlove, CPA.

BACKGROUND

Annually, the City Council hears an executive summary of the audit report from the auditor. Lewis Breedlove is a CPA with BrooksWatson LLC, the CPA firm under contract with the City.

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)

ATTACHMENT(S) (IF APPROPRIATE)

- [Granite Shoals Annual Financial Report FY2021 - FINAL.pdf](#)



ANNUAL FINANCIAL REPORT 2021

FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2021

CITY OF **GRANITE SHOALS**

2221 N. PHILLIPS RANCH ROAD | GRANITE SHOALS, TX 78654
WWW.GRANITESHOALS.ORG | 830.598.2424

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ANNUAL FINANCIAL REPORT

of the

City of Granite Shoals, Texas

**For the Year Ended
September 30, 2021**

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City of Granite Shoals, Texas

TABLE OF CONTENTS

September 30, 2021

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	7

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position	18
Statement of Activities	20

Fund Financial Statements

Governmental Funds:

Balance Sheet	22
Reconciliation of the Balance Sheet to the Statement of Net Position- Governmental Funds	23
Statement of Revenues, Expenditures, and Changes in Fund Balance- Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25

Proprietary Funds:

Statement of Net Position	26
Statement of Revenues, Expenses, and Changes in Fund Net Position	29
Statement of Cash Flows	30

Notes to Financial Statements	32
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REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual - General Fund	69
Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios	70
Schedule of Employer Contributions to Pension Plan	72
Schedule of Changes in OPEB Liability and Related Ratios	75

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND
SCHEDULES**

Combining Balance Sheet – Nonmajor Governmental Funds	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds	80
Combining Statement of Net Position – Nonmajor Proprietary Funds	82
Combining Statement of Revenues, Expenditures, and Changes in Net Position - Nonmajor Proprietary Funds	83



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Granite Shoals, Texas (the "City"), as of and for the year ended September 30, 2021, 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

The City's 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.

Auditor's 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 auditor's 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 entity'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 entity'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.

Opinion

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, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021 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.

Other Matters

Required Supplementary Information

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

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

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, flowing script.

BrooksWatson & Co., PLLC
Certified Public Accountants
Houston, Texas
February 4, 2022

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***MANAGEMENT'S DISCUSSION
AND ANALYSIS***

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City of Granite Shoals, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

September 30, 2021

As management of the City of Granite Shoals, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information contained in this report.

Financial Highlights

- The City's total combined net position was \$13,701,284 at September 30, 2021. Of this, \$4,405,908 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$3,022,086, an increase of \$1,133,377.
- As of the end of the year, the unassigned fund balance of the general fund was \$1,747,798 or 43% of total general fund expenditures.
- The City had an overall increase in net position of \$2,783,382.

Overview of the Financial Statements

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

Government-Wide Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities. The difference between the two is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses

City of Granite Shoals, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2021

are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, and economic development. The business-type activities of the City include water and sewer, and solid waste operations.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

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

The City maintains eleven 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, restricted park fund, and debt service fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in a separate section of the report.

City of Granite Shoals, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2021

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the fund to demonstrate compliance with the respective budget.

Proprietary Funds

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

Proprietary financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, utility equipment reserve and the meter reader project funds, of which only the water fund is considered to be a major fund of the City.

Notes to Financial Statements

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

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City of Granite Shoals, assets exceed liabilities by \$13,701,284 as of September 30, 2021, in the primary government.

The largest portion of the City's net position, \$7,339,997, reflects its investments in capital assets (e.g., land, city hall, police station, streets, and drainage systems, as well as the public works facilities), less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although

City of Granite Shoals, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2021

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.

The following table reflects the condensed Statement of Net Position:

	2021			2020		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 3,417,499	\$ 9,898,426	\$ 13,315,925	\$ 2,218,956	\$ 9,677,352	\$ 11,896,308
Long-term assets	8,683,843	9,110,485	17,794,328	8,714,035	8,613,581	17,327,616
Total Assets	12,101,342	19,008,911	31,110,253	10,932,991	18,290,933	29,223,924
Deferred Outflows of Resources	82,749	15,762	98,511	85,530	16,291	101,821
Other liabilities	844,800	1,650,753	2,495,553	792,631	1,362,969	2,155,600
Long-term liabilities	4,202,939	10,676,469	14,879,408	4,677,102	11,386,116	16,063,218
Total Liabilities	5,047,739	12,327,222	17,374,961	5,469,733	12,749,085	18,218,818
Deferred Inflows of Resources	111,316	21,203	132,519	158,781	30,244	189,025
Net Position:						
Net investment						
in capital assets	3,992,168	3,347,829	7,339,997	3,895,032	3,309,654	7,204,686
Restricted	1,315,869	639,510	1,955,379	871,844	136	871,980
Unrestricted	1,716,999	2,688,909	4,405,908	623,131	2,218,105	2,841,236
Total Net Position	\$ 7,025,036	\$ 6,676,248	\$ 13,701,284	\$ 5,390,007	\$ 5,527,895	\$ 10,917,902

City of Granite Shoals, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2021

Statement of Activities:

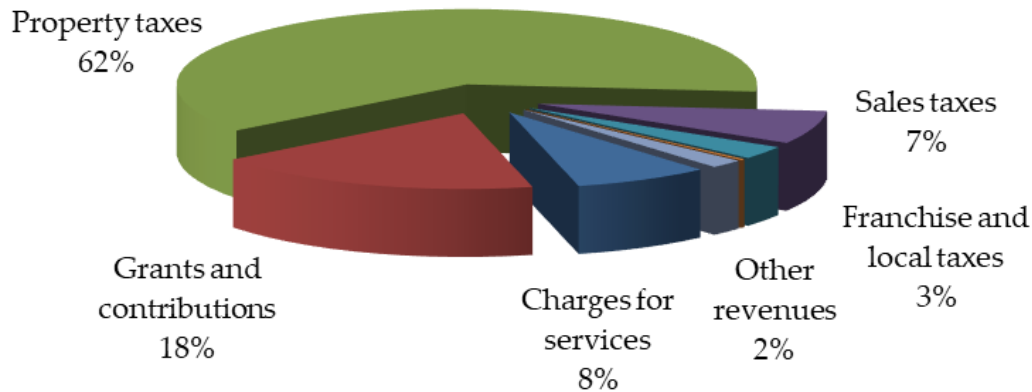
The following table provides a summary of the City's changes in net position:

	For the Year Ended September 30, 2021			For the Year Ended September 30, 2020		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 472,415	\$ 2,780,898	\$ 3,253,313	\$ 376,941	\$ 2,828,822	\$ 3,205,763
Grants and contributions	1,146,371	630,244	1,776,615	381,237	14,500	395,737
General revenues:						
Property taxes	3,864,073	-	3,864,073	3,685,458	-	3,685,458
Sales taxes	446,272	-	446,272	416,396	-	416,396
Franchise and local taxes	175,501	-	175,501	139,176	-	139,176
Investment income	16,461	-	16,461	43,903	-	43,903
Other revenues	116,105	125,882	241,987	93,454	85,144	178,598
Total Revenues	6,237,198	3,537,024	9,774,222	5,136,565	2,928,466	8,065,031
Expenses						
General government	1,269,454	-	1,269,454	1,059,740	-	1,059,740
Public safety	2,781,480	-	2,781,480	2,167,236	-	2,167,236
Streets and parks	502,556	-	502,556	846,888	-	846,888
Animal control	-	-	-	5,916	-	5,916
Tourism	17,800	-	17,800	26,723	-	26,723
Interest and fiscal charges	160,125	283,979	444,104	269,771	347,368	617,139
Utility	-	1,975,446	1,975,446	-	1,934,475	1,934,475
Total Expenses	4,731,415	2,259,425	6,990,840	4,376,274	2,281,843	6,658,117
Change in Net Position						
Before Transfers	1,505,783	1,277,599	2,783,382	760,291	646,623	1,406,914
Transfers	129,246	(129,246)	-	346,052	(346,052)	-
Total	129,246	(129,246)	-	346,052	(346,052)	-
Change in Net Position	1,635,029	1,148,353	2,783,382	1,106,343	300,571	1,406,914
Beginning Net Position	5,390,007	5,527,895	10,917,902	4,283,664	5,227,324	9,510,988
Ending Net Position	\$ 7,025,036	\$ 6,676,248	\$ 13,701,284	\$ 5,390,007	\$ 5,527,895	\$ 10,917,902

City of Granite Shoals, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2021

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

Governmental Activities - Revenues

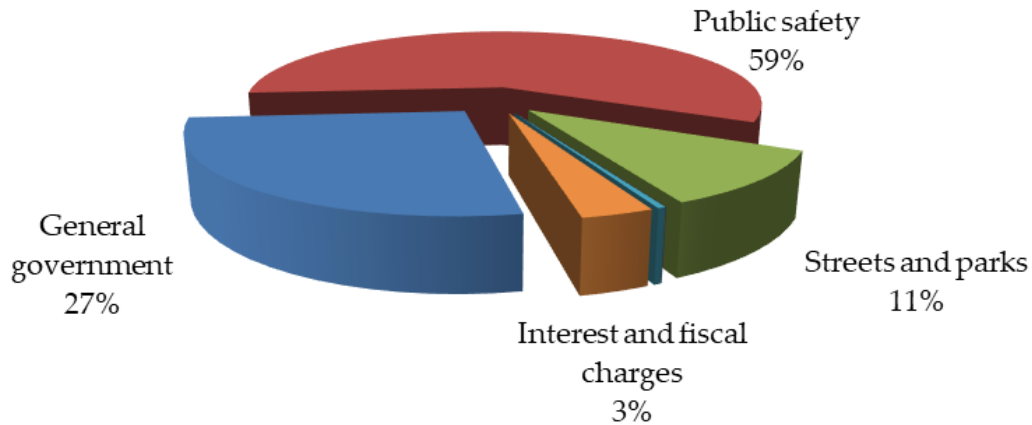


For the year ended September 30, 2021, revenues from governmental activities totaled \$6,237,198. Property tax and sales tax revenues are the City's largest general revenue sources. Grants and contributions increased \$765,134 due to nonrecurring grant funds from FEMA and the Texas Parks and Wildlife, in the amounts of \$225,848 and \$459,114, respectively. Property tax increased by \$178,615 or 5% when compared to 2020 due to an increase in overall assessed property values and an increase in the property tax rate. Sales taxes increased by \$29,876 or 7%. This is a result of a continuation of the number of citizens staying and shopping online and locally, which is a residual impact from the pandemic. Charges for services increased by \$95,474 or 25% primarily due to tower lease fees, which consisted of the current year tower lease fees and the unpaid lease fees from the previous year not received until the current year. Franchise taxes increased \$36,325 or 26% primarily due to the recovery of the nonpayment of fees by two telephone service companies in the previous year, as well as growth of activity within the City. Investment income decreased by \$27,442 or 63% due to the change in the utilization of interest-bearing accounts. Other revenues increased \$22,651 or 24% due to nonrecurring insurance recoveries received in the current year for ice storm damages.

City of Granite Shoals, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2021

This graph shows the governmental function expenses of the City:

Governmental Activities - Expenses

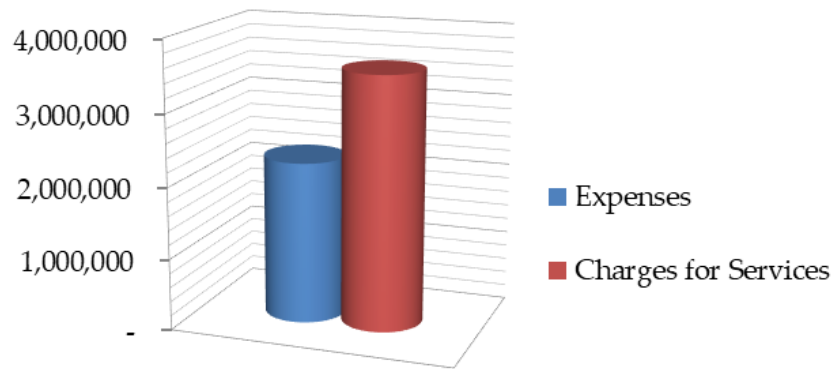


For the year ended September 30, 2021, expenses for governmental activities totaled \$4,731,415. This represents an increase of \$355,141 from the prior year. The City's largest functional expense is public safety of \$2,781,480, which increased by \$614,244 or 28% from the prior year. The increase was primarily related to the addition of new fire department personnel and the purchase of equipment for new fire personnel. General government expenses increased by \$209,714 or 20% primarily due to increased personnel costs and professional consultant services necessary in the interim prior to filling the Finance Director position. Streets and parks expenses decreased by \$344,332 or 41%. This decrease is primarily due to the completion of a road maintenance project in the previous year. Tourism expenses decreased by \$8,923 or 33% due to the nonrecurring cost of local events hosted in the prior year to draw visitors to the city. Interest and fiscal charges decreased \$109,646 or 41%, due primarily to the issuance costs caused by the bond refunding in the previous year. All other expenses remained relatively consistent with the previous year.

City of Granite Shoals, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2021

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

Business-Type Activities - Revenues and Expenses



For the year ended September 30, 2021, charges for services by business-type activities totaled \$2,780,898, a decrease of \$47,924 or 2% from the previous year. This change is primarily a result of a reduction in water consumption compared to the previous year, as well as the City no longer directly billing for commercial garbage and letting the waste management company manage and charge for commercial accounts.

Total operating expenses increased by \$40,971 or 2% during the year, which is primarily a result of increased utility maintenance and repair related expenses in the current year. Interest and fiscal charges decreased by \$63,389 due to the nonrecurring recognition of bond issuance costs in the previous year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

As of the end of the year the general fund reflected a total fund balance of \$1,754,865, which is entirely unassigned. The general fund increased by \$468,847 primarily as a result of transfers in from the water fund, which is consistent with the amount budgeted for the year.

City of Granite Shoals, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2021

The debt service fund had an ending fund balance of \$638,403 at year end, an increase of \$30,471 from the prior year. The increase was due to property tax revenues exceeding debt service payments and other financing uses. In addition to transfers out, total governmental principal and interest payments made during the year were \$493,132 and \$174,691, respectively.

There was an overall increase in governmental fund balance of \$1,133,377 from the prior year. The increase was a result of revenues exceeding expenditures by \$954,767 in addition to net other sources of \$178,610.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

There was a total positive revenue variance of \$44,721, in addition to a positive expenditure variance of \$54,564 for the year. Other financing sources had an overall negative budget variance of \$29,633. There was a total positive net budget variance of \$69,652. General fund expenditures were within appropriations at the legal level of control by \$54,564.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$8,595,211 in a variety of capital assets and infrastructure, net of accumulated depreciation. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34. The City's business-type activities funds had invested \$9,093,603 in a variety of capital assets and infrastructure, net of accumulated depreciation.

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

- City Hall improvements totaling \$50,656.
- Park and sport complex improvements totaling \$336,078.
- Water infrastructure development and improvements totaling \$922,537.

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

LONG-TERM DEBT

At the end of the current year, the City had total long-term debt outstanding of \$15,957,471, consisting of General Obligation Refunding Bonds of \$12,926,000, Certificates of Obligation of \$2,150,000, notes payable of \$468,385, and bond premiums of \$413,086. During the year, the City made governmental and business-type payments on the long-term debt of \$493,132 and \$671,652, respectively. More

City of Granite Shoals, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*
September 30, 2021

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Mayor and City Council are committed to maintaining and improving the overall wellbeing of the City of Granite Shoals and improving services provided to their public citizens. The City is budgeting to maintain services in the upcoming year and regularly considers local and national economic conditions and how they may have an impact.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Granite Shoals' finances for all those with an interest in the City's finances. Questions concerning this report or requests for additional financial information should be directed to the City Finance Director, 2221 N. Phillips Ranch Road, Granite Shoals, Texas 78654.

FINANCIAL STATEMENTS

City of Granite Shoals, Texas
STATEMENT OF NET POSITION (Page 1 of 2)
September 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 3,041,546	\$ 8,484,159	\$ 11,525,705
Investments	105,396	-	105,396
Restricted cash	-	1,026,113	1,026,113
Receivables, net	240,504	409,677	650,181
Internal balances	22,986	(22,986)	-
Inventories	2,572	-	2,572
Prepaid items	4,495	1,463	5,958
Total Current Assets	3,417,499	9,898,426	13,315,925
Capital assets:			
Non-depreciable	2,138,009	1,160,913	3,298,922
Net depreciable capital assets	6,457,202	7,932,690	14,389,892
Net pension asset	88,632	16,882	105,514
Total Noncurrent Assets	8,683,843	9,110,485	17,794,328
Total Assets	12,101,342	19,008,911	31,110,253
<u>Deferred Outflows of Resources</u>			
Pension contributions	61,818	11,775	73,593
Pension changes in assumptions	2,672	509	3,181
OPEB contributions	2,141	408	2,549
OPEB changes in assumptions	16,118	3,070	19,188
Total Deferred Outflows of Resources	82,749	15,762	98,511

City of Granite Shoals, Texas
STATEMENT OF NET POSITION (Page 2 of 2)
September 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Liabilities</u>			
Current liabilities:			
Accounts payable and accrued liabilities	225,214	497,718	722,932
Customer deposits	11,475	395,869	407,344
Accrued interest payable	25,106	41,762	66,868
Long-term debt - current	485,189	696,573	1,181,762
Compensated absences - current	97,816	18,831	116,647
Total Current Liabilities	844,800	1,650,753	2,495,553
Noncurrent liabilities:			
Long-term debt - noncurrent	4,115,851	10,659,859	14,775,710
Compensated absences - noncurrent	10,868	2,092	12,960
OPEB liability	76,220	14,518	90,738
Total Noncurrent Liabilities	4,202,939	10,676,469	14,879,408
Total Liabilities	5,047,739	12,327,222	17,374,961
<u>Deferred Inflows of Resources</u>			
Pension difference in experience	59,391	11,313	70,704
Pension investment returns	45,083	8,587	53,670
OPEB difference in experience	6,842	1,303	8,145
Total Deferred Inflows of Resources	111,316	21,203	132,519
<u>Net Position</u>			
Net investment in capital assets	3,992,168	3,347,829	7,339,997
Restricted for:			
Streets and parks	523,153	-	523,153
Tourism	89,506	-	89,506
Municipal court	16,159	-	16,159
Debt service	638,403	-	638,403
Capital projects	-	630,244	630,244
Pensions	48,648	9,266	57,914
Unrestricted	1,716,999	2,688,909	4,405,908
Total Net Position	\$ 7,025,036	\$ 6,676,248	\$ 13,701,284

See Notes to Financial Statements.

City of Granite Shoals, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government			
Governmental Activities			
General government	\$ 1,269,454	\$ 114,725	\$ 1,146,371
Public safety	2,781,480	124,418	-
Streets and parks	502,556	233,272	-
Tourism	17,800	-	-
Interest and fiscal charges	160,125	-	-
Total Governmental Activities	4,731,415	472,415	1,146,371
Business-Type Activities			
Water	1,805,306	2,237,410	630,244
Solid Waste	454,119	638,937	-
Nonmajor proprietary funds	-	30,433	-
Total Business-Type Activities	2,259,425	2,906,780	630,244
Total Primary Government	\$ 6,990,840	\$ 3,379,195	\$ 1,776,615

General Revenues:

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

Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position

Ending Net Position

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (8,358)	\$ -	\$ (8,358)
(2,657,062)	-	(2,657,062)
(269,284)	-	(269,284)
(17,800)	-	(17,800)
(160,125)	-	(160,125)
(3,112,629)	-	(3,112,629)
-	1,062,348	1,062,348
-	184,818	184,818
-	30,433	30,433
-	1,277,599	1,277,599
(3,112,629)	1,277,599	(1,835,030)
3,864,073	-	3,864,073
446,272	-	446,272
175,501	-	175,501
16,461	-	16,461
116,105	-	116,105
129,246	(129,246)	-
4,747,658	(129,246)	4,618,412
1,635,029	1,148,353	2,783,382
5,390,007	5,527,895	10,917,902
\$ 7,025,036	\$ 6,676,248	\$ 13,701,284

City of Granite Shoals, Texas

BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2021

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash and cash equivalents	\$ 1,810,135	\$ 638,403	\$ 593,008	\$ 3,041,546
Investments	105,396	-	-	105,396
Receivables, net	129,816	69,252	41,436	240,504
Due from other funds	22,986	-	-	22,986
Inventories	2,572	-	-	2,572
Prepays	4,495	-	-	4,495
Total Assets	\$ 2,075,400	\$ 707,655	\$ 634,444	\$ 3,417,499
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 219,588	\$ -	\$ 5,626	\$ 225,214
Customer deposits	11,475	-	-	11,475
Total Liabilities	231,063	-	5,626	236,689
<u>Deferred Inflows of Resources</u>				
Unavailable revenue:				
Property tax	89,472	69,252	-	158,724
Total Deferred Inflows of	89,472	69,252	-	158,724
<u>Fund Balances</u>				
Nonspendable:				
Inventories	2,572	-	-	2,572
Prepays	4,495	-	-	4,495
Restricted for:				
Streets and parks	-	-	523,153	523,153
Tourism	-	-	89,506	89,506
Municipal court	-	-	16,159	16,159
Debt service	-	638,403	-	638,403
Unassigned	1,747,798	-	-	1,747,798
Total Fund Balances	1,754,865	638,403	628,818	3,022,086
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,075,400	\$ 707,655	\$ 634,444	\$ 3,417,499

See Notes to Financial Statements.

City of Granite Shoals, Texas

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

September 30, 2021

Fund Balances - Total Governmental Funds	\$ 3,022,086
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Adjustments for the Statement of Net Position:

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

Capital assets - non-depreciable	2,138,009
Capital assets - net depreciable	6,457,202

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

Property tax receivable	158,724
Net pension asset	88,632

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

Pension contributions	61,818
Pension difference in experience	(59,391)
Pension changes in assumptions	2,672
Pension investment returns	(45,083)
OPEB contributions	2,141
OPEB difference in experience	(6,842)
OPEB changes in assumptions	16,118

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

Accrued interest	(25,106)
Compensated absences	(108,684)
Long-term debt	(4,601,040)
OPEB liability	(76,220)

Net Position of Governmental Activities	\$ <u>7,025,036</u>
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See Notes to Financial Statements.

City of Granite Shoals, Texas

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

For the Year Ended September 30, 2021

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues</u>				
Property tax	\$ 2,269,787	\$ 1,594,286	\$ -	\$ 3,864,073
Sales tax	223,136	-	223,136	446,272
Franchise and local taxes	146,042	-	29,459	175,501
Intergovernmental	605,675	-	475,614	1,081,289
Charges for services	82,426	-	32,299	114,725
License and permits	233,272	-	-	233,272
Fines and forfeitures	117,533	-	6,885	124,418
Investment income	16,405	-	56	16,461
Contributions and donations	-	-	65,082	65,082
Other revenue	63,226	-	3,515	66,741
Total Revenues	3,757,502	1,594,286	836,046	6,187,834
<u>Expenditures</u>				
Current:				
General government	1,212,793	-	-	1,212,793
Public safety	2,257,425	-	428,202	2,685,627
Streets and parks	583,140	-	58,587	641,727
Tourism	-	-	17,800	17,800
Debt Service:				
Principal	-	493,132	-	493,132
Interest and fiscal charges	-	174,691	-	174,691
Capital outlay	-	-	7,297	7,297
Total Expenditures	4,053,358	667,823	511,886	5,233,067
Excess (Deficiency) of Revenues Over (Under) Expenditures	(295,856)	926,463	324,160	954,767
<u>Other Financing Sources (Uses)</u>				
Transfers in	883,238	-	309,899	1,193,137
Transfers (out)	(167,899)	(895,992)	-	(1,063,891)
Insurance recoveries	49,364	-	-	49,364
Total Other Financing Sources (Uses)	764,703	(895,992)	309,899	178,610
Net Change in Fund Balances	468,847	30,471	634,059	1,133,377
Beginning fund balances	1,286,018	607,932	(5,241)	1,888,709
Ending Fund Balances (Deficits)	\$ 1,754,865	\$ 638,403	\$ 628,818	\$ 3,022,086

See Notes to Financial Statements.

City of Granite Shoals, 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, 2021

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

Net changes in fund balances - total governmental funds	\$	1,133,377
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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		386,734
Depreciation expense		(428,521)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences		(4,643)
Accrued interest		9,233
Pension expense		47,933
OPEB expense		(7,549)

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

Principal payments		493,132
Amortization of bond premium		5,333

Change in Net Position of Governmental Activities	\$	1,635,029
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See Notes to Financial Statements.

City of Granite Shoals, Texas
STATEMENT OF NET POSITION (Page 1 of 2)
PROPRIETARY FUNDS
September 30, 2021

	Water	Solid Waste	Nonmajor Proprietary Funds	Total
<u>Assets</u>				
<u>Current Assets</u>				
Cash and cash equivalents	\$ 7,818,152	\$ 245,942	\$ 420,065	\$ 8,484,159
Restricted cash - deposits	395,869	-	-	395,869
Restricted cash - grants	630,244	-	-	630,244
Receivables, net	309,445	100,232	-	409,677
Prepaid items	1,463	-	-	1,463
Total Current Assets	9,155,173	346,174	420,065	9,921,412
<u>Noncurrent Assets</u>				
Capital assets:				
Non-depreciable	1,160,913	-	-	1,160,913
Net depreciable capital assets	7,932,690	-	-	7,932,690
Net pension asset	16,882	-	-	16,882
Total Noncurrent Assets	9,110,485	-	-	9,110,485
Total Assets	18,265,658	346,174	420,065	19,031,897
<u>Deferred Outflows of Resources</u>				
Pension contributions	11,775	-	-	11,775
Pension changes in assumption	509	-	-	509
OPEB contributions	408	-	-	408
OPEB changes in assumption	3,070	-	-	3,070
Total Deferred Outflows of Resources	15,762	-	-	15,762

City of Granite Shoals, Texas
STATEMENT OF NET POSITION (Page 2 of 2)
PROPRIETARY FUNDS
September 30, 2021

	Water	Solid Waste	Nonmajor Proprietary Funds	Total
<u>Liabilities</u>				
<u>Current Liabilities</u>				
Accounts payable				
and accrued liabilities	460,077	37,641	-	497,718
Customer deposits	395,869	-	-	395,869
Accrued interest payable	41,762	-	-	41,762
Long-term debt - current	696,573	-	-	696,573
Compensated absences - current	18,831	-	-	18,831
Due to other funds	-	22,986	-	22,986
Total Current Liabilities	1,613,112	60,627	-	1,673,739
<u>Noncurrent Liabilities</u>				
Long-term debt - noncurrent	10,659,859	-	-	10,659,859
Compensated absences - noncurrent	2,092	-	-	2,092
OPEB liability	14,518	-	-	14,518
Total Liabilities	12,289,581	60,627	-	12,350,208
<u>Deferred Inflows of Resources</u>				
Pension difference in experience	11,313	-	-	11,313
Pension investment returns	8,587	-	-	8,587
OPEB difference in experience	1,303	-	-	1,303
Total Deferred Inflows of	21,203	-	-	21,203
<u>Net Position</u>				
Net investment in capital assets	3,347,829	-	-	3,347,829
Capital projects	630,244	-	-	630,244
Pensions	9,266	-	-	9,266
Unrestricted	1,983,297	285,547	420,065	2,688,909
Total Net Position	\$ 5,970,636	\$ 285,547	\$ 420,065	\$ 6,676,248

See Notes to Financial Statements.

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City of Granite Shoals, Texas

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

For the Year Ended September 30, 2021

	Water	Solid Waste	Nonmajor Proprietary Funds	Total
<u>Operating Revenues</u>				
Charges for services	\$ 2,111,528	\$ 638,937	\$ 30,433	\$ 2,780,898
Other revenue	125,882	-	-	125,882
Total Operating Revenues	<u>2,237,410</u>	<u>638,937</u>	<u>30,433</u>	<u>2,906,780</u>
<u>Operating Expenses</u>				
Salaries and wages	378,644	-	-	378,644
Employee benefits	104,172	-	-	104,172
Professional services	80,472	454,119	-	534,591
Other operating expenses	348,057	-	-	348,057
Supplies	119,249	-	-	119,249
Water purchase	61,177	-	-	61,177
Depreciation	427,841	-	-	427,841
Capital outlay	1,715	-	-	1,715
Total Operating Expenses	<u>1,521,327</u>	<u>454,119</u>	<u>-</u>	<u>1,975,446</u>
Operating Income (Loss)	<u>716,083</u>	<u>184,818</u>	<u>30,433</u>	<u>931,334</u>
<u>Nonoperating Revenues (Expenses)</u>				
Investment earnings	-	-	-	-
Grant revenue	630,244	-	-	630,244
Interest expense	(283,979)	-	-	(283,979)
Total Nonoperating Revenues (Expenses)	<u>346,265</u>	<u>-</u>	<u>-</u>	<u>346,265</u>
Income (Loss) Before Transfers	1,062,348	184,818	30,433	1,277,599
Transfers in	895,992	-	60,809	956,801
Transfers (out)	(944,047)	(142,000)	-	(1,086,047)
Change in Net Position	1,014,293	42,818	91,242	1,148,353
Beginning net position	4,956,343	242,729	328,823	5,527,895
Ending Net Position	<u>\$ 5,970,636</u>	<u>\$ 285,547</u>	<u>\$ 420,065</u>	<u>\$ 6,676,248</u>

See Notes to Financial Statements.

City of Granite Shoals, Texas

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 1 of 2) For the Year Ended September 30, 2021

	Water	Solid Waste	Nonmajor Proprietary Funds	Total
<u>Cash Flows from Operating Activities</u>				
Receipts from customers	\$ 2,287,050	\$ 660,730	\$ 30,433	\$ 2,978,213
Payments to suppliers	(160,208)	(452,317)	-	(612,525)
Payments to employees	(383,266)	-	-	(383,266)
Net Cash Provided by Operating Activities	1,743,576	208,413	30,433	1,982,422
<u>Cash Flows from Noncapital Financing Activities</u>				
Transfer in	895,992	-	60,809	956,801
Transfer (out)	(944,047)	(142,000)	-	(1,086,047)
Net Cash Provided (Used) by Noncapital Financing Activities	(48,055)	(142,000)	60,809	(129,246)
<u>Cash Flows from Capital and Related Financing Activities</u>				
Capital purchases	(922,537)	-	-	(922,537)
Capital grants	630,244	-	-	630,244
Principal paid on debt	(671,652)	-	-	(671,652)
Interest paid on debt	(331,440)	-	-	(331,440)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,295,385)	-	-	(1,295,385)
Increase (Decrease) in Cash and Cash Equivalents	400,136	66,413	91,242	557,791
Beginning cash and cash equivalents	8,444,129	179,529	328,823	8,952,481
Ending Cash and Cash Equivalents	\$ 8,844,265	\$ 245,942	\$ 420,065	\$ 9,510,272

See Notes to Financial Statements.

City of Granite Shoals, Texas

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 2 of 2) For the Year Ended September 30, 2021

	Water	Solid Waste	Nonmajor Proprietary Funds	Total
<u>Reconciliation of Operating</u>				
<u>Income (Loss) to Net Cash Provided by</u>				
<u>Operating Activities</u>				
Operating Income (Loss)	\$ 716,083	\$ 184,818	\$ 30,433	\$ 931,334
Adjustments to reconcile operating income (loss) to net cash provided:				
Depreciation	427,841	-	-	427,841
Changes in Operating Assets and Liabilities:				
(Increase) Decrease in:				
Accounts receivable	23,035	21,793	-	44,828
Prepaid expenses	(97)	-	-	(97)
Due from other funds	269,000	22,986	-	291,986
Deferred Outflows of Resources:				
Pension contributions	1,260	-	-	1,260
Pension changes in assumption	791	-	-	791
OPEB changes in assumption	(1,250)	-	-	(1,250)
OPEB contributions	(272)	-	-	(272)
Deferred Inflows of Resources:				
Pension difference in experience	(8,597)	-	-	(8,597)
OPEB difference in experience	(68)	-	-	(68)
Pension investment returns	(376)	-	-	(376)
Increase (Decrease) in:				
Accounts payable and accrued liabilities	285,731	(21,184)	-	264,547
Customer deposits	26,605	-	-	26,605
Compensated absences	3,071	-	-	3,071
OPEB liability	3,027	-	-	3,027
Net pension liability (asset)	(2,208)	-	-	(2,208)
Net Cash Provided by Operating				
Activities	\$ 1,743,576	\$ 208,413	\$ 30,433	\$ 1,982,422

See Notes to Financial Statements.

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS

September 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-Wide Financial Statements

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

B. Reporting Entity

The City of Granite Shoals, Texas, was incorporated on May 9, 1966. The City operates under a "Council-Manager" government. Pursuant to its provisions and subject only to its limitations imposed by the State Constitution and by the City's charter, all powers of the City shall be vested in an elective Council composed of six Council Members and a Mayor, collectively known as the City Council. The City Council enacts local legislation, adopts budgets, determines policies, and appoints the City Manager, who in turn is responsible to the City Council for the execution of laws and the administration of the government of the City. The Mayor is the presiding officer of the City Council. The City provides the following services: public safety, highways, streets, sanitation and water, recreation, public improvements, planning and zoning, general administrative, and other services as authorized by its code of ordinances and its citizens.

The City is an independent political subdivision of the State of Texas governed by an elected council and is considered a primary government for financial reporting purposes as its activities are not considered a part of any other governmental or other type of reporting entity. 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. 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 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

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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.

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

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

As 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 government's water and transit functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

The government reports the following major governmental funds:

General Fund

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

Debt Service Fund

The debt service fund is used to account for the payment of interest and principal on all general obligation debt and other long-term debt of governmental funds. The primary source of revenue for debt service is local property taxes.

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

Proprietary Fund Types

Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues include charges for services. Operating expenses include costs of materials, contracts, personnel, and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary fund types follow GAAP prescribed by the Governmental Accounting Standards Board (GASB) and all financial Accounting Standards Board's standards issued prior to November 30, 1989. Subsequent to this date, the City accounts for its enterprise funds as presented by GASB. The government reports the following major enterprise fund:

Water Fund

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

Solid Waste Fund

The solid waste fund is used to account for the City's sanitation service operations. Activities of the fund include administration, professional collection and disposal of garbage, and billing and collection activities. All costs are financed through charges to solid waste customers with rates reviewed regularly and adjusted if necessary to ensure fund integrity.

Additionally, the government reports the following fund types:

Special Revenue Funds

The City accounts for resources restricted to, or designated for, specific purposes in a special revenue fund. These funds consist of the economic development fund and police forfeitures fund.

Capital Projects Fund

The City's capital projects fund accounts for the acquisition and construction of the government's major capital facilities, other than those financed by proprietary funds.

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

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

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Measurement focus refers to what is being measured and basis of accounting refers to when transactions are recorded in the financial records and reported on the financial statements and relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses in the accounting period in which they are incurred and become measurable. Proprietary fund equity consists of net position. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

All governmental funds and component units are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

they are susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available if they are collected within 60 days of the end of the current period. Property taxes, sales taxes, franchise taxes, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Other receipts and other taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements.

E. Estimates

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

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

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

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

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- Statewide investment pools

2. Fair Value Measurement

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

3. Receivables and Interfund Transactions

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

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

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

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

4. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Penalties are calculated after February 1 up to the date collected by the government at the rate of 6% for the first month and increased 1% per month up to a total of 12%. Interest is calculated after February 1 at the rate of 1% per month up to the date collected by the government. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

5. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). The inventories are valued at the lower of cost or market using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

6. 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. Capital assets are defined by the government, as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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.

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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
Vehicles	5 years
Machinery and equipment	5 to 7 years
Water system	20 to 40 years
Buildings and improvements	30 years
Infrastructure	20 to 40 years

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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.

An example is a deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and fines and forfeitures. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumption used within the pension actuarial valuation model.

8. Net Position Flow Assumption

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

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

9. Fund Balance Flow Assumptions

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

10. Fund Balance Policies

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance.

Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

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

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

11. Compensated Absences

The City maintains formal programs for vacation and sick leave. Eligible employees are granted vacation pay benefits in varying amounts to specified maximums depending on tenure with the City. The City's personnel policy permits its eligible employees to accumulate earned but unused vacation pay benefits.

Upon separation from the City, employees will be paid for their accrued and unused vacation pay benefits earned in the year.

Sick leave accrues to eligible employees to specified maximums, including the maximum number of hours that can be carried over from the previous year. Unused sick leave will be canceled upon termination of employment, and the employee will not be compensated for it.

The estimated amount of accrued vacation benefits 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 upon maturity. Amounts of accrued vacation pay benefits 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.

12. Long-Term Obligations

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

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

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums, discounts and issuance costs 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.

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

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

13. Pensions

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

14. Other Postemployment Benefits ("OPEB")

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

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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. 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 water fund are charges to customers for sales and services. The water fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

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

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

issued, whereas these amounts are deferred and amortized in the statement of activities.” A reconciliation has been presented in the basic financial statements.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, debt service, water, and special revenue funds. The City has only presented the general fund budget for reporting purposes. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the City Charter is the fund level. No funds can be transferred or added to a budgeted fund without Council approval. Appropriations lapse at the end of the year. Several supplemental budget appropriations were made during the year.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of September 30, 2021, the primary government had the following investments:

Investment Type	Carrying Value	Weighted Average Maturity (Years)
External investment pools	\$ 10,030,977	0.10
Certificates of deposit	105,396	0.68
Total fair value	<u>\$ 10,136,373</u>	
Portfolio weighted average maturity		0.11

Interest rate risk In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average of maturity not to exceed five years; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio position to assure compliance with rating requirements imposed by the Public Funds Investment Act; and invest operating funds primarily in short-term securities or similar government investment pools.

Credit risk The City’s investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than “A” or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency and investment pools with an investment quality not less than AAA or AAAm, or equivalent, by at least one nationally recognized rating service.

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

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. State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. The City's investment policy requires funds on bank deposit at the depository bank to be collateralized by securities with a collective market value (market value of the principal and accrued interest) of at least 102%. As of September 30, 2021, the market values of pledged securities and FDIC exceeded bank balances.

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

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAm. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. At September 30, 2021, the fair value of the position in TexPool approximates fair value of the shares. There are no limitation or restrictions on withdrawals.

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

B. Receivables

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

	General	Debt Service	Water	Solid Waste	Nonmajor Governmental	Total
Property taxes	\$ 89,472	\$ 69,252	\$ -	\$ -	\$ -	\$ 158,724
Sales tax	39,739	-	-	-	39,739	79,478
Accounts	605	-	321,225	105,418	1,697	428,945
Allowance	-	-	(11,780)	(5,186)	-	(16,966)
	<u>\$ 129,816</u>	<u>\$ 69,252</u>	<u>\$ 309,445</u>	<u>\$ 100,232</u>	<u>\$ 41,436</u>	<u>\$ 650,181</u>

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

C. Capital Assets

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

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 1,725,805	\$ -	\$ -	\$ 1,725,805
Construction in progress	370,073	17,454	(370,073)	17,454
Mineral rights	394,750	-	-	394,750
Total capital assets not being depreciated	<u>2,490,628</u>	<u>17,454</u>	<u>(370,073)</u>	<u>2,138,009</u>
Capital assets, being depreciated:				
Buildings and improvements	4,059,300	50,656	370,073	4,480,029
Improvements & infrastructure	3,573,371	-	-	3,573,371
Machinery & equipment	2,379,633	318,624	-	2,698,257
Total capital assets being depreciated	<u>10,012,304</u>	<u>369,280</u>	<u>370,073</u>	<u>10,751,657</u>
Less accumulated depreciation				
Buildings and improvements	1,312,654	104,231	-	1,416,885
Improvements & infrastructure	598,357	174,551	-	772,908
Machinery & equipment	1,954,923	149,739	-	2,104,662
Total accumulated depreciation	<u>3,865,934</u>	<u>428,521</u>	<u>-</u>	<u>4,294,455</u>
Net capital assets being depreciated	6,146,370	(59,241)	370,073	6,457,202
Total Net Capital Assets	<u><u>\$ 8,636,998</u></u>	<u><u>\$ (41,787)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,595,211</u></u>

Depreciation was charged to governmental functions as follows:

General government	\$ 97,395
Public safety	118,910
Streets and parks	203,937
Animal control	8,279
Total Governmental Activities Depreciation Expense	<u><u>\$ 428,521</u></u>

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 19,802	\$ -	\$ -	\$ 19,802
Construction in progress	244,574	896,537	-	1,141,111
Total capital assets not being depreciated	<u>264,376</u>	<u>896,537</u>	<u>-</u>	<u>1,160,913</u>
Capital assets, being depreciated:				
Buildings	19,589	-	-	19,589
Improvements and infrastructure	11,882,422	26,000	-	11,908,422
Machinery and equipment	1,065,551	-	-	1,065,551
Total capital assets being depreciated	<u>12,967,562</u>	<u>26,000</u>	<u>-</u>	<u>12,993,562</u>
Less accumulated depreciation				
Buildings	11,356	2,595	-	13,951
Improvements and infrastructure	4,307,711	331,790	-	4,639,501
Machinery and equipment	313,964	93,456	-	407,420
Total accumulated depreciation	<u>4,633,031</u>	<u>427,841</u>	<u>-</u>	<u>5,060,872</u>
Net capital assets being depreciated	<u>8,334,531</u>	<u>(401,841)</u>	<u>-</u>	<u>7,932,690</u>
Total Net Capital Assets	<u><u>\$ 8,598,907</u></u>	<u><u>\$ 494,696</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 9,093,603</u></u>

Depreciation was charged to business-type functions as follows:

Water fund	<u>\$ 427,841</u>
Total Business-type Activities Depreciation Expense	<u><u>\$ 427,841</u></u>

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

D. Long-term Debt

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Governmental Activities:					
Bonds, notes and other payables:					
Certificates of Obligation	\$ 2,455,000	\$ -	\$ (305,000)	\$ 2,150,000	\$ 320,000
General Obligation Refunding Bonds	2,275,000	-	(115,283)	2,159,717	120,189
Premium	106,656	-	(5,333)	101,323	-
Total Bonds Payable	<u>4,836,656</u>	<u>-</u>	<u>(425,616)</u>	<u>4,411,040</u>	<u>440,189</u>
Other liabilities:					
Notes payable	262,849	-	(72,849)	190,000	45,000
Total Governmental Activities	<u>\$ 5,099,505</u>	<u>\$ -</u>	<u>\$ (498,465)</u>	<u>\$ 4,601,040</u>	<u>\$ 485,189</u>
Long-term liabilities due in more than one year				<u>\$ 4,115,851</u>	
Business-Type Activities:					
General Obligation Refunding Bonds	\$ 11,373,000	\$ -	\$ (606,717)	\$ 10,766,283	\$ 629,811
Premium	328,172	-	(16,408)	311,764	-
Total Bonds Payable	<u>11,701,172</u>	<u>-</u>	<u>(623,125)</u>	<u>11,078,047</u>	<u>629,811</u>
Other liabilities:					
Notes payable	343,320	-	(64,935)	278,385	66,762
Total Business-Type Activities	<u>\$ 12,044,492</u>	<u>\$ -</u>	<u>\$ (688,060)</u>	<u>\$ 11,356,432</u>	<u>\$ 696,573</u>
Long-term liabilities due in more than one year				<u>\$ 10,659,859</u>	

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

On June 23, 2020, the City issued \$9,275,000 worth of General Obligation Refunding Bonds, Series 2020. The issuance qualifies as an advance refunding as the funds will be placed in escrow to pay off a portion of two separate issuances. The bonds were used to pay \$430,000 of the 2010 Certificates of Obligation Bonds and \$2,415,000 of the 2018 General Obligation Bonds. The new debt matures in 2040.

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

	Governmental Activities	Business - Type Activities	Total
General Obligation Refunding Bonds:			
\$5,725,000 General Obligation Refunding Bonds, Series 2014, due in installments through 2034, interest at 3.25%	\$ -	\$ 4,121,000	\$ 4,121,000
\$3,000,000 General Obligation Refunding Bonds, Series 2018, due in annual installments through 2027, interest at 2.80%	2,159,717	6,645,283	8,805,000
Total General Obligation Refunding Bonds	\$ 2,159,717	\$ 10,766,283	\$ 12,926,000
Certificates of Obligation:			
\$5,000,000 Certificates of Obligation, Series 2008, due in annual installments through 2027, interest at 4.49%	\$ 2,150,000	\$ -	\$ 2,150,000
Total Certificates of Obligation	\$ 2,150,000	\$ -	\$ 2,150,000
Notes Payable			
\$629,690 Note Payable, Spirit of Texas Bank, due in installments through 2025, interest at 2.81%	\$ -	\$ 278,385	\$ 278,385
\$280,000 Note Payable, BB&T Governmental Finance, due in installments through 2025, interest at 2.15%	190,000	-	190,000
Total Notes Payable	\$ 190,000	\$ 278,385	\$ 468,385
Less Deferred Amounts:			
Premiums	\$ 101,323	\$ 311,763	\$ 413,086
Total Debt	\$ 4,601,040	\$ 11,356,431	\$ 15,957,471

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

The annual requirements to amortize debt issues outstanding at year ending were as follows:

Governmental Activities				
Year ending September 30,	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2022	\$ 120,189	\$ 54,102	\$ 320,000	\$ 96,535
2023	125,094	49,294	335,000	82,167
2024	127,547	46,792	350,000	67,126
2025	128,774	44,241	365,000	51,411
2026	133,679	41,666	380,000	35,022
2027	134,906	38,992	400,000	17,960
2028	90,755	33,596	-	-
2029	93,208	29,966	-	-
2030	96,887	26,237	-	-
2031	100,566	23,331	-	-
2032	103,019	20,314	-	-
2033	105,472	18,253	-	-
2034	107,925	16,144	-	-
2035	109,151	13,986	-	-
2036	111,604	11,803	-	-
2037	114,057	9,570	-	-
2038	116,509	7,289	-	-
2039	118,962	4,959	-	-
2040	121,413	2,580	-	-
Total	\$ 2,159,717	\$ 493,115	\$ 2,150,000	\$ 350,221

Governmental Activities		
Year ending September 30,	Notes Payable	
	Principal	Interest
2022	\$ 45,000	\$ 4,085
2023	45,000	3,118
2024	50,000	2,150
2025	50,000	1,075
Total	\$ 190,000	\$ 10,428

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

Business-Type Activities		
Year ending September 30,	General Obligation Bonds	
	Principal	Interest
2022	\$ 629,811	\$ 300,399
2023	652,906	277,157
2024	669,453	260,749
2025	682,226	243,897
2026	706,321	226,677
2027	720,094	208,864
2028	594,245	182,347
2029	611,792	160,940
2030	634,113	138,906
2031	655,434	119,042
2032	674,981	98,514
2033	693,528	80,540
2034	713,075	62,057
2035	335,849	43,032
2036	343,396	36,315
2037	350,943	29,448
2038	358,491	22,429
2039	366,038	15,259
2040	373,587	7,938
Total	\$ 10,766,283	\$ 2,514,510

Business-Type Activities		
Year ending September 30,	Notes Payable	
	Principal	Interest
2022	\$ 66,762	\$ 7,838
2023	68,641	5,959
2024	70,572	4,028
2025	72,410	2,042
Total	\$ 278,385	\$ 19,867

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

E. Compensated Absences

The following summarizes the changes in the compensated absences balances of the primary government during the year. In general, the City uses the general and utility funds to liquidate governmental and business-type activities compensated absences, respectively.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Governmental Activities:					
Compensated absences	\$ 104,041	\$ 97,207	\$ (92,564)	\$ 108,684	\$ 97,816
Total Governmental Activities	<u>\$ 104,041</u>	<u>\$ 97,207</u>	<u>\$ (92,564)</u>	<u>\$ 108,684</u>	<u>\$ 97,816</u>
Other long-term liabilities due in more than one year				<u>\$ 10,868</u>	
Business-Type Activities:					
Compensated absences	\$ 17,852	\$ 16,713	\$ (13,642)	\$ 20,923	\$ 18,831
Total Business-Type Activities	<u>\$ 17,852</u>	<u>\$ 16,713</u>	<u>\$ (13,642)</u>	<u>\$ 20,923</u>	<u>\$ 18,831</u>
Other long-term liabilities due in more than one year				<u>\$ 2,092</u>	

F. Customer Deposits

The City had customer deposits of \$395,869 in the water fund as of year end. The City requires a refundable deposit for all new utility customers. This amount will be returned to the customer when utility service is discontinued and all outstanding utility expenses are paid. The City also had customer deposits of \$11,475 in the general fund as of year end. These deposits were related to building permit fees and park services.

G. Interfund Transactions

Interfund balances resulted from the timing difference between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All balances are expected to be paid in the subsequent year.

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

Transfers between the primary government funds during the 2021 year were as follows:

Transfers In:	Transfers Out:					Total
	General	Debt Service	Water	Solid Waste	Nonmajor Proprietary	
General	\$ -	\$ -	\$ 883,238	\$ -	\$ -	\$ 883,238
Water	-	895,992	-	-	60,809	956,801
Nonmajor						
Governmental	167,899	-	-	142,000	-	309,899
Total	\$ 167,899	\$ 895,992	\$ 883,238	\$ 142,000	\$ 60,809	\$ 2,149,938

Amounts transferred between funds relate to amounts collected by the governmental and enterprise funds for various capital expenditures and principal and interest payments.

The compositions of interfund balances as of the year ended September 30, 2021 were as follows:

Due from:	Due to:	
	Solid Waste	Total
General Fund	\$ 22,986	\$ 22,986
Total	\$ 22,986	\$ 22,986

H. Fund Equity

The City records fund balance restrictions at the fund level to indicate that a portion of the fund balance is legally restricted for a specific future use or to indicate that a portion of the fund balance is not available for expenditures.

The following is a list of restricted fund balances:

	Restricted
Streets and parks	\$ 523,153
Tourism	89,506
Municipal court	13,415 *
Debt service	638,403
Total	\$ 1,264,477

*Restricted by enabling legislation

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the City participates along with more than 2,800 other entities in the Texas Municipal League Intergovernmental Risk Pools. The Pool was designed and created to provide insurance coverage that meets the needs of local governments 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.

The City uses a number of approaches to decrease risks and protect against losses to the City, including internal practices, employee training, and a code of ethics, which all employees are required to acknowledge

The City owns and operates motor vehicles and may provide such vehicle to employees for business use during the course and scope of their employment. The City is insured as to its own property losses, and the liability of loss to others.

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 which 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.

The City participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City had not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

C. Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage 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 at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the City could result. The City does not anticipate that it will have an arbitrage liability and reviews the estimate for this potential liability annually. The City will also engage an arbitrage consultant to perform the calculations in accordance with Internal Revenue Service's rules and regulations if indicated.

D. Defined Benefit Pension Plans

Texas Municipal Retirement System

1. Plan Description

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

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

2. 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.

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

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

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

	<u>Plan Year 2020</u>	<u>Plan Year 2019</u>
Employee deposit rate	5%	5%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	0%	0%
Annuity increase (to retirees)	0% of CPI	0% of CPI

Employees covered by benefit terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	13
Inactive employees entitled to but not yet receiving benefits	20
Active employees	<u>41</u>
Total	<u>74</u>

3. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

Employees for the City of Granite Shoals, Texas were required to contribute 5% of their annual gross earnings during the fiscal year. The contribution rates for the City of Granite Shoals, Texas were 4.80% and 4.33% in calendar years 2020 and 2021, respectively. The City's contributions to TMRS for the year ended September 30, 2021, were \$105,100, and were equal to the required contributions.

4. Net Pension Liability (Asset)

The City's Net Pension Liability (Asset) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of that date.

Actuarial assumptions

The Total Pension Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

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

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum 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, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS. Plan assets are managed on a total return basis with an emphasis on both capital

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
Total	100.0%	

Discount Rate

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

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 203,393	\$ (105,514)	\$ (360,530)

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Balance at 12/31/19	\$ 1,807,509	\$ 1,899,220	\$ (91,711)
Changes for the year:			
Service cost	219,408	-	219,408
Interest	127,572	-	127,572
Difference between expected and actual experience	12,588	-	12,588
Changes of assumptions	-	-	-
Contributions – employer	-	112,617	(112,617)
Contributions – employee	-	117,310	(117,310)
Net investment income	-	144,413	(144,413)
Benefit payments, including refunds of emp. contributions	(54,527)	(54,527)	-
Administrative expense	-	(933)	933
Other changes	-	(36)	36
Net changes	305,041	318,844	(13,803)
Balance at 12/31/20	<u>\$ 2,112,550</u>	<u>\$ 2,218,064</u>	<u>\$ (105,514)</u>

Pension Plan Fiduciary Net Position

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

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2021, the City recognized pension expense of \$47,674. At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Contributions subsequent to the measurement date	\$ 73,593	\$ -
Difference in experience	-	70,704
Changes in actuarial assumptions	3,181	-
Pension investment returns	-	53,670
Total	\$ 76,774	\$ 124,374

The City reported \$73,593 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Plan Year	
2021	\$ (53,937)
2022	(31,842)
2023	(33,519)
2024	(1,895)
2025	-
Total	\$ (121,193)

Other Postemployment Benefits

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (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 City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Employees covered by benefit terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to but not yet receiving benefits	3
Active employees	41
Total	53

The City's contributions to the TMRS SDBF for the years ended 2021, 2020 and 2019 were \$2,878, \$1,063, and \$819, respectively, which equaled the required contributions each year.

Three-Year Contribution Information

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2019	0.05%	0.05%	100.0%
2020	0.05%	0.05%	100.0%
2021	0.15%	0.15%	100.0%

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2020, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

City of Granite Shoals, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5%, including inflation per year
Discount rate	2.00%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 2.00%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2020.

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

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.75%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75%) or 1-percentage-point higher (3.75%) than the current rate:

1% Decrease 1.00%	Current Single Rate Assumption 2.00%	1% Increase 3.00%
\$ 110,190	\$ 90,738	\$ 75,657

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/19	\$ 71,816
Changes for the year:	
Service Cost	7,686
Interest	2,065
Difference between expected and actual experience	(1,335)
Changes of assumptions	11,671
Benefit payments	(1,165)
Net changes	18,922
Balance at 12/31/20	\$ 90,738

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

For the year ended September 30, 2021, the City recognized OPEB expense of \$11,851.

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Contributions subsequent to the measurement date	\$ 2,549	\$ -
Difference in experience	-	8,145
Changes in actuarial assumptions	19,188	-
Total	\$ 21,737	\$ 8,145

The City reported \$2,549 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2022.

City of Granite Shoals, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2021

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

Year ended December 31:		
2021	\$	2,100
2022		2,100
2023		2,100
2024		1,600
2025		2,234
Thereafter		909
	\$	<u>11,043</u>

E. Subsequent Events

On October 26, 2021, the City entered into a Limited Tax in the amount of \$1,030,000. The note has an interest rate of 1.03% and a maturity date of August 1, 2026.

There were no other material subsequent events through February 4, 2022, the date the financial statements were issued.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Granite Shoals, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Property tax	\$ 2,207,817	\$ 2,269,790	\$ 2,269,787	\$ (3)
Sales tax	190,000	219,784	223,136	3,352
Franchise and local taxes	150,150	171,256	146,042	(25,214)
Intergovernmental	340,500	379,593	605,675	226,082
Charges for services	60,200	28,816	82,426	53,610
License and permits	165,200	232,816	233,272	456
Fines and forfeitures	90,200	103,485	117,533	14,048
Investment income	40,000	18,826	16,405	(2,421)
Other revenue	33,000	288,415	63,226	(225,189)
Total Revenues	3,277,067	3,712,781	3,757,502	44,721
<u>Expenditures</u>				
Current:				
Municipal court	97,229	99,563	101,576	(2,013)
Finance and administration	1,019,586	1,103,454	1,111,217	(7,763)
Police	1,408,631	1,417,351	1,382,227	35,124
Fire protection	838,449	866,297	875,198	(8,901)
Streets and parks	682,144	621,257	583,140	38,117
Total Expenditures	4,046,039	4,107,922	4,053,358	54,564
Revenues Over (Under) Expenditures	(768,972)	(395,141)	(295,856)	99,285
<u>Other Financing Sources (Uses)</u>				
Transfers in	858,238	858,238	883,238	25,000
Transfers (out)	(89,266)	(114,266)	(167,899)	(53,633)
Insurance recoveries	-	50,364	49,364	(1,000)
Total Other Financing Sources (Uses)	768,972	794,336	764,703	(29,633)
Net Change in Fund Balance	\$ -	\$ 399,195	468,847	\$ 69,652
Beginning fund balance			1,286,018	
Ending Fund Balance			\$ 1,754,865	

Notes to Required Supplementary Information

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

City of Granite Shoals, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSETS) AND RELATED RATIOS

Years Ended:

	12/31/2020	12/31/2019	12/31/2018	12/31/2017
Total pension liability				
Service cost	\$ 219,408	\$ 168,001	\$ 162,310	\$ 164,908
Interest	127,572	117,822	111,795	98,809
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	12,588	(83,588)	(81,355)	(9,971)
Changes of assumptions	-	5,973	-	-
Benefit payments, including refunds of participant contributions	(54,527)	(124,405)	(88,217)	(31,902)
Net change in total pension liability	305,041	83,803	104,533	221,844
Total pension liability - beginning	1,807,509	1,723,706	1,619,173	1,397,329
Total pension liability - ending (a)	2,112,550	1,807,509	1,723,706	1,619,173
Plan fiduciary net position				
Contributions - employer	\$ 112,617	\$ 87,178	\$ 84,723	\$ 86,053
Contributions - members	117,310	87,047	84,360	85,711
Net investment income	144,413	248,208	(47,088)	174,306
Benefit payments, including refunds of participant contributions	(54,527)	(124,405)	(88,217)	(31,902)
Administrative expenses	(933)	(1,400)	(909)	(903)
Other	(36)	(42)	(47)	(45)
Net change in plan fiduciary net position	318,844	296,586	32,822	313,220
Plan fiduciary net position - beginning	1,899,220	1,602,634	1,569,812	1,256,592
Plan fiduciary net position - ending (b)	\$ 2,218,064	\$ 1,899,220	\$ 1,602,634	\$ 1,569,812
Fund's net pension liability (asset) - ending (a) - (b)	\$ (105,514)	\$ (91,711)	\$ 121,072	\$ 49,361
 Plan fiduciary net position as a percentage of the total pension liability	 105%	 105%	 93%	 97%
Covered payroll	\$ 2,329,168	\$ 1,740,944	\$ 1,687,210	\$ 1,714,218
Fund's net pension liability as a percentage of covered payroll	-4.53%	-5.27%	7.18%	2.88%

Notes to schedule:

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

<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u> ¹
\$ 158,085	\$ 150,157	\$ 128,541
87,437	73,811	62,140
-	-	-
(37,382)	13,012	2,977
-	42,993	-
(54,256)	(31,792)	(43,675)
<u>153,884</u>	<u>248,181</u>	<u>149,983</u>
<u>1,243,445</u>	<u>995,264</u>	<u>845,281</u>
<u>1,397,329</u>	<u>1,243,445</u>	<u>995,264</u>
\$ 73,817	\$ 69,291	\$ 47,394
82,941	81,519	75,836
73,175	1,420	47,807
(54,256)	(31,792)	(43,675)
(826)	(865)	(499)
(43)	(43)	(41)
<u>174,808</u>	<u>119,530</u>	<u>126,822</u>
<u>1,081,784</u>	<u>962,254</u>	<u>835,432</u>
<u>\$ 1,256,592</u>	<u>\$ 1,081,784</u>	<u>\$ 962,254</u>
<u>\$ 140,737</u>	<u>\$ 161,661</u>	<u>\$ 33,010</u>
90%	87%	97%
\$ 1,658,811	\$ 1,630,373	\$ 1,516,714
8.48%	9.92%	2%

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

	9/30/2020	9/30/2019	9/30/2018	9/30/2017
Actuarially determined employer contributions	\$ 102,936	\$ 86,255	\$ 84,917	\$ 83,121
Contributions in relation to the actuarially determined contribution	\$ 102,936	\$ 86,255	\$ 84,917	\$ 83,121
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Annual covered payroll	\$ 2,125,749	\$ 1,687,210	\$ 1,689,020	\$ 1,700,764
Employer contributions as a percentage of covered payroll	4.84%	5.11%	5.03%	4.89%

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.
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Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	N/A
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018
Mortality	<p>Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.</p> <p>Pre-retirement: PUB(10) mortality tables, with the</p> <p>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.</p>

Notes There were no benefit changes during the year.

<u>9/30/2016</u>	<u>9/30/2015</u> ¹
\$ 75,179	\$ 63,558
<u>\$ 75,179</u>	<u>\$ 63,558</u>
\$ -	\$ -
\$ 1,709,498	\$ 1,608,453
4.40%	3.95%

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City of Granite Shoals, Texas
SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN
PENSIONS (OPEB) LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SUPPLEMENTAL DEATH BENEFITS PLAN
Years Ended:

	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u> ¹
Total OPEB liability				
Service cost	\$ 7,686	\$ 5,049	\$ 5,230	\$ 4,628
Interest	2,065	2,200	2,065	1,951
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	(1,335)	(5,588)	(5,268)	-
Changes of assumptions	11,671	13,819	(4,244)	4,564
Benefit payments, including refunds of participant contributions	(1,165)	(870)	(675)	(686)
Net change in total OPEB liability	<u>18,922</u>	<u>14,610</u>	<u>(2,892)</u>	<u>10,457</u>
Total OPEB liability - beginning	<u>\$ 71,816</u>	<u>\$ 57,206</u>	<u>\$ 60,098</u>	<u>\$ 49,641</u>
Total OPEB liability - ending	<u><u>\$ 90,738</u></u>	<u><u>\$ 71,816</u></u>	<u><u>\$ 57,206</u></u>	<u><u>\$ 60,098</u></u>
 Covered payroll	 \$ 2,329,168	 \$ 1,740,944	 \$ 1,687,210	 \$ 1,714,218
City's total OPEB liability as a	3.90%	4.13%	3.39%	3.51%

Notes to schedule:

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

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

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

City of Granite Shoals, Texas

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS September 30, 2021

	Capital Projects	Hotel Tax Fund	Street Maintenance Sales Tax	Police Seizure
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 89,748	\$ 374,349	\$ 8,488
Receivables, net	-	-	39,739	-
Total Assets	\$ -	\$ 89,748	\$ 414,088	\$ 8,488
<u>Liabilities</u>				
Accounts payable	\$ -	\$ 242	\$ 2,002	\$ 2,101
Total Liabilities	-	242	2,002	2,101
<u>Fund Balances</u>				
Restricted for:				
Streets and parks	-	-	412,086	-
Tourism	-	89,506	-	-
Municipal court	-	-	-	6,387
Total Fund Balances (Deficits)	-	89,506	412,086	6,387
Total Liabilities and Fund Balances	\$ -	\$ 89,748	\$ 414,088	\$ 8,488

Law Enforcement Education	City Cleanup	Court Technology	Court Security	Restricted Park	Total
\$ 6,638	\$ 49,517	\$ 390	\$ 2,744	\$ 61,134	\$ 593,008
-	1,697	-	-	-	41,436
<u>\$ 6,638</u>	<u>\$ 51,214</u>	<u>\$ 390</u>	<u>\$ 2,744</u>	<u>\$ 61,134</u>	<u>\$ 634,444</u>
\$ -	\$ 1,281	\$ -	\$ -	\$ -	\$ 5,626
-	1,281	-	-	-	5,626
-	49,933	-	-	61,134	523,153
-	-	-	-	-	89,506
6,638	-	390	2,744	-	16,159
<u>6,638</u>	<u>49,933</u>	<u>390</u>	<u>2,744</u>	<u>61,134</u>	<u>628,818</u>
<u>\$ 6,638</u>	<u>\$ 51,214</u>	<u>\$ 390</u>	<u>\$ 2,744</u>	<u>\$ 61,134</u>	<u>\$ 634,444</u>

City of Granite Shoals, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2021

	Capital Projects	Hotel Tax Fund	Street Maintenance Sales Tax	Police Seizure
<u>Revenues</u>				
Sales tax	\$ -	\$ -	\$ 223,136	\$ -
Hotel occupancy tax	-	29,459	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	56	-	-	-
Contributions and donations	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	56	29,459	223,136	-
<u>Expenditures</u>				
Streets and parks	-	-	19,669	-
Tourism	-	17,800	-	-
Public safety	-	-	-	-
Capital outlay	7,297	-	-	-
Total Expenditures	7,297	17,800	19,669	-
Revenues Over (Under)				
Expenditures	(7,241)	11,659	203,467	-
<u>Other Financing Sources (Uses)</u>				
Transfers in	-	-	89,266	-
Total Other Financing (Uses)	-	-	89,266	-
Net Change in Fund Balances	(7,241)	11,659	292,733	-
Beginning fund balances	7,241	77,847	119,353	6,387
Ending Fund Balances (Deficits)	\$ -	\$ 89,506	\$ 412,086	\$ 6,387

Law Enforcement Education	City Cleanup	Court Technology	Court Security	Restricted Park	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 223,136
-	-	-	-	-	29,459
-	16,500	-	-	459,114	475,614
-	21,091	-	-	11,208	32,299
1,087	-	2,425	2,849	524	6,885
-	-	-	-	-	56
-	54	-	-	65,028	65,082
-	3,515	-	-	-	3,515
<u>1,087</u>	<u>41,160</u>	<u>2,425</u>	<u>2,849</u>	<u>535,874</u>	<u>836,046</u>
-	38,918	-	-	-	58,587
-	-	-	-	-	17,800
-	-	-	30,106	398,096	428,202
-	-	-	-	-	7,297
<u>-</u>	<u>38,918</u>	<u>-</u>	<u>30,106</u>	<u>398,096</u>	<u>511,886</u>
<u>1,087</u>	<u>2,242</u>	<u>2,425</u>	<u>(27,257)</u>	<u>137,778</u>	<u>324,160</u>
-	-	-	23,633	197,000	309,899
<u>-</u>	<u>-</u>	<u>-</u>	<u>23,633</u>	<u>197,000</u>	<u>309,899</u>
1,087	2,242	2,425	(3,624)	334,778	634,059
5,551	47,691	(2,035)	6,368	(273,644)	(5,241)
<u>\$ 6,638</u>	<u>\$ 49,933</u>	<u>\$ 390</u>	<u>\$ 2,744</u>	<u>\$ 61,134</u>	<u>\$ 628,818</u>

City of Granite Shoals, Texas
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
September 30, 2021

		Utility Equipment Reserve	Meter Reader Project	Total
<u>Assets</u>				
Cash and cash equivalents		\$ 391,819	\$ 28,246	\$ 420,065
Total Current Assets		\$ 391,819	\$ 28,246	\$ 420,065
<u>Net Position</u>				
Unrestricted		391,819	28,246	420,065
Total Net Position		\$ 391,819	\$ 28,246	\$ 420,065

City of Granite Shoals, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the Year Ended September 30, 2021

	Utility Equipment Reserve	Meter Reader Project	Total
<u>Revenues</u>			
Charges for services	\$ 30,433	\$ -	\$ 30,433
Total Revenues	<u>30,433</u>	<u>-</u>	<u>30,433</u>
Income (Loss) Before Transfers	30,433	-	30,433
Transfers in	<u>60,809</u>	<u>-</u>	<u>60,809</u>
Change in Net Position	91,242	-	91,242
Beginning net position	300,577	28,246	328,823
Ending Net Position	<u><u>\$ 391,819</u></u>	<u><u>\$ 28,246</u></u>	<u><u>\$ 420,065</u></u>

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City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 6.b

Subject: Hear Report. No action required.

Prepared/Submitted By: Gary A. Boshears, M. P. A., LCC

Department: Police

AGENDA CAPTION

2021 Annual Racial Profiling Report - Police Chief Gary Boshears.

BACKGROUND

Texas law requires that a law enforcement agency submit an annual report on Racial Profiling Statistics to the governing body of the municipality. No action by the council is required but Chief Boshears can answer any questions the council has. After the council receives the report, it will be submitted to State.

This item was postponed from the previous meeting.

OPTIONS

RECOMMENDATION

No Action Required. Hear Report.

FISCAL NOTES (IF APPROPRIATE)

ATTACHMENT(S) (IF APPROPRIATE)

- [2021 Racial Profiling.pdf](#)

Racial Profiling Report | Full report

Agency Name: GRANITE SHOALS POLICE DEPARTMENT
Reporting Date: 1/3/2022
TCOLE Agency Number:
Chief Administrator: Chief Gary Boshears
Agency Contact:
Phone: (830) 598-4818
Email:
Mailing Address: 410 N. Phillips Ranch Rd., Granite Shoals, TX 78654

This Agency filed a full report

GRANITE SHOALS POLICE
DEPARTMENT

has adopted a detailed written policy on racial profiling. Our policy:

- 1) clearly defines acts constituting racial profiling;
- 2) strictly prohibits peace officers employed by the GRANITE SHOALS POLICE DEPARTMENT from engaging in racial profiling;
- 3) implements a process by which an individual may file a complaint with the GRANITE SHOALS POLICE DEPARTMENT if the individual believes that a peace officer employed by the GRANITE SHOALS POLICE DEPARTMENT has engaged in racial profiling with respect to the individual;
- 4) provides public education relating to the agency's complaint process;
- 5) requires appropriate corrective action to be taken against a peace officer employed by the GRANITE SHOALS POLICE DEPARTMENT who, after an investigation, is shown to have engaged in racial profiling in violation of the GRANITE SHOALS POLICE DEPARTMENT;
- 6) requires collection of information relating to motor vehicle stops in which a citation is issued and to arrests made as a result of those stops, including information relating to:
 - a. the race or ethnicity of the individual detained;
 - b. whether a search was conducted and, if so, whether the individual detained consented to the search;

- c. whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual;
- d. whether the peace officer used physical force that resulted in bodily injury during the stop;
- e. the location of the stop;
- f. the reason for the stop.

7) requires the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision (6) to:

- a. the Commission on Law Enforcement; and
- b. the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

The GRANITE SHOALS POLICE DEPARTMENT has satisfied the statutory data audit requirements as prescribed in Article 2, 133(c), Code of Criminal Procedure during the reporting period.

Executed by: Chief Gary Boshears

Date: 1/3/2022

Racial Profiling Report | Full Report

GRANITE SHOALS POLICE DEPARTMENT

1/1/2021 - 12/31/2021

Total stops: 4,094 100.00%

Street address or approximate location of the stop

City street: 1,256 30.68%
 US highway: 2 0.05%
 State highway: 2,232 54.52%
 County road: 432 10.55%
 Private property or other: 172 4.20%

Was race or ethnicity known prior to stop?

Yes: 14 0.34%
 No: 4,080 99.66%

Race or ethnicity

Alaska Native/American Indian: 6 0.15%
 Asian/Pacific Islander: 20 0.49%
 Black: 107 2.61%
 White: 2,518 61.50%
 Hispanic/Latino: 1,443 35.25%

Gender

Female:

Total	<u>1,478</u>	<u>36.10%</u>				
Alaska Native/American Indian	<u>3</u>	<u>0.20%</u>	Asian/Pacific Islander	<u>6</u>	<u>0.41%</u>	
Black	<u>37</u>	<u>2.50%</u>	White	<u>996</u>	<u>67.39%</u>	Hispanic/Latino <u>436</u> <u>29.50%</u>

Male:

Total	<u>2,615</u>	<u>63.87%</u>				
Alaska Native/American Indian	<u>3</u>	<u>0.11%</u>	Asian/Pacific Islander	<u>14</u>	<u>0.54%</u>	
Black	<u>70</u>	<u>2.68%</u>	White	<u>1,521</u>	<u>58.16%</u>	Hispanic/Latino <u>1,007</u> <u>38.51%</u>

Racial Profiling Report | Full Report

GRANITE SHOALS POLICE DEPARTMENT

1/1/2021 - 12/31/2021

Reason for stop?

Violation of law:

Total	<u>106</u>	<u>2.59%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>75</u>	<u>70.75%</u>	Hispanic/Latino	<u>31</u> <u>29.25%</u>

Preexisting knowledge:

Total	<u>14</u>	<u>0.34%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>12</u>	<u>11.32%</u>	Hispanic/Latino	<u>2</u> <u>1.89%</u>

Moving traffic violation:

Total	<u>3,158</u>	<u>77.14%</u>					
Alaska Native/American Indian	<u>5</u>	<u>0.16%</u>	Asian/Pacific Islander	<u>17</u>	<u>0.54%</u>		
Black	<u>76</u>	<u>2.41%</u>	White	<u>1,977</u>	<u>62.60%</u>	Hispanic/Latino	<u>1,083</u> <u>34.29%</u>

Vehicle traffic violation:

Total	<u>816</u>	<u>19.93%</u>					
Alaska Native/American Indian	<u>1</u>	<u>0.12%</u>	Asian/Pacific Islander	<u>3</u>	<u>0.37%</u>		
Black	<u>31</u>	<u>3.80%</u>	White	<u>454</u>	<u>55.64%</u>	Hispanic/Latino	<u>327</u> <u>40.07%</u>

Was a search conducted?

Yes:

Total	<u>146</u>	<u>3.57%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>5</u>	<u>3.42%</u>	White	<u>82</u>	<u>56.16%</u>	Hispanic/Latino	<u>59</u> <u>40.41%</u>

No:

Total	<u>3,948</u>	<u>96.43%</u>					
Alaska Native/American Indian	<u>6</u>	<u>0.15%</u>	Asian/Pacific Islander	<u>20</u>	<u>0.51%</u>		
Black	<u>102</u>	<u>2.58%</u>	White	<u>2,436</u>	<u>61.70%</u>	Hispanic/Latino	<u>1,384</u> <u>35.06%</u>

Reason for Search?

Consent:

Total	<u>34</u>	<u>0.83%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>23</u>	<u>67.65%</u>	Hispanic/Latino	<u>11</u> <u>32.35%</u>

Contraband:

Total	<u>3</u>	<u>0.07%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>1</u>	<u>33.33%</u>	Hispanic/Latino	<u>2</u> <u>66.67%</u>

Racial Profiling Report | Full Report

GRANITE SHOALS POLICE DEPARTMENT

1/1/2021 - 12/31/2021

Probable cause:

Total	<u>72</u>	<u>1.76%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>3</u>	<u>4.17%</u>	White	<u>42</u>	<u>58.33%</u>	Hispanic/Latino	<u>27</u> <u>37.50%</u>

Inventory:

Total	<u>14</u>						
Alaska Native/American Indian	<u>0</u>		Asian/Pacific Islander	<u>0</u>			
Black	<u>0</u>		White	<u>3</u>		Hispanic/Latino	<u>11</u>

Incident to arrest:

Total	<u>23</u>	<u>0.34%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>2</u>	<u>0.00%</u>	White	<u>13</u>	<u>21.43%</u>	Hispanic/Latino	<u>8</u> <u>78.57%</u>

Was Contraband discovered?

Yes:

Total	<u>70</u>	<u>1.71%</u>						Did the finding result in arrest (total should equal previous column)?
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Yes	<u>0</u>	<u>0.00%</u>	No	<u>0</u>	<u>0.00%</u>
Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>	Yes	<u>0</u>	<u>0.00%</u>	No	<u>0</u>	<u>0.00%</u>
Black	<u>2</u>	<u>2.86%</u>	Yes	<u>0</u>	<u>0.00%</u>	No	<u>2</u>	<u>100.00%</u>
White	<u>42</u>	<u>60.00%</u>	Yes	<u>8</u>	<u>19.05%</u>	No	<u>34</u>	<u>80.95%</u>
Hispanic/Latino	<u>26</u>	<u>37.14%</u>	Yes	<u>1</u>	<u>3.85%</u>	No	<u>25</u>	<u>96.15%</u>

No:

Total	<u>4,024</u>	<u>98.29%</u>						
Alaska Native/American Indian	<u>6</u>	<u>0.15%</u>	Asian/Pacific Islander	<u>20</u>	<u>0.50%</u>			
Black	<u>105</u>	<u>2.61%</u>	White	<u>2,476</u>	<u>61.53%</u>	Hispanic/Latino	<u>1,417</u>	<u>35.21%</u>

Description of contraband

Drugs:

Total	<u>55</u>	<u>1.34%</u>						
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>			
Black	<u>2</u>	<u>3.64%</u>	White	<u>35</u>	<u>63.64%</u>	Hispanic/Latino	<u>18</u>	<u>32.73%</u>

Currency:

Total	<u>0</u>	<u>0.00%</u>
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Racial Profiling Report | Full Report

GRANITE SHOALS POLICE DEPARTMENT

1/1/2021 - 12/31/2021

	Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>
	Black <u>0</u>	<u>0.00%</u>	White <u>0</u>	<u>0.00%</u>	Hispanic/Latino <u>0</u>	<u>0.00%</u>
Weapons:						
Total	<u>0</u>	<u>0.00%</u>				
	Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>
	Black <u>0</u>	<u>0.00%</u>	White <u>0</u>	<u>0.00%</u>	Hispanic/Latino <u>0</u>	<u>0.00%</u>
Alcohol:						
Total	<u>11</u>	<u>0.27%</u>				
	Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>
	Black <u>0</u>	<u>0.00%</u>	White <u>4</u>	<u>36.36%</u>	Hispanic/Latino <u>7</u>	<u>63.64%</u>
Stolen property:						
Total	<u>0</u>	<u>0.00%</u>				
	Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>
	Black <u>0</u>	<u>0.00%</u>	White <u>0</u>	<u>0.00%</u>	Hispanic/Latino <u>0</u>	<u>0.00%</u>
Other:						
Total	<u>5</u>	<u>0.12%</u>				
	Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>
	Black <u>0</u>	<u>0.00%</u>	White <u>4</u>	<u>80.00%</u>	Hispanic/Latino <u>1</u>	<u>20.00%</u>

Result of the stop

Verbal warning:

Total	<u>3,468</u>	<u>84.71%</u>				
	Alaska Native/American Indian	<u>6</u>	<u>0.17%</u>	Asian/Pacific Islander	<u>18</u>	<u>0.52%</u>
	Black <u>99</u>	<u>2.85%</u>	White <u>2,210</u>	<u>63.73%</u>	Hispanic/Latino <u>1,135</u>	<u>32.73%</u>

Written warning:

Total	<u>38</u>	<u>0.93%</u>				
	Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>
	Black <u>1</u>	<u>2.63%</u>	White <u>22</u>	<u>57.89%</u>	Hispanic/Latino <u>15</u>	<u>39.47%</u>

Citation:

Total	<u>565</u>	<u>13.80%</u>				
	Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>2</u>	<u>0.35%</u>
	Black <u>6</u>	<u>1.06%</u>	White <u>273</u>	<u>48.32%</u>	Hispanic/Latino <u>284</u>	<u>50.27%</u>

Racial Profiling Report | Full Report

GRANITE SHOALS POLICE DEPARTMENT

1/1/2021 - 12/31/2021

Written warning and arrest:

Total	<u>2</u>	<u>0.05%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>1</u>	<u>50.00%</u>	White	<u>1</u>	<u>50.00%</u>	Hispanic/Latino	<u>0</u>
							<u>0.00%</u>

Citation and arrest:

Total	<u>3</u>	<u>0.07%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>2</u>	<u>66.67%</u>	Hispanic/Latino	<u>1</u>
							<u>33.33%</u>

Arrest:

Total	<u>18</u>	<u>0.44%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>10</u>	<u>55.56%</u>	Hispanic/Latino	<u>8</u>
							<u>44.44%</u>

Arrest based on

Violation of Penal Code:

Total	<u>13</u>	<u>0.32%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>9</u>	<u>69.23%</u>	Hispanic/Latino	<u>4</u>
							<u>30.77%</u>

Violation of Traffic Law:

Total	<u>2</u>	<u>0.05%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>2</u>	<u>100.00%</u>	Hispanic/Latino	<u>0</u>
							<u>0.00%</u>

Violation of City Ordinance:

Total	<u>0</u>	<u>0.00%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>0</u>	<u>0.00%</u>	Hispanic/Latino	<u>0</u>
							<u>0.00%</u>

Outstanding Warrant:

Total	<u>12</u>	<u>0.29%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>1</u>	<u>8.33%</u>	White	<u>5</u>	<u>41.67%</u>	Hispanic/Latino	<u>6</u>
							<u>50.00%</u>

Racial Profiling Report | Full Report
GRANITE SHOALS POLICE DEPARTMENT
1/1/2021 - 12/31/2021

Was physical force resulting in bodily injury used during stop?

Yes:

Total	<u>3</u>	<u>0.07%</u>					
Alaska Native/American Indian	<u>0</u>	<u>0.00%</u>	Asian/Pacific Islander	<u>0</u>	<u>0.00%</u>		
Black	<u>0</u>	<u>0.00%</u>	White	<u>1</u>	<u>33.33%</u>	Hispanic/Latino	<u>2</u> <u>66.67%</u>

No:

Total	<u>4,091</u>	<u>99.93%</u>					
Alaska Native/American Indian	<u>6</u>	<u>0.15%</u>	Asian/Pacific Islander	<u>20</u>	<u>0.49%</u>		
Black	107	<u>2.62%</u>	White	<u>2,517</u>	<u>61.53%</u>	Hispanic/Latino	<u>1,441</u> <u>35.22%</u>

Number of complaints of racial profiling?

Total	0	<u>0.00%</u>		
Resulted in disciplinary action	0	<u>0.00%</u>		
Did not result in disciplinary action	0	<u>0.00%</u>		

Submitted electronically to the



The Texas Commission on Law Enforcement

Page 7

Racial Profiling Report | Full Report
GRANITE SHOALS POLICE DEPARTMENT
1/1/2021 - 12/31/2021

Comparative Analysis
Motor Vehicle Stops vs. Gender Ethnic Population of Service Area
GRANITE SHOALS POLICE DEPARTMENT

Racial Profile Data Provided by Kologik COPSsync Mobile	# of Stops	% of Stops
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Male	2,615	63.87%
Female	1,478	36.10%
Alaska Native/American Indian	6	0.15%
Asian/Pacific Islander	20	0.49%
Black	107	2.61%
White	2,518	61.50%
Hispanic/Latino	1,443	35.25%

Agency Service Area Demographics Provided by Agency Official (Not Kologik)	Total Number	% of Population
--	---------------------	------------------------

Male	2,149	41.90%
Female	2,980	58.10%
Alaska Native/American Indian	26	0.5%
Asian/Pacific Islander	21	0.4%
Black	0	0.0%
White	2,744	53.5%
Hispanic/Latino	2,334	45.5%
Other/Not Reported Above	123	2.4%

DATA SOURCE USED FOR AGENCY SERVICE AREA DEMOGRAPHICS:
<https://www.census.gov/quickfacts/graniteshoalscitytexas>

ADDITIONAL INFORMATION THAT MAY INFLUENCE AND/OR IMPACT DATA REPORTED:

This form is produced in accordance with the Texas Code of Criminal Procedure Article 2.134 as required by the Texas Occupation Code Section 1701.164 and the Texas Commission on Law Enforcement. The Agency Service Area Demographics data was derived from available public data sources such as the US Census Bureau and other statistical services available to the reporting agency.





City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 7.a

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary/ HR Manager

Department: Administration

AGENDA CAPTION

Approve City Council Meeting Minutes from Regular Called Meeting January 25, 2022. *(City Secretary Elaine Simpson)*

BACKGROUND

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)

ATTACHMENT(S) (IF APPROPRIATE)

- [20220125 granite-shoals-city-council reg called-_minutes_draft summary.pdf](#)



GRANITE SHOALS CITY COUNCIL REGULAR CALLED CITY COUNCIL MEETING

TUESDAY, JANUARY 25, 2022 – 6:00 PM

CITY OF GRANITE SHOALS

CITY HALL

2221 N. PHILLIPS RANCH ROAD

GRANITE SHOALS, TX 78654

PHONE (830) 598-2424 FAX (830) 598-6538

MINUTES

Present: Will Skinner, Ron Munos, Bruce Jones, Samantha Ortis, Steve Hougen M.D., Eddie McCoy, Phil Ort

City staff:

City Manager Jeff Looney

Assistant City Manager / Public Works Director Peggy Smith

City Attorney Josh Katz

Police Chief Gary Boshears (via ZOOM)

Fire Chief Tim Campbell

Director of Finance Russell Martin

City Secretary Elaine Simpson

Police Captain Chris Decker

1. Call to Order/ Roll Call / Welcome

2. Invocation

Clay Walden of First United Methodist Church and the Granite Shoals Faith Alliance, gave the invocation.

3. Pledge of Allegiance to the flag of the United States and to the Texas Flag.

Texas Flag Pledge: Honor the Texas flag; I pledge allegiance to thee, Texas, one state, under God, one and indivisible.

4. Public Comment / Items of Interest:

4.a Public Comments

Assistant City Manager / Public Works Director Peggy Smith: The 'bowl' section of the new water tower will be hoisted at the end of this week into place at top of the tower stem.

Council Member Ron Munos: The Highland Lakes Crisis Network is providing free Covid-19 tests to the public on Wednesdays in Marble Falls.

5. Meeting Minutes/Consent Agenda:

- 5.a Approve meeting minutes from Granite Shoals City Council Regular Called Meeting held January 11, 2022. *(City Secretary Elaine Simpson)*

Moved by Ron Munos; seconded by Bruce Jones to Approve as presented, items # 5.a.), #5.b.), and #5.c.). and approve, as corrected, item #5.d.) on the consent agenda. .

Motion Carried Unanimously: 7- 0

Voting For: Will Skinner, Ron Munos, Bruce Jones, Samantha Ortis, Steve Hougen M.D., Eddie McCoy, Phil Ort

Voting Against: None

- 5.b Approve Resolution #610 - the City of Granite Shoals Investment Policy, without changes, for FY 2021-2022. *(Director of Finance Russell Martin)*

Moved by Ron Munos; seconded by Bruce Jones to Approve as presented, items # 5.a.), #5.b.), and #5.c.). and approve, as corrected, item #5.d.) on the consent agenda. .

Motion Carried Unanimously: 7- 0

Voting For: Will Skinner, Ron Munos, Bruce Jones, Samantha Ortis, Steve Hougen M.D., Eddie McCoy, Phil Ort

Voting Against: None

- 5.c Approve Resolution 676 - Authorizing City Staff to apply for a Solid Waste Grant through Capital Area Council of Governments for 2022-2023 funding cycle. *(City Secretary Elaine Simpson)*

Moved by Ron Munos; seconded by Bruce Jones to Approve as presented, items # 5.a.), #5.b.), and #5.c.). and approve, as corrected, item #5.d.) on the consent agenda. .

Motion Carried Unanimously: 7- 0

Voting For: Will Skinner, Ron Munos, Bruce Jones, Samantha Ortis, Steve Hougen M.D.,

Eddie McCoy, Phil Ort
Voting Against: None

- 5.d Approve annual interlocal agreement with Burnet County for street paving.
ACM/Public Works Director Peggy Smith explained that this agenda item should read
'with Burnet County for street MAINTENANCE' (not paving).

Moved by Ron Munos; seconded by Bruce Jones to Approve as presented, items #
5.a.), #5.b.), and #5.c.). and approve, as corrected, item #5.d.) on the consent agenda. .

Motion Carried Unanimously: 7- 0

Voting For: Will Skinner, Ron Munos, Bruce Jones, Samantha Ortis, Steve Hougen M.D.,
Eddie McCoy, Phil Ort

Voting Against: None

6. Executive Session (Closed to the Public)

- 6.a Executive Session to consult with attorney related to proposed Ordinance #826 to repeal and
replace Ordinance #809-A Mining Ordinance.

(City Manager Jeff Looney/City Attorney Josh Katz)

Texas Government Code, Sec. 551.071 Consultation With Attorney; Closed Meeting

A governmental body may meet in executive session to consult with the City Attorney for legal
guidance. Proposed Ordinance #826 to repeal and replace Ordinance #809-A Mining Ordinance.

Mayor Skinner recesses the Open Meeting and convenes the Exec. Session at 6:15 PM.

Mayor Skinner adjourned the Executive Session and reconvenes the Open Session at
7:02 PM.

(Consultation with Attorney, no Certified Agenda)

No action resulted from Executive Session.

7. Regular Items - items to be considered or upon which action may be taken:

- 7.a Discuss, consider and possibly take action related to Ordinance #826 to repeal and replace
Ordinance #809-A Mining Ordinance, that was passed March 2021. *(City Manager Jeff
Looney/City Attorney Josh Katz)*

City Attorney Josh Katz introduced the item and provided the background of Ordinance 809-
A and this proposed Ordinance.

A map of Cold Springs locations that are North of 1431 in Granite Shoals was provided to
City Council. Concern was expressed about mining locations near Highland Lakes
Elementary School. Discussions were held about negotiating a safe area around the school

where there would not be mining.

Guests for this agenda item:

George Schnepf, Chief Financial Officer - Coldspring Granite

Erich M. Berch - (Birch, Becker & Moorman, LLP) representing Whittlesey Landscaping

Maegen Fox - Representing Fox family landowners

Kenneth Wendland - (Wendland and Associates, LLC of Kerrville) representing the interests of Dori Peril and Jim Peril Estate.

Moved by Phil Ort; seconded by Eddie McCoy to authorize the holding of a Public Hearing to consider proposed Ordinance #826 be held at the next regular called meeting of City Council, on February 8, 2022, with interested parties being invited, including representatives of Marble Falls ISD. .

Motion Carried Unanimously: 7- 0

Voting For: Will Skinner, Ron Munos, Bruce Jones, Samantha Ortis, Steve Hougen M.D., Eddie McCoy, Phil Ort

Voting Against: None

- 7.b Discuss, consider and possibly take action regarding minimum acceptable qualifications for employment as per Section 3.03.03 of Res. 595 City Employees personnel policy, to allow for modified minimum educational qualifications for select job descriptions in Public Works. (*Assistant City Manager / Public Works Director Peggy Smith*)
Mayor Skinner recesses the meeting for a 10 minute break at 7:35 PM.
Mayor Skinner reconvenes the meeting after the break at 7:49 PM.

Assistant City Manager / Public Works Director Peggy Smith introduces the agenda item and provides the staff report. City staff believe that there are specific positions in the Public Works Department which might be filled by persons who have experience with equipment or driving, but have no High School Diploma or GED. Request that requirement for High School Diploma or GED be removed for Public Works Maintenance Technician position.

Moved by Phil Ort; seconded by Bruce Jones to Approve the removal of the requirement that employee possess a High School Diploma or GED, for Public Works position(s) as described. .

Motion Carried Unanimously: 7- 0

Voting For: Will Skinner, Ron Munos, Bruce Jones, Samantha Ortis, Steve Hougen M.D., Eddie McCoy, Phil Ort

Voting Against: None

- 7.c Discuss, consider and possibly take action regarding Capital Costs and debt leverage opportunities as identified by city staff for future planning opportunities. (*City Manager Jeff Looney/Mayor Skinner/Finance Director Russell Martin*).

Director of Finance / Assistant City Manager Russell Martin introduced the agenda item and provided the staff report. The Federal Reserve plans to raise interest rates soon, therefore city staff proposes that staff devise and Council consider a 5-year capital plan to consider if the city would benefit from taking on debt earlier for capital purchases, instead of waiting until interest rates have gone up.

Council by general consensus directed city staff to proceed to formulate a 5-year plan, as described, including information on the city's 'Debt Profile' and bring back to City Council for consideration, if possible at the next regular meeting of Council (February 8, 2022).

No formal action was taken.

- 7.d Discuss, consider and possibly take action related to projects, including but not limited to: update on engineering work from TRC, improvements at the water treatment plant, project to install/replace new water lines and fire hydrants, project to construct a new water storage tank at Bluebriar Drive at Phillips Ranch RD, improvements to the groundwater system, and extension of water intake pipe project. *(City Manager Jeff Looney/Utility Director/ACM Peggy Smith)*

This is a 'standing' item on each Regular City Council agenda allowing the Council to get the latest updates on projects related to grants, or to the 2019 Water Bonds.

Assistant City Manager / Public Works Director Peggy Smith provided an update regarding the topics listed in the agenda item.

No formal action was taken.

Mayor Skinner removed items 8.) and 9.) from the agenda from consideration tonight.

8. Presentations, Recognitions, Proclamations or Reports:

- 8.a 2021 Annual Racial Profiling (Prevention) Report - Police Chief Gary Boshears. Hear Report. No action required.

Due to absence of Police Chief Gary Boshears, this item was removed from the agenda and will be held at a future meeting.

No formal action was taken.

9. Executive Sessions Part II

- 9.a **Executive Session – Personnel** Texas Open Meetings act section 551.074:

Executive Session. Enter into executive session to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the following public officers or employees, as designated by Texas Government Code Section 551.074; And to receive and obtain legal advice regarding same from legal counsel, as authorized by Texas Government Code Section 551.071 (consultation with attorney). No action will be taken in executive session; action, if any, will be taken in open session.

- **City Manager Jeff Looney**
 - **Employment Contract - Section 3.07 Relocation Expenses**

Action Resulting from Executive Session, if any.

Mayor removed item from consideration on tonight's agenda. It will be postponed to a future meeting.

No formal action was taken.

10. Management Reports *Management Report Topics Listed for City Manager, Assistant City Manager and City Secretary*

10.a City Manager Management Report:

- Hear report from Council Member Bruce Jones regarding Burnet Central Appraisal District Board of Directors meeting. *(City Council Member, Place #2, Bruce Jones)*
- Hear report from Mayor Pro Tem Ron Munos regarding Highland Lakes Crisis Network.

Report Heard.

No action taken.

10.b Assistant City Manager / Public Works Director Management Report *(Peggy Smith)*

- Update on water meter project
- Report from Parks Committee meeting on January 13, 2022
- TCEQ approval letter on proposed Water Treatment Improvements
- Update on Raw Water Intake project

Report Heard.

No action taken.

10.c City Secretary / HR Manager Management Report (*Elaine Simpson*)

- City Vacancies - these vacancies, including all job descriptions/job ads are on the city website www.graniteshoals.org :
 - Parks / Recreation Coordinator
 - Public Works Maintenance Technician (2 vacancies)
 - Utility Water Operator
- Elections Update - calendar, candidates, etc. related to upcoming elections.

Report Heard.

No action taken.

11. Written Department Reports

Finance Director / ACM Martin fielded a few questions about the Financial

reports. No formal action was taken.

11.a December 2021 Monthly Reports for Police Department, Animal Control, & Code Compliance.

No Action Needed - Written Report Only

11.b Monthly Financial Report

Review and Discuss

11.c Fire Department Monthly Written Report - December 2021 - Fire Chief Tim Campbell

11.d Marble Falls Area EMS Quarterly Report for City of Granite Shoals, TX. (*submitted by Johnny Campbell*)

Report from Marble Falls Area Emergency Services (MFAEMS) ambulance – Johnny Campbell.

12. Future Agenda Items

12.a Future Agenda Items

An agenda item where the agenda calendar planning document is reviewed and future agenda items are identified.

Mayor Skinner stated that the Addendum Agenda as posted for tonight's meeting will not be

considered. It will be reworded and held at a future meeting.

Council Member Ort requested that Council be provided a proposed Ordinance to consider that would prohibit selling of the city's parks. City Attorney Josh Katz explained that he has visited with Mr. Kenyon, who spoke at the Jan 11th meeting and provided Katz with a proposed Ordinance of this type. Mr. Katz recommended this be considered at a future meeting.

Council Member Ortis requested that a special meeting be held on Tuesday, February 1, 2022, to consider one item, an Executive Session for Personnel to consider City Manager Jeff Looney, conduct and performance.

No action taken.

13. Adjournment

With no items remaining on the agenda, and no objections from Council, Mayor Skinner adjourned the meeting at 8:12 PM.

Approved by City Council on the 8th of February, 2022.

Mayor Will Skinner

Attest:

City Secretary Elaine Simpson



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 7.b

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary/ HR Manager

Department: Administration

AGENDA CAPTION

Approve City Council Meeting Minutes from Special Called meeting February 1, 2022. *(City Secretary Elaine Simpson)*

BACKGROUND

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)

ATTACHMENT(S) (IF APPROPRIATE)

- [20220201 Spec. Called Mtg. Personnel Exec. Session mm..pdf](#)



**GRANITE SHOALS CITY COUNCIL SPECIAL CALLED MEETING OF CITY COUNCIL
TUESDAY, FEBRUARY 1, 2022 – 6:00 PM
CITY OF GRANITE SHOALS
CITY HALL
2221 N. PHILLIPS RANCH ROAD
GRANITE SHOALS, TX 78654
PHONE (830) 598-2424 FAX (830) 598-6538**

MINUTES

Present: Will Skinner, Ron Munos, Bruce Jones, Samantha Ortis, Eddie McCoy, Phil Ort
Absent: Steve Hougen M.D.

Mayor Skinner announced that Dr. Hougen was absent due to a previous commitment. Since this was a Special Called Meeting, an excused absence was not needed.

City Staff and others present:

City Manager Jeff Looney

Assistant City Manager / Public Works Director Peggy Smith

Finance Director / Assistant City Manager Russell Martin

Fire Chief Tim Campbell

Police Chief Gary Boshears

City Attorney Josh Katz

City Secretary / HR Manager Elaine Simpson

1. Call To Order *Roll Call/Welcome*

Mayor Skinner called the meeting to order at 6:00 PM.

2. Citizens Comments/Public comment/Announcements and Items of Interest

Mayor Pro Tem Munos noted that the Highland Lakes Crisis Network will hold their Trust Initiative Meeting at the School District Admin Building on Friday morning from 9 AM to 12 Noon.

3. Special Meeting Agenda Items

3.a Executive Session - Personnel

Executive Session(s): Personnel -

Closed as allowed by Texas Government Code Section . 551.074. PERSONNEL MATTERS;
CLOSED MEETING

This chapter does not require a governmental body to conduct an open meeting to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee:

- **City Manager Jeff Looney**
 - **Personnel Matters - Evaluation of Conduct and Performance.**

Action Resulting from Executive Session, if any.

Mayor Skinner recessed the open meeting, City Secretary Simpson read the legal exception into the record at 6:01 PM.

Mayor Skinner convened the Executive Session / Closed Meeting at 6:02 PM.

Mayor Skinner adjourned the Executive Session / Closed Meeting at 7:41 PM.

Mayor Skinner reconvened the Open Session / Regular City Council Meeting at 7:43 PM.

There was no action resulting from the Executive Session.

4. Future Agenda Items

Council Member McCoy requested on the 2/22/22 City Council meeting agenda that the Council discuss options for establishing a shooting range area / training range on city owned property for Police Department personnel training.

5. Adjournment

With no more items on the agenda, and no objections from City Council, Mayor Skinner adjourned the meeting at 7:50 PM.

Meeting minutes approved by City Council on the 8th day of February, 2022.

Mayor Will Skinner

Attest:

City Secretary Elaine Simpson



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 8.a

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary / HR Manager for Assistant City Manager Peggy Smith and Police Chief Gary Boshears

Department: Administration

AGENDA CAPTION

Discuss current regulations for Traffic Control Devices, Ord. 678 as passed 11-10-2015 as requested by Mayor Skinner at the City Council Regular Meeting of January 11, 2022. *(Police Chief Gary Boshears, Assistant City Manager Peggy Smith, City Manager Jeff Looney, City Attorney Josh Katz)*

BACKGROUND

In 2015, Council repealed and replaced Ord. 555 which had for many years provided the policy and procedures for installing Traffic Control Devices in the City. Tonight, the Council would like to review Ord. 678 with city staff.

For the previous few meetings, Mayor Skinner has been requesting that Council consider options for speed limit signage, possible modification of speed limits on select roadways in the city; mostly unpaved roadways or roadways adjacent to city parks.

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)

ATTACHMENT(S) (IF APPROPRIATE)

- [Ord. 678 Revision of Traffic Control Ordinance signed by Mayor B and Brad Young for website approved 11 10 2015.pdf](#)

ORDINANCE NO. 678

“Traffic Control Devices”

AN ORDINANCE OF THE CITY OF GRANITE SHOALS, BURNET COUNTY, TEXAS, REPEALING AND REPLACING ORDINANCE NO. 555 AND AMENDING CHAPTER 30 (STREETS, SIDEWALKS, AND OTHER PUBLIC PROPERTY) OF THE CITY OF GRANITE SHOALS CODE OF ORDINANCES TO CREATE A NEW ARTICLE IV (TRAFFIC CONTROL DEVICES) ESTABLISHING CERTAIN TRAFFIC ZONES, INCLUDING STOP AND YIELD INTERSECTIONS, ORDERING THE ERECTION OF TRAFFIC CONTROL SIGNS; AND PROVIDING FOR FINDINGS OF FACT; SAVINGS; SEVERABILITY; REPEALER; AN EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.

WHEREAS, the City Council of the City of Granite Shoals, Texas seeks to provide for the orderly development and use of the streets, roadways and public right-of-way; and

WHEREAS, the City Council further seeks to provide for the safety of persons and property and the free flow and the expeditious handling of traffic; and

WHEREAS, the City Council finds that it is in the best interest of the public's health, safety and welfare that the City of Granite Shoals erect and maintain official traffic control devices as described by this ordinance; and

WHEREAS, the City Council further finds that it is in the best interest of the public to charge the Street and Water Advisory Group with the authority to recommend the type and location of future traffic control devices to be used within the corporate limits of the City and to present its recommendations to the City; and

WHEREAS, the City Council is authorized to regulate traffic pursuant to sections 542.201 and 542.202(a)(8) of the Texas Transportation Code;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRANITE SHOALS, TEXAS:

SECTION I. FINDINGS OF FACT

All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this ordinance as if copied in their entirety.

SECTION II. REPEAL

Ordinance No. 555 is hereby repealed upon the adoption of this Ordinance.

SECTION III. AMENDMENT

Chapter 30 (Streets, Sidewalks, And Other Public Property) of the City of Granite Shoals Code of Ordinances is hereby amended to create a new Article IV (Traffic Control Devices) as follows:

“ARTICLE IV – TRAFFIC CONTROL DEVICES

Sec. 30-51. – Authority to Erect Traffic Control Devices

- (a) The City Manager or the City Manager’s designee shall erect and maintain all traffic control devices, as determined pursuant to subsections (c) and (d) of this section. A traffic control device erected pursuant to this Article shall be an official traffic control device of the City of Granite Shoals.
- (b) Whenever any traffic control device has been erected pursuant to this Article, the City Manager or the City Manager’s designee shall thereafter provide written notification, which shall be signed by the City Manager, to the City Secretary, stating the type of traffic control device erected, installed, or put into use, and giving the location and date thereof. The City Secretary shall maintain a list of such information among the official papers of the office of the city secretary.
- (c) The City Manager is hereby authorized and directed to erect and maintain traffic control devices as directed by the City Council.
- (d) The Street and Water Advisory Group shall advise the City Manager regarding the location of additional traffic control devices to be used within the corporate limits of the City, either upon its own initiative or as suggested by city staff. Prior to making a recommendation to the City Manager, the Street and Water Advisory Group may seek the input of the Chief of Police and the Fire Chief regarding the location of such traffic control devices. The City Manager or the City Manager’s designee shall make final determinations regarding the location of traffic control devices based upon the recommendations of the Street and Water Advisory Group. The City Manager shall provide written notification, which shall be signed by the City Manager to the City Secretary, stating which type of traffic control device was erected, installed, or put into use, and giving the location and date thereof. The City Secretary shall maintain a list of such information among the official papers of the office of the City Secretary in the manner provided in subsection (b).
- (e) In the event of an emergency, the City Manager or the City Manager’s designee may erect such temporary traffic control devices as are necessary to protect the public’s health, safety and welfare.

Sec. 30-52. – Standards for Traffic Control Devices

All traffic control devices including signs, signals and markings (pavement and/or curb) installed or used for the purpose of directing and controlling traffic within the City of Granite Shoals shall conform to the Texas Manual on Uniform Traffic Control Devices and Chapter 544 of the Texas Transportation Code, "Traffic Signs, Signals and Markings."

Sec. 30-53. – Prohibition Against Disregarding Traffic Control Device

It shall be unlawful for the driver of any vehicle, motor or otherwise, to disobey the instructions of any traffic control device, sign, signal or marking application thereto, placed in accordance with this Ordinance, unless otherwise directed by a police officer."

SECTION IV. LIST OF TRAFFIC CONTROL DEVICES

The City Manager is hereby authorized and directed to place the traffic control devices identified in the attached Exhibit "A" in the locations indicated in Exhibit "A." The City Manager is authorized to place additional traffic control devices in the manner authorized by this Ordinance.

SECTION V. SAVINGS

The repeal of any ordinance or part of ordinances effectuated by the enactment of this ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the City under any section or provisions of any ordinances at the time of passage of this ordinance.

SECTION VI. SEVERABILITY

Should any sentence, paragraph, subdivision, clause, phrase, or section of this Ordinance be adjusted or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance in whole or any part or provision thereof, other than the part so declared to be invalid, illegal or unconstitutional.

**SECTION VII.
REPEALER**

The provisions of this ordinance shall be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent or in conflict with any of the provisions of this ordinance are hereby expressly repealed to the extent that such inconsistency is apparent. This ordinance shall not be construed to require or allow any act which is prohibited by any other ordinance.

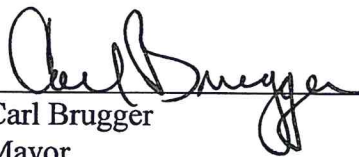
**SECTION VIII.
EFFECTIVE DATE**

This Ordinance shall take effect immediately from and after its passage and publication as may be required by law.

**SECTION IX.
PROPER NOTICE AND MEETING**

It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

PASSED AND APPROVED this 10th day of November, 2015.



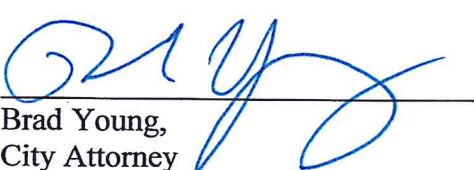
Carl Brugger
Mayor

ATTEST:



Elaine Simpson,
City Secretary

APPROVED AS TO FORM:



Brad Young,
City Attorney

Exhibit "A" to Ordinance No. 678
List of Traffic Control Devices

Location	Traffic Control Device
Forest Drive at the intersection of Bluebriar Drive	Stop Sign
Baker Drive at the intersection of Bluebriar Drive	Stop Sign
Castlehills Drive at the intersection of Bluebriar Drive	Stop Sign
Timberhill Drive at the intersection of Bluebriar Drive	Stop Sign
Timberhill Drive at the intersection of Cedarhill Drive	Stop Sign
Castlehills Drive at the intersection of Cedarhill Drive	Stop Sign
Beech Drive at the intersection of Bel Air Drive	Stop Sign
Birch Drive at the intersection of Bel Air Drive	Stop Sign
Phillips Ranch Road proceeding southerly at the intersection of Bluebriar Drive	Yield Sign
Castleberry at the intersection of Phillips Ranch Road	Stop Sign
Castlewood at the intersection of Phillips Ranch Road	Stop Sign
Castlebriar at the intersection of Phillips Ranch Road	Stop Sign
Castlake at the intersection of Phillips Ranch Road	Stop Sign
Stonecastle at the intersection of Phillips Ranch Road	Stop Sign
Green Castle at the intersection of Phillips Ranch Road	Stop Sign
Sweetbriar at the intersection of Phillips Ranch Road	Stop Sign
Bluebriar Drive going easterly to Phillips Ranch Road	Yield Sign
Northcrest at the intersection of Hillcrest Drive	Stop Sign
Lakecrest at the intersection of Hillcrest Drive	Stop Sign

W. Maple Drive at the intersection of Phillips Ranch Road	Stop Sign
W. Willow Drive at the intersection of S. Phillips Ranch Road	Stop Sign
S. Phillips Ranch Road at the intersection of Live Oak Drive	Stop Sign
Lakeview Lane at the intersection of Live Oak Drive	Stop Sign
E. Live Oak Drive at the intersection of Bel Air Drive	Stop Sign
Castleway Drive at the intersection of Shorewood Drive	Stop Sign
Castleway Drive at the intersection of Greencastle Drive	Stop Sign
Castleway Drive at the intersection of West Castleberry	Stop Sign
Castleshoals Drive at the intersection of Shorewood Drive	Stop Sign
Lake Drive at the intersection of Shorewood Drive	Stop Sign
Bluebriar Drive at the intersection of Lake Drive	Stop Sign
Oakwood Drive at the intersection of Lake Drive	Stop Sign
Newcastle at the intersection of North Phillips Ranch Road	Stop Sign
Greencastle at the intersection of North Phillips Ranch Road	Stop Sign
Castleberry at the intersection of North Phillips Ranch Road	Stop Sign
W. Castlewood at the intersection of North Phillips Ranch Road	Stop Sign
W. Castlebriar at the intersection of North Phillips Ranch Road	Stop Sign
W. Castlake at the intersection of North Phillips Ranch Road	Stop Sign
W. Stonecastle at the intersection of North Phillips Ranch Road	Stop Sign
W. Granitecastle at the intersection of North Phillips Ranch Road	Stop Sign
Castleshoals at the intersection of North Phillips Ranch Road	Stop Sign
W. Briar at the intersection of North Phillips Ranch Road	Stop Sign
Briarway at the intersection of North Phillips Ranch Road	Stop Sign

Greenbriar at the intersection of North Phillips Ranch Road	Stop Sign
Sweetbriar at the intersection of North Phillips Ranch Road	Stop Sign
W. Bluebriar at the intersection of South Phillips Ranch Road	Stop Sign
Oakhill at the intersection of South Phillips Ranch Road	Stop Sign
Norwood at the intersection of South Phillips Ranch Road	Stop Sign
Southwood at the intersection of South Phillips Ranch Road	Stop Sign
Beech at the intersection of South Phillips Ranch Road	Stop Sign
Cedarhill at the intersection of South Phillips Ranch Road	Stop Sign
Birch at the intersection of South Phillips Ranch Road	Stop Sign
Hill at the intersection of South Phillips Ranch Road	Stop Sign
Oakwood at the intersection of South Phillips Ranch Road	Stop Sign
Lakewood at the intersection of South Phillips Ranch Road	Stop Sign
Driftwood at the intersection of South Phillips Ranch Road	Stop Sign
Belaire at the intersection of South Phillips Ranch Road	Stop Sign
Mesquite at the intersection of South Phillips Ranch Road	Stop Sign
Maple at the intersection of South Phillips Ranch Road	Stop Sign
Mistletoe at the intersection of South Phillips Ranch Road	Stop Sign
Hilldale at the intersection of Belaire Drive	Stop Sign
Cedarhill at the intersection of Belaire Drive	Stop Sign
Hill at the intersection of Belaire Drive	Stop Sign
E. Live Oak at the intersection of Belaire Drive	Stop Sign
W. Greenbriar at the intersection of N. Lake Drive	Stop Sign
W. Sweetbriar at the intersection of N. Lake Drive	Stop Sign
W. Bluebriar at the intersection of N. Lake Drive	Stop Sign

Briarway at the intersection of N. Lake Drive	Stop Sign
W. Briar at the intersection of North Lake	Stop Sign
W. Briarway at the intersection of North Lake	Stop Sign
Oakwood at the intersection of South Lake Drive	Stop Sign
Lakewood at the intersection of South Lake Drive	Stop Sign
Norwood at the intersection of South Lake Drive	Stop Sign
Southwood at the intersection of South Lake Drive	Stop Sign
Highcrest at the intersection of South Lake Drive	Stop Sign
W. Maple at the intersection of South Lake Drive	Stop Sign
Driftwood at the intersection of South Lake	Stop Sign
E. Bluebriar at the intersection of Clearview Drive	Stop Sign
Forest at the intersection of East Bluebriar	Stop Sign
Baker at the intersection of East Bluebriar	Stop Sign
Castlehills at the intersection of East Bluebriar	Stop Sign
Timberhill at the intersection of East Bluebriar	Stop Sign
S. Timberhill at the intersection of Cedarhill Dr.	Stop Sign
Forest Dr. for southbound traffic at the intersection of Hill Drive	Stop Sign
Baker Dr. for southbound traffic at the intersection of Hill Drive	Stop Sign
Castlehills Dr. for southbound traffic at the intersection of Hill Drive	Stop Sign
Castleway at the intersection of West Greencastle	Stop Sign
Lakeview Lane at the intersection of E. Live Oak	Stop Sign
N. Lake at the intersection of N. Shorewood	Stop Sign
W. Bluebriar at the intersection of N. Shorewood	Stop Sign
Castleway at the intersection of N. Shorewood	Stop Sign
W. Sweetbriar at the intersection of North Shorewood	Stop Sign

N. Phillips Ranch Road at the intersection of F.M. 1431	Stop Sign
North Phillips Ranch Road for southbound traffic at the intersection of Bluebriar	Yield Sign
South Phillips Ranch Road for southbound traffic at the intersection of Live Oak Drive	Yield Sign
Belaire Circle for westbound traffic at the intersection of Belaire Drive	Yield Sign
Belaire Circle for eastbound traffic at the intersection of Belaire Drive	Yield Sign
Robin Hood Lane for westbound traffic at the intersection of Belaire East Lane	Yield Sign
Robin Hood Lane for eastbound traffic at the intersection of Belaire Drive	Yield Sign
Belaire Drive for westbound traffic at the intersection of S. Phillips Ranch Road	Yield Sign
Lakeview Lane for northbound traffic at the intersection of East Live Oak Drive	Yield Sign
Bluebonnet Drive for westbound traffic at the intersection of South Forest drive	Yield Sign
Sagehill Drive for westbound traffic at the intersection of South Forest Drive	Yield Sign
Bluebonnet Drive for east/westbound traffic at the intersection of South Baker Drive	Yield Sign
Sagehill Drive for east/westbound traffic at the intersection of South Baker Drive	Yield Sign
Oakhill Drive for westbound traffic at the intersection of South Baker Drive	Yield Sign
Bluebonnet Drive for eastbound traffic at the intersection of South Castlehills Drive	Yield Sign
Sagehill Drive for eastbound traffic at the intersection of South Castlehills Drive	Yield Sign
Oakhill Drive for eastbound traffic at the intersection of South Castlehills Drive	Yield Sign
Oakwood at the intersection of South Shorewood	Stop Sign
Lakewood at the intersection of South Shorewood	Stop Sign
Driftwood at the intersection of South Shorewood	Stop Sign
Norwood at the intersection of South Shorewood	Stop Sign
Southwood at the intersection of South Shorewood	Stop Sign
N. Forest Drive at the intersection of E.	Stop Sign

Granite Castle Drive	
N. Baker Drive at the intersection of E. Granite Castle Drive	Stop Sign
N. Castlehills Drive at the intersection of E. Granite Castle Drive	Stop Sign
Mystic Drive at the intersection of E. Granite Castle Drive	Stop Sign
Green Forest Drive at the intersection of E. Granite Castle Drive	Stop Sign
Glen Forest Dr. at the intersection of Sherwood Forest Dr.	Stop Sign
Sherwood Forest Drive at the intersection of Prairie Creek Road	Stop Sign
Sherwood Forest Drive and the intersection of Sherwood Forest Drive	Stop Sign
East Granite Castle Drive and the intersection of North Castlehills Drive	Stop Sign
E. Greencastle Drive at the intersection of North Forest Drive	Yield Sign
E. Castleberry Drive at the intersection of North Forest Drive	Yield Sign
E. Castlewood Dr. at the intersection of North Forest Drive	Yield Sign
E. Castlebriar Dr. at the intersection of North Forest Drive	Yield Sign
E. Castl lake Drive at the intersection of North Forest Drive	Yield Sign
E. Stonecastle Drive at the intersection of North Forest Drive	Yield Sign
E. Castleshoals Drive at the intersection of North Castlehills Drive	Yield Sign
E. Briarway Drive at the intersection of North Castlehills Drive	Yield Sign
E. Briar Drive at the intersection of North Castlehills Drive	Yield Sign
E. Greenbriar Drive at the intersection of North Castlehills Drive	Yield Sign
North Timberhill Drive at the intersection of E. Briarway Drive	Yield Sign
North Timberhill Drive at the intersection of E. Greenbriar Drive	Yield Sign
North Timberhill Drive at the intersection of E. Sweetbriar Drive	Yield Sign
E. Sweetbriar Drive at the intersection of North Clearview Drive	Yield Sign
East Greenbriar Drive at the intersection of	Yield Sign

North Clearview Drive	
North Phillips Ranch Rd at the intersection of West Bluebriar	Stop Sign
West Bluebriar (Park) at the intersection of South Phillips Ranch Road	Stop Sign
Robinhood Lane at the intersection of Belaire East Lane	Stop Sign
East Castleshoals at the intersection of North Castlehills Drive	Stop Sign
Northwest and Southeast corners of the intersections of Lake Drive with Southwood Street and Maple Street	Stop Sign
Northwest corner of the intersection of W. Bluebriar with Phillips Ranch Road	Stop Sign
At the intersections of Greenbriar and Lake Drive for northbound and southbound traffic	2 Stop Signs
At the intersections of Driftwood and Lake Drive for northbound and southbound traffic	2 Stop Signs
At the intersections of Lake Drive and Bluebriar for northbound and southbound traffic	2 Stop Signs
At the intersections of Sweetbriar and Baker for northbound and southbound traffic	2 Stop Signs
At the intersections of Greenbriar and Baker for eastbound and westbound traffic	2 Stop Signs
At the intersections of Castlewood and Baker for eastbound and westbound traffic	2 Stop Signs
At the intersections of Castlewood and Castlehills for eastbound and westbound traffic	2 Stop Signs
At the intersections of Castlake and Castlehills for eastbound and westbound traffic	2 Stop Signs
At the intersections of Stonecastle and Castlehills for eastbound and westbound traffic	2 Stop Signs
At the intersections of Hilldale and Castlehills for northbound and southbound traffic	2 Stop Signs
At the intersections of Castlake and Baker for eastbound and westbound traffic	2 Stop Signs
At the intersections of Bluebriar and North Phillips Ranch Road for westbound traffic	Yield Sign

Remove two Yield signs at the intersections of Greenbriar and Baker, re-installed for northbound and southbound traffic at the intersections of Briar and Baker	Yield Signs
At the intersections of Castleshoals and Baker for eastbound and westbound traffic	Yield Sign
At the intersections of Stonecastle and Baker for eastbound and westbound traffic	Yield Sign
At the intersections of Castlebriar and Baker for eastbound and westbound traffic	Yield Sign
At the intersections of Castleberry and Baker for eastbound and westbound traffic	Yield Sign
At the intersections of Castlebriar and Castlehills for eastbound and westbound traffic	Yield Sign
At the intersections of Oakhill and Castlehills for northbound traffic	Yield Sign
At the intersections of Cedarhill and Castlehills for eastbound and westbound traffic	Yield Sign
At the intersection of North Phillips Ranch Rd and Bluebriar Drive facing traffic southbound on Phillips Ranch Road	Yield Sign
For southbound traffic at an appropriate distance and location at the approach to one certain "Low Water Crossing" located within the 1400 Block of Sherwood Forest Drive	20 MPH Sign
For northbound traffic at an appropriate distance and location at the approach to one certain "Low Water Crossing" located within the 1400 Block of Sherwood Forest Drive	20 MPH Sign
Bluebriar at Baker	Stop Sign
Bluebriar at Castlehills	Stop Sign
Castleberry at Castlehills	Stop Sign
Castleshoals at Mystic	Stop Sign
Cedarhill at Castlehills	Stop Sign
Granite Castle at Baker	Stop Sign
Granite Castle at Forest	Stop Sign
Greenacres at Hill	Stop Sign
Green Forest at Granite Castle	Stop Sign
Hill at Baker	Stop Sign
Mystic at Granite Castle	Stop Sign
Robinhood at Lakeview	Stop Sign

Sherwood Forest at Granite Castle	Stop Sign
Timber Hills at Briarway	Stop Sign
Timber Hills at Greenbriar	Stop Sign
Timber Hills at Sweetbriar	Stop Sign
Castlebriar at Baker	Yield Sign
Briarway at Baker	Yield Sign
Shorewood at Oakwood	Yield Sign
Castlebriar at Castlehills	Yield Sign
E. Briar at Castlehills	Yield Sign
E. Briarway at Castlehills	Yield Sign
E. Greenbriar at Castlehills	Yield Sign
Bluebonnet at Castlehills	Yield Sign
Sagehill at Castlehills	Yield Sign
Oakhill at Castlehills	Yield Sign
Briar at Forest	Yield Sign
Briarway at Forest	Yield Sign
Castleshoals at Forest	Yield Sign
Cedarhill at Forest	Yield Sign
Greenbriar at Forest	Yield Sign
Sweetbriar at Forest	Yield Sign
Robinhood at Belaire	Stop Sign
Sagehill at Castlehills	Yield Sign
East side of road on Phillips Ranch Road	Two (2) No Passing Zone Signs
On Phillips Ranch Road on the west side of the road between 1431 and Bluebriar Drive	Two (2) No Passing Zone Signs
Castleway at Greencastle	Stop Sign
Castleway at Newcastle	Stop Sign
At the intersections of Prairie Creek Road and Sherwood Forest Drive	3-Way Stop Sign
On Green Forest Drive at the intersection of Green Forest Drive and East Granite Castle Drive	20 MPH Children at Play Sign
On Green Forest Drive at the intersection of Green Forest Drive and Forest Hills Drive	20 MPH Children at Play Sign
At Forest and Castleberry	2-Way stop Sign
Baker and Castleberry	Stop Sign
At the intersection of Bluebriar going east and Phillips Ranch Road	4-way Stop Sign
Hill above Park 16 on Prairie Creek Road	Painting stripes
Phillips Ranch Road at Bluebriar	Painting stripes
Bluebriar at Phillips	Painting stripes
Intersection of Bluebriar going east and Phillips Ranch Road	Painting stripes
Mimosa at Live Oak	Yield Sign

Live Oak going west at Phillips Ranch Road	Yield Sign
Live Oak going east at Phillips Ranch Road	Stop Sign
Maple going west at Phillips Ranch Road	Stop Sign
Traffic going south on Phillips Ranch Road at the intersection of Bluebriar Drive	Yield Sign
Traffic going east on Bluebriar Drive at the intersection of Phillips Ranch Road	Yield Sign
Oak Hill at Forest	4-Way Stop Sign



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 8.b

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary / HR Manager

Department: Administration

AGENDA CAPTION

Discuss proposed Ordinance and possible options for limiting consideration on the selling of City Parks, as requested at the City Council Regular Called meeting on January 25, 2022. *(Council Member Phil Ort, City Attorney Josh Katz.)*

BACKGROUND

Mr. Terry Kenyon spoke to the City Council during Citizen Comments at the City Council regular meeting of January 11, 2022. He requested Council consider options to prohibit the consideration of selling city parks. Mr. Kenyon is an attorney, and he drafted a proposed working document which he provided to Council and city staff. City Attorney Katz acknowledged the receipt of this document and at the January 25, 2022 City Council Regular meeting, suggested that the item come up for discussion at this meeting. Mr. Ort requested the item during future agenda items.

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 8.c

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC / MMC City Secretary / HR Manager for Assistant
City Manager Peggy Smith
Department: Administration

AGENDA CAPTION

Discuss issues related to the three dollar (\$3) optional donation fee on the city utility bills which benefit the Police Officers Association, the Fire Auxiliary and the Marble Falls Area EMS, respectively.
(Assistant City Manager Peggy Smith, Finance Director Russell Martin and City Manager Jeff Looney)

BACKGROUND

The utility bills have a voluntary donation of \$3.00 that the customer may pay to benefit the POA, the Fire Auxiliary and the MFAEMS. Since making some changes related to utility billing software, website and credit card processing company, there have been issues reported to staff that customers attempting to pay the voluntary donation, with a credit card on-line, have had difficulty.

Staff has been working on this issue.

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 8.d

Subject: This is a 'standing' item on each Regular City Council agenda allowing the Council to get the latest updates on projects related to grants, or to the 2019 Water Bonds.

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary / HR Manager for Assistant City Manager Peggy Smith

Department: Utilities

AGENDA CAPTION

Discuss, consider and possibly take action related to projects, including but not limited to: update on engineering work from TRC, improvements at the water treatment plant, project to install/replace new water lines and fire hydrants, project to construct a new water storage tank at Bluebriar Drive at Phillips Ranch RD, improvements to the groundwater system, and extension of water intake pipe project. *(City Manager Jeff Looney/Utility Director/ACM Peggy Smith)*

BACKGROUND

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 9.a

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary for City Manager for City
Manager Jeff Looney

Department: Administration

AGENDA CAPTION

City Manager Management Report:

- Update on baseball field.
- Update on Clean Up efforts / projects

BACKGROUND

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 9.b

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC / MMC City Secretary / HR Manager for Russell Martin

Department: Administration

AGENDA CAPTION

Assistant City Manager / Finance Director Russell Martin Management Report

- Draft of 5 Year Capital Plan as discussed 1-25-2022

BACKGROUND

At the City Council Regular Meeting January 25, 2022, Council discussed the concept of leveraging interest rates to borrow money for capital items before interest rates rise.

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 9.c

Subject:

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary/HR Manager

Department: Administration

AGENDA CAPTION

City Secretary / HR Manager Management Report (*Elaine Simpson*)

- City Vacancies - these vacancies, including all job descriptions/job ads are on the city website www.graniteshoals.org :
 - Parks / Recreation Coordinator
 - Public Works Maintenance Technician (2 vacancies)
 - Utility Water Operator
- Elections Update - calendar, candidates, etc. related to upcoming elections.

BACKGROUND

OPTIONS

RECOMMENDATION

FISCAL NOTES (IF APPROPRIATE)

ATTACHMENT(S) (IF APPROPRIATE)

- [Granite Shoals City General Officers Election 5 7 22 Calendar Highlights.pdf](#)



Granite Shoals City General Officers Election 5-7-2022

Election Calendar Highlights:

- Jan. 11, 2022** - Granite Shoals City Council will call May Election(s) during their Regular Called City Council Meeting at 6 PM via Ordinance.
- Jan. 15, 2022** - Due Date for Semi-Annual Report of Contributions and Expenditures - if applicable.
- Jan. 19, 2022** - ***First Day to file*** for a place on ballot for May 7, 2022 Council Places 2, 4 and 6.
- Feb. 18, 2022** - ***Last day to file*** to be a candidate on the ballot for May 7, 2022 General Officers Election.
- Feb. 18, 2022** Last Date Council may call a **Special** Election for 5/7/22
- Feb. 22, 2022** – Tentative Date for 5:30 PM ‘Drawing For Order of Names on the Ballot’ held in Council Chamber
- Feb. 22, 2022** - Last day to file to be a Write-In Candidate in the May 7, 2022 General Officers Election
- April 7, 2022** - Last day to register, or to update voter registration if you wish to vote in May 7, 2022 City General Election.
- April 25, 2022** - First Day of Early Voting by Personal Appearance
- May 3, 2022** - Last Day of Early Voting by Personal Appearance
- May 7, 2022** - ELECTION DAY - Polls open 7AM to 7PM
- May 17, 2022** - Canvass of the Election Results will be held during the regular called Council meeting at 6 PM in Council Chamber of City Hall.

Council Positions that are up for re-election for 2 – Year terms:

- **Place 2, (Jones)**
- **Place 4 (Hougen)**
- **Place 6 (Ort)**



City of Granite Shoals
REGULAR CALLED CITY COUNCIL
MEETING
Agenda Item Cover Memo
Date: February 8, 2022

Agenda Item #: 10.a

Subject: An agenda item where the agenda calendar planning document is reviewed and future agenda items are identified.

Prepared/Submitted By: Elaine Simpson, TRMC/MMC City Secretary/HR Manager

Department: Administration

AGENDA CAPTION

Future Agenda Items

BACKGROUND
OPTIONS
RECOMMENDATION
FISCAL NOTES (IF APPROPRIATE)
ATTACHMENT(S) (IF APPROPRIATE)

- [Granite Shoals Agenda calendar 2-8-2022.pdf](#)

Agenda Calendar

This is a planning tool only and all information is tentative until listed on an official agenda notice and posted in accordance with Texas Open Meeting law.

Tuesday, February 8, 2022
Regular Called City Council Meeting 6 PM

Action	Subject	Requestor	Staff / Interior Item #	Status
	CTO/Welcome			
	Citizens Comments			
Consider	Louis Breedlove, - Annual Audit		Martin (217)	Presentation & Acceptance of report
Hear	Racial Profiling – Gary Boshears			
Public Hearing	Public Hearing related to proposed Ordinance #826 Modified Mining Ordinance	Council	Looney, Katz	1-25-2022 requested
Consent	Meeting minutes, January 25, 2022		Simpson (124)	
Consent	Meeting minutes – February 1, 2022		Simpson	
Discuss	Traffic Control Ordinance – speed limit signage and possible modification of speed limits on unpaved roadways in the city limits.	Skinner	Smith, Looney, Boshears, Katz	As discussed at 1-11-2022 City Council Regular Meeting.
Discuss	Proposed Ordinance to limit consideration / prohibit selling of City Parks	Ort	Looney, Smith, Katz	1-25-2022
Consider	Proposed Ord. 822 Dumpsters – Version 5		Looney	City Manager Looney report on existing dumpsters (from 12-14-2021)
Discuss	3 dollar donation for Police/Fire/EMS		Smith, Martin	
Discussion	Water Projects / Water Bonds 2019		Smith (73)	Standing Item
	Management Reports		Looney (63), Smith (77), Martin (134), Simpson (77)	Baseball field, Clean up
	Future Agenda Items / Adjourn		Simpson (66)	

Tuesday, February 22, 2022
Regular Called City Council Meeting 6 PM

Action	Subject	Requestor	Staff / Interior Item #	Status
	CTO/Welcome			
	Citizens Comments			
Hear	Judge Reilly – Quarterly Court Report		Reilly	
Consent	Meeting minutes, February 8, 2022		Simpson (124)	

Consent	Annual interlocal agreement with Burnet County for Jail Inmate services	Annual	Boshears	Updated version, if ready.
Consider	Ordinance to update General Fee Schedule re: inspections, etc.		Looney, Smith Martin	
Public Hearing	Cuplin standard Replat		Looney, Smith	If P&Z forwards recommendation 2/15/2022.
Public Hearing	Mr. Grubbs property standard replat		Looney, Smith	If P&Z forwards recommendation 2/15/2022.
Discuss	Update / Flashing safety light at Fire Hall	Council	Looney, Campbell	Per meeting
Consider	City Manager Annual Report			
Consider	List of Streets			
Consider	Water Report			
Discussion	Water Projects / Water Bonds 2019		Smith (73)	Standing Item
Discuss	Dark Skies Ordinance	Ort	Looney	With P&Z Commission recommendation – consider Cottonwood Shores ordinance as a sample format. – If P&Z addresses item on 2-15-2022
Discuss	Establishment of Training area / Shooting range for GSPD on city owned property	McCoy	Boshears, Looney	
	Management Reports		Looney (63), Smith (77), Martin (134), Simpson (77)	Traffic Lights / school zones update, if available
	Department Written Reports			
	Future Agenda Items / Adjourn		Simpson (66)	

Coffee With Council February 26, 2022 (Council Members Places: 1, 3, and 5)

Council pictures?

Simpson

Tuesday, March 8, 2022
Regular Called City Council Meeting 6 PM

Action	Subject	Requestor	Staff / Interior Item #	Status
	CTO/Welcome			
	Citizens Comments			
Consent	Meeting minutes, February 22 2022		Simpson	
Discussion	Water Projects / Water Bonds 2019		Smith (73)	Standing Item

	Management Reports		Looney (63), Smith (77), Martin (134), Simpson (77)	
	Future Agenda Items / Adjourn		Simpson (66)	

Tuesday, March 22, 2022
Regular Called City Council Meeting 6 PM

Action	Subject	Requestor	Staff	Status
	CTO/Welcome			
	Citizens Comments			
Presentation	Proclamation – April is Child Abuse prevention month		Mayor Skinner	
Consent	Meeting minutes, February 22, 2022		Simpson (124)	
Discussion	Water Projects / Water Bonds 2019		Smith (73)	Standing Item
	Management Reports		Looney (63), Smith (77), Martin (134), Simpson (77)	
	Department Written Reports			
	Future Agenda Items / Adjourn		Simpson (66)	

Future Agenda Items Not Scheduled: (for example – items tabled but not to a date certain)

Requestor	Date Requested	Subject	Status
		Review, Revise and Update Zoning Ordinance – Chapter 40 of the City Code	P&Z considering it at their meetings starting October 2013
		City Staff requested changes to Personnel Manual – increase in roll-over hours for Vacation, clarification of ADA procedures.	
Review	CC 8/5/21	Short Term Rentals fee schedule to assure appropriate fees / budget	
Consider		Proposed Ord. 824 – Property Management – unoccupied properties	Discussed by City Council 1-11-2022
Hear	1-11-2022	Water Meters Update (Audit Report)	When it is available. Smith, Peggy.
	Discuss	Affordable Housing options?	Council member Holland requested this be in June 2018 - Mr. Harrison and Mr. Zbranek
		Highland Haven Fire Protection Contract	
Discuss		Parks Inventory Survey Report	As requested, 4 – 23 – 2019

Discuss		Dumpster Ordinance Ord. 822	Hougen as discussed 12-14-2021
Discuss		No Sale of Parks Ordinance / Resolution	As proposed by Terry Kenyon at 1-11-2022 meeting. Smith, Looney, Katz
Discuss		Fishing Piers at Waterfront Parks	Dr. Hougen 1-12-2021 item to be considered first by Parks Cmmte.
Discuss		Joint Meeting with P&Z Commission regarding Chapter 40 – Zoning	

Year-Round Overview Summary

(for example: contacts which must be renewed annually, grant applications which must be made annually, statutory items which are done at a specific time of year, e.g. Election Canvass).

Month	Subject / Item
January	1. Contract with Burnet County to Conduct May General Election – City Sec. 2. Call the City Election – Simpson 3. Quarterly Municipal Court report by Municipal Judge.
February	1. Annual Racial Profiling Prevention Report 2. Audit report of previous budget year
March	1. Proclamation from Mayor naming April as Child Abuse Prevention and Awareness Month. 3. Solid Waste contract (2022)
April	Quarterly Municipal Court of Record Report? Annual Consumer Price Index rate modifications
May	1. Canvass of City General Election 2. Appointment of Mayor Pro Tem. 3. Review of Meeting schedule 4. Council Pictures 5. Calling Runoff Election if needed. 6. Board & Commission Members appointments. 7. Board and Comm. Appreciation Reception
June	1. Proposed Budget Calendar – City Manager.
July	1. Budget Workshop(s)? - City Manager / Finance Director / City Council 2. Personnel evaluation – City Manager, 3. Quarterly Municipal Court report by Municipal Judge. 4. Accept Appraisal Roll from Tax Appraiser. 5.) ESD #3 contract (2023) 6.) MFEMS contract (2021)
August	1. Public Hearings for Tax Rate/Budget – City Manager/ Fin. Dir / City Sec., 2. Budget Workshop(s)- City Manager / Finance Dir. / City Sec. 3. City Managers Annual Review of Personnel Manual – any recommended modifications.
September	1. Adoption of Budget 2. Adoption of Tax Rate 3. Child Hunger Awareness and Prevention Month Proclamation
October	1. Official Newspaper of Record Resolution – City Sec. 2. Council Meeting schedule for holiday season 3. Annual Review of Investment Policy, Finance Policy 4.) Juvenile Curfew Ord. (2022) 5.) Quarterly Municipal Court report by Municipal Judge. 6.) Consideration of the nominees for the John Rinehart Award .
November	1. Every 4 years re-authorize sales tax for Streets (2024) prepare for May Election 2. Deer Management – WAC Chairman's Report
December	