BURNET COUNTY COMMISSIONERS COURT

Jim Luther. Jr	Damon Beierle	James Oakley	Billy Wall	Joe Don Dockery
Precinct 1	*Precinct 2*	*County Judge*	*Precinct 3*	*Precinct 4*

An agenda packet containing detailed information on the items listed below is distributed to the County Judge, Commissioners, and County Clerk the Friday preceding the meeting. The agenda packet is also posted on the county website at www.burnetcountytexas.org, under Public Meetings. A hard copy of the agenda packet is available in the County Clerk's office. Our Mission Statement: The mission of Burnet County is to maintain overall efficient and effective management of county resources while providing the services mandated by state and federal law and desired by the citizens of Burnet County.

REGULAR MEETING DATE: Tuesday APRIL 23, 2024
MEETING TIME: 9:00 a.m.
MEETING PLACE: 2nd Floor Courtroom located at 220 S. Pierce, Burnet, Texas

1. Call to Order

2. Invocation and Pledge of Allegiance to the Flags

3. Public Comments - Pursuant to Texas Government Code 551.007 (b), any person may make comment on any item appearing on the agenda. Any comments made will not be addressed by the Commissioners Court during the Public Comments agenda item. Public Comments are limited to three (3) minutes per person.

4. Discussion and/or action concerning the reappointment of Dr. Juliette Madrigal as the Burnet County Health Authority, effective until December 31, 2026 (Oakley)

5. Discussion and/or action concerning possibly changing the regularly scheduled Commissioner Court date of June 25th, 2024 (Oakley)

6. FY 24-25 Budget Workshop. The members of the Commissioners Court will meet to discuss and/or take action in the preparation of the FY 24-25 Burnet County Budget, including but not limited to, addressing all Burnet County government department budgets and/or requests, county policy, county procedures, county goals & philosophies, budget timelines, plus compensation benefits and/or priorities (Oakley/Smith)

7. Discussion and/or action to amend 11.09 Non-Travel Meal policy to include drinks and refreshments for the County-Wide Healthy County Event (Oakley/Smith)

8. Discussion and/or action to approve the updated SAVNS/VINE Maintenance plan (Oakley/Smith)

9. Discussion and/or action regarding the hiring of Colton Ripley for the position of County Extension Agent, 4-H and Youth Development, effective June 3, 2024 (Oakley/Tarla)

10. Discussion and/or action regarding the release of Site Improvement Bonds 7901076802 and 7901076803 for the Big Creek Ranch Subdivision, Phase 1 and 2 and acceptance of Maintenance Bond 7901142862 for a period of 2 years from this date (Luther)

11. Discussion and/or action regarding the release of Performance Bond 4438084 for River Hills Ranch, Phase 3, and the acceptance of Maintenance Bond 4438084 for a period of 2 years from this date

(Beierle)

12. Discussion and/or action regarding a quitclaim deed to Richard York for a 0.065 acre tract of land out of the north half of the unimproved portion of the Burnet to Fort Mason Crossing public road in the Smith Bailey Svy. No. 100, Abst. No. 55, lying adjacent to the southern boundary lines of lots 154-158, Enchanted Valley Section 1, pursuant to Sections 251.001 and 251.058 of the Texas Transportation Code (Luther)

13. Discussion and/or action regarding the replat of lots 61 and 62, Sherwood Shores III, Sec. A, to be known as lot 61A, Sherwood Shores III, Sec. A, a combination of 2 lots into 1 (Luther)

14. Discussion and/or action regarding the replat of lots 13 and 14, amended plat of Big Creek Ranch, Phase 1, to be known as lots 13A and 14A, amended plat of Big Creek Ranch, Phase 1, moving the lot line for lot 14, 10 feet into lot 13 (Luther)

15. Discussion and/or action regarding the preliminary plat approval for Hollingsworth Business Park South, a public subdivision consisting of 5 lots on 17.91 acres located 9330 E. SH. 71 (Dockery)

16. **Executive Session.** Discussion with Burnet County Commissioner's Court and the County Civil Attorney(s) and/or the County Attorney in accordance with Texas Government Codes 551.071. The Commissioners Court reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any matters as authorized by the Texas Government Code including, but not limited to, 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), 418.183 (Deliberations about Homeland Security Issues), 551.0725 (Contracts being negotiated).

17. Reconvene in Open Session.

18. Discussion and/or action regarding items discussed in Executive Session.

19. Discussion and/or action regarding Department Updates:

20. Acknowledgement of Receipt:
a. Governor's Proclamation renewing the disaster proclamation concerning border security
b. Governor's Proclamation declaring and renewing a state of disaster in a certain number of counties based on the existence of serious drought conditions
c. ESD 3 Annual Report

Attachments
Border Security
Drought disaster
ESD 3 report

21. Discussion and/or action regarding contracts, agreements or grants to be approved and/or ratified:
   a. Proposal from J.P. Morgan for credit card services
   b. Work Order with KC Engineering for Wirtz Dam Road
   c. Contract with KONE Elevator or yearly maintenance of the county elevator

   Attachments
   JP Morgan
   Wirtz Dam
   KONE elevator

22. Discussion and/or action concerning calling for Bids and Bid openings, request for proposals/qualifications and related openings:
   a. Award the courthouse roof replacement bid
   b. Approval to advertise for bid for roof replacement on the Agrilife Auditorium

23. The following items are part of the Consent Agenda and require no deliberation by the Commissioner's Court. Any item from this agenda may be considered separately:

   a. Consideration and approval of any pending personnel issues within the policy.
   b. Consideration and approval concerning budget amendments.
   c. Consideration and approval concerning budget line item transfers.
   d. Consideration and authorization of payment of claims previously approved by the County Auditor.
   e. Acceptance of reports of County Officials as required by LGC 115.02 previously examined by the County Auditor
   f. Consideration and approval regarding Departmental equipment requests and/or property transfers.
   g. Correspondence.

24. Discussion regarding any previous agenda items.

25. Calendar Review.

26. Adjournment

The Commissioners' Court reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any matters as authorized by the Texas Government Code including, but not limited to, Sections: 551.071 (Consultation with Attorney) 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations)Deliberations about Security Devices), 551.087 (Economic Development), 418.183 (Deliberations about Homeland Security Issues). Compliance with the Americans with Disabilities Act, Burnet County will provide for reasonable accommodations for persons attending Commissioners' Court. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Ms. Stephanie McCormick, Commissioners' Court Coordinator, at (512) 715-5276. Please note, the location of the meeting is subject to change based upon availability of the Courtroom. If meeting location is changed, notice at the above meeting location shall be posted to ensure public access to meeting is granted.

Posted by 5:00 o'clock P.M. on the 19th day of April 2024
COMMISSIONERS COURT, BURNET COUNTY, TEXAS

____
CLERK OF THE COURT

Burnet County Commissioners Court

Jim Luther Jr.	Damon Beierle	James Oakley	Billy Wall	Joe Don Dockery
Precinct 1	*Precinct 2*	*County Judge*	*Precinct 3*	*Precinct 4*

Regular Session **20.**

Meeting Date: 04/23/2024

Subject

Acknowledgement of Receipt:

a. Governor's Proclamation renewing the disaster proclamation concerning border security

b. Governor's Proclamation declaring and renewing a state of disaster in a certain number of counties based on the existence of serious drought conditions

c. ESD 3 Annual Report

Attachments

Border Security

Drought disaster

ESD 3 report

GOVERNOR GREG ABBOTT

April 16, 2024

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4:50pm O'CLOCK

APR 16 2024

Jane Nelson
Secretary of State

The Honorable Jane Nelson
Secretary of State
State Capitol, Room 1E.8
Austin, Texas 78701

Dear Secretary Nelson:

Pursuant to his powers as Governor of the State of Texas, Greg Abbott has issued the following:

A proclamation renewing the disaster proclamation concerning border security.

The original proclamation is attached to this letter of transmittal.

Respectfully submitted,

Gregory S. Davidson
Executive Clerk to the Governor

GSD:gsd

Attachment

PROCLAMATION

BY THE

Governor of the State of Texas

TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, I, Greg Abbott, Governor of Texas, issued a disaster proclamation on May 31, 2021, certifying under Section 418.014 of the Texas Government Code that the surge of individuals unlawfully crossing the Texas–Mexico border posed an ongoing and imminent threat of disaster for a number of Texas counties and for all state agencies affected by this disaster; and

WHEREAS, I amended the aforementioned proclamation in a number of subsequent proclamations, including to modify the list of affected counties and therefore declare a state of disaster for those counties and for all state agencies affected by this disaster; and

WHEREAS, the certified conditions continue to exist and pose an ongoing and imminent threat of disaster as set forth in the prior proclamations;

WHEREAS, a disaster has been declared at the local level by Coleman County;

NOW, THEREFORE, in accordance with the authority vested in me by Section 418.014 of the Texas Government Code, I do hereby renew the aforementioned proclamation and declare a disaster for Aransas, Atascosa, Bee, Brewster, Brooks, Caldwell, Cameron, Chambers, Coleman, Colorado, Crane, Crockett, Culberson, DeWitt, Dimmit, Duval, Edwards, El Paso, Frio, Galveston, Goliad, Gonzales, Hidalgo, Hudspeth, Jackson, Jeff Davis, Jim Hogg, Jim Wells, Kenedy, Kerr, Kimble, Kinney, Kleberg, La Salle, Lavaca, Live Oak, Mason, Maverick, McCulloch, McMullen, Medina, Menard, Midland, Pecos, Presidio, Real, Refugio, San Patricio, Schleicher, Shackelford, Sutton, Terrell, Throckmorton, Uvalde, Val Verde, Victoria, Webb, Wharton, Wilbarger, Wilson, Zapata, and Zavala Counties and for all state agencies affected by this disaster. All orders, directions, suspensions, and authorizations provided in the Proclamation of May 31, 2021, as amended and renewed in subsequent proclamations, are in full force and effect.

In accordance with the statutory requirements, copies of this proclamation shall be filed with the applicable authorities.

IN TESTIMONY WHEREOF, I have hereunto signed my name and have officially caused the Seal of State to be affixed at my office in the City of Austin, Texas, this the 16th day of April, 2024.

GREG ABBOTT
Governor

ATTESTED BY:

JANE NELSON
Secretary of State

FILED IN THE OFFICE OF THE SECRETARY OF STATE
4:50 pm O'CLOCK
APR 16 2024

GOVERNOR GREG ABBOTT

April 16, 2024

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4:45pm O'CLOCK

APR 16 2024

Jane Nelson
Secretary of State

The Honorable Jane Nelson
Secretary of State
State Capitol, Room 1E.8
Austin, Texas 78701

Dear Secretary Nelson:

Pursuant to his powers as Governor of the State of Texas, Greg Abbott has issued the following:

> A proclamation declaring and renewing a state of disaster in a certain number of counties based on the existence of serious drought conditions that pose an imminent threat of widespread or severe damage, injury, or loss of life or property.

The original proclamation is attached to this letter of transmittal.

Respectfully submitted,

Gregory S. Davidson
Executive Clerk to the Governor

GSD:gsd

Attachment

PROCLAMATION

BY THE

Governor of the State of Texas

TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, I, GREG ABBOTT, Governor of the State of Texas, issued a disaster proclamation on July 8, 2022, as amended and renewed in a number of subsequent proclamations, certifying that exceptional drought conditions posed a threat of imminent disaster in several counties; and

WHEREAS, the Texas Division of Emergency Management has confirmed that those same drought conditions continue to exist in these and other counties in Texas, with the exception of Guadalupe and Uvalde Counties;

NOW, THEREFORE, in accordance with the authority vested in me by Section 418.014 of the Texas Government Code, I do hereby amend and renew the aforementioned proclamation and declare a disaster in Bandera, Bell, Bexar, Blanco, Burnet, Calhoun, Cameron, Colorado, Comal, Comanche, Concho, Coryell, Culberson, Eastland, El Paso, Erath, Gillespie, Hays, Hidalgo, Hudspeth, Irion, Jeff Davis, Karnes, Kendall, Kerr, Lampasas, Llano, Matagorda, Maverick, McLennan, Medina, Presidio, Tom Green, Travis, Wharton, Willacy, Williamson, and Wilson Counties.

Pursuant to Section 418.017 of the Texas Government Code, I authorize the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.

Pursuant to Section 418.016 of the Texas Government Code, any regulatory statute prescribing the procedures for conduct of state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with this disaster shall be suspended upon written approval of the Office of the Governor. However, to the extent that the enforcement of any state statute or administrative rule regarding contracting or procurement would impede any state agency's emergency response that is necessary to protect life or property threatened by this declared disaster, I hereby authorize the suspension of such statutes and rules for the duration of this declared disaster.

In accordance with the statutory requirements, copies of this proclamation shall be filed with the applicable authorities.

IN TESTIMONY WHEREOF, I have hereunto signed my name and have officially caused the Seal of State to be affixed at my office in the City of Austin, Texas, this the 16th day of April, 2024.

GREG ABBOTT
Governor

ATTESTED BY:

JANE NELSON
Secretary of State

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4:45 PM O'CLOCK

APR 16 2024

BURNET COUNTY EMERGENCY SERVICES DISTRICT No. 3

Financial Statements

For the Year Ended September 30, 2023

BURNET COUNTY EMERGENCY SERVICES DISTRICT NO. 3
September 30, 2023

TABLE OF CONTENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION

BURNET COUNTY EMERGENCY SERVICES DISTRICT NO. 3
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2023

As management of Burnet County Emergency Services District #3 (the District), we are pleased to offer readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the year ended September 30, 2023. We encourage readers to consider it in conjunction with the additional information presented in the accompanying basic financial statements and the notes to the financial statements.

Financial Statements

- The net position of the District increased by $25,013 as a result of the current year's operations. Net position at year end consisted of invested in capital assets, net of related debt, of $15,909 and unrestricted net position of $437,257 for total net position of $453,166.
- Total revenues from all sources were $337,223 which represents an increase of $60,573 over the prior year. This is due to an increase in property tax revenue collections.
- Total costs of all programs were $312,210 which represents an increase of $50,773. This is due primarily to increases in contract payments.
- As of September 30, 2023, the District's governmental fund reported an ending fund balance of $437,253, an increase of $29,277.

Using this Annual Report

This annual report presents the following three components of the financial statements:

1. Government-wide financial statements provide information for the District as a whole.
2. Fund financial statements provide detailed information for the District's significant funds.
3. Notes to the financial statements provide additional information that is essential to understanding the government-wide and fund financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves. The other information includes this management's discussion and analysis as well as the budgetary comparison schedule.

Government-Wide Financial Statements

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

The *Statement of Net Position* presents information on all of the assets and liabilities of the District. The difference between assets and liabilities 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 District is improving or deteriorating.

The *Statement of Activities* presents information on how the District's net position changed during the most recent fiscal year. This statement is presented using the accrual basis of accounting, which means that all of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

Both the Statement of Net Position and the Statement of Activities present information for the following:

Governmental activities–This includes all of the District's emergency protection services which will be primarily supported with property tax and sales tax revenues.

The government-wide financial statements begin on page 8. The following is a summary of net position as of September 30, 2023:

Table 1

Net Assets

	Governmental Activities	
	9/30/2023	9/30/2022
Current assets	$ 437,257	$ 407,983
Capital assets, net	15,909	20,173
Total assets	453,166	428,156
Other liabilities	-	-
Total liabilities	-	-
Net position:		
Invested in capital assets, net of related debt	15,909	20,173
Unrestricted	437,257	407,983
Total net position	$ 453,166	$ 428,156

The following table is a summary of changes in net position:

Table 2

Changes in Net Assets

	Governmental Activities	
	9/30/2023	9/30/2022
Revenues:		
Program revenues:		
Charges for services	$ -	$ -
Operating grants and contributions	-	-
Capital grants and contributions	-	-
General revenues:		
Property taxes	336,821	276,071
Interest income	402	579
Total revenues	337,223	276,650
Expenses:		
General government	16,646	17,793
Public safety	295,564	243,644
Total expenses	312,210	261,437
Change in net position	25,013	15,213
Net position - October 1	428,153	412,943
Net position - September 30	$ 453,166	$ 428,156

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 District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements provide detailed information about the District's significant funds - not the District as a whole. The District's funds fall into one category - governmental fund.

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

The *governmental fund statements* provide a detailed short-term view of the government operations and the basic services it provided, and are reported on the modified accrual basis of accounting which focuses on available spendable resources. This allows the reader to evaluate the District's short-term financing requirements. Both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* provide a reconciliation to the government-wide financial statements.

The District adopts an annual budget for the general fund. A budgetary comparison schedule has been provided to demonstrate compliance with the budget. The governmental fund financial statements begin on page 10, and the budgetary comparison schedule is on page 20.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13 through 18 of this report.

General Fund Budgetary Highlights

The District did not amend the budget during the fiscal year.

Actual expenditures on a budgetary basis were five percent lower than budgeted expenditures due to less professional fees and office expenses. The District's overall actual revenues were two percent more than budgeted due to unanticipated property tax collections.

Capital Assets

The District's investment in capital assets for its governmental activities as of September 30, 2023, amounts to $15,909 (net of accumulated depreciation). This investment in capital assets includes furniture and equipment.

Capital Assets
Government Activities
(net of depreciation)

	9/30/2023	9/30//2022
Furniture and Equipment	$ 15,909	$ 20,173
Total	$ 15,909	$ 20,173

During the fiscal year ended September 30, 2023, no assets were purchased or disposed of.

Additional information on the District's capital assets can be found in Note 4 on page 17 of this report.

Debt Administration

As of September 30, 2023, the District had no debt.

Economic Factors and Next Year's Budgets and Rates

The District's tax revenues are expected to remain constant in the next fiscal year. collections. In the next fiscal year, the District will continue to use these funds to support the City of Granite Shoal Fire Department.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the money it receives from the citizens of Burnet County Emergency Services District #3. If you have any questions about this report or need further information, contact Burnet County Emergency Services District #3, P.O. Box 3038, Marble Falls, TX 78654.

ORW
Certified Public Accountants

Ph: (325) 942-6713
Fax: (325) 944-9591

orw.cpa

2909 Sherwood Way, Ste 300
San Angelo, TX 76901

INDEPENDENT AUDITORS' REPORT

To The Commissioners
Burnet County Emergency Services District #3

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Burnet County Emergency Services District #3, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Burnet County Emergency Services District #3's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Burnet County Emergency Services District #3, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Burnet County Emergency Services District #3, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Burnet County Emergency Services District #3's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Burnet County Emergency Services District #3's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Burnet County Emergency Services District #3's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Oliver, Rainey + Wojtek, LLP

Oliver, Rainey & Wojtek, LLP
April 3, 2024

BURNET COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF NET POSITION
As of September 30, 2023

	Primary Government	
	Governmental Activities	Total
Assets		
Deposits and investments	$ 437,257	$ 437,257
Capital assets, net	15,909	15,909
Total Assets	453,166	453,166
Liabilities		
Accounts payable	-	-
Total Liabilities	-	-
Net Position		
Invested in capital assets, net of related debt	15,909	15,909
Unrestricted assets	437,257	437,257
Total Net Position	$ 453,166	$ 453,166

The accompanying notes are an integral part of the financial statements.

BURNET COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

		Program Revenues			Net (Expense) Revenue and Change in Net Assets	
					Primary Government	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Activities	Total
Primary government:						
Governmental activities:						
General government	$ 16,646	$ -	$ -	$ -	$ (16,646)	$ (16,646)
Public safety	295,564	-	-	-	(295,564)	(295,564)
Total net (expense) revenue for governmental activities and the primary government	$ 312,210	$ -	$ -	$ -	(312,210)	(312,210)
		General Revenues:				
		Taxes				
		Property taxes			336,821	336,821
		Interest income			402	402
		Total general revenues			337,223	337,223
		Change in net assets			25,013	25,013
		Net position, Beginning of Year			428,153	428,153
		Net position, End of Year			$ 453,166	$ 453,166

The accompanying notes are an integral part of the financial statements.

BURNET COUNTY EMERGENCY SERVICES DISTRICT NO. 3
BALANCE SHEET – GOVERNMENTAL FUND
As of September 30, 2023

	General Fund	Total Governmental Funds
Assets		
Deposits & investments	$ 437,257	$ 437,257
Tax receivables	7,002	7,002
Total Assets	444,259	444,259
Deferred Inflows of Resources		
Unavailable property taxes	7,002	7,002
Total Deferred Inflows of Resources	7,002	7,002
Fund Balance		
Unassigned	437,257	437,257
Total Fund Balance	437,257	437,257
Total Liabilities and Fund Balance	$ 444,259	
Amounts reported for government activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (See Note 4)		15,909
Net Position of Governmental Activities		$ 453,166

The accompanying notes are an integral part of the financial statements.

BURNET COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND
For the Year Ended September 30, 2023

	General Fund	Total Governmental Funds
Revenues		
Property taxes	$ 336,821	$ 336,821
Interest income	402	402
Total Revenues	337,223	337,223
Expenditures		
Contract fire disbursements	291,300	291,300
Insurance	2,341	2,341
Legal and professional	7,572	7,572
Office and administration	4,290	4,290
Travel and training	2,443	2,443
Total Expenditures	307,946	307,946
Excess (Deficiencies) of Revenues Over (Under) Expenditures and Other (Uses)	29,277	29,277
Fund Balance, Beginning of Year	407,980	407,980
Fund Balance, End of Year	$ 437,257	$ 437,257

The accompanying notes are an integral part of the financial statements.

BURNET COUNTY EMERGENCY SERVICES DISTRICT NO. 3
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Net Change in Fund Balance - Governmental Funds	$	29,277
Amount reported for governmental activities in the Statement of Activities are different because:		
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 as depreciation expense. This amount is the net effect of these differences in the treatment of capital assets and related items. (See Note 4)		(4,264)
Change in Net Position of Governmental Activities	$	25,013

The accompanying notes are an integral part of the financial statements.

BURNET COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – Summary of Significant Accounting Policies

Reporting Entity

Burnet County Emergency Services District #3 (the District) was created by an election held on November 22, 2011. The District operates under Article III, Section 48-e of the Texas Constitution and Chapter 775 of the Texas Health and Safety Code and is run by a Board of Commissioners appointed by the Burnet County Commissioners Court. The District's major activities include providing emergency services to the residents of the District.

As required by U.S. generally accepted accounting principles, the financial statements of the reporting entity include those of the District (the primary government) and its component units. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in U.S. generally accepted accounting principles. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant indication of this ability is financial interdependency. Other indications of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. The District had no component units for the year ended September 30, 2023.

Government-Wide Financial Statements

The reporting model includes financial statements prepared using full accrual accounting for all of the District's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter.

Statement of Net Position

The Statement of Net Position is designed to display the financial position of the primary government (governmental activities) and its discretely presented component units, if any. Governments will report all capital assets, including infrastructure, in the government-wide Statement of Net Position and will report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories - 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

Statement of Activities

The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the District's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

Fund Financial Statements

In the fund financial statements, financial transactions of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, and revenues and expenditures. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements are provided for the governmental fund.

NOTE 1 – Summary of Significant Accounting Policies – Continued

General Fund

The General Fund is the principal fund of the District which accounts for all financial transactions not accounted for in other funds. The District had no other funds for the year ended September 30, 2023.

Fund Balance Classification

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Nonspendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to ordinances passed by the Board, the Districts highest level of decision-making authority. Commitments may be modified or rescinded only through ordinances approved by the District's Board.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance.
- Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy as unassigned.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

In fiscal year 2012, the District adopted a minimum fund balance policy. The policy requires the unassigned fund balance to be at least equal to 20 percent of the total budget.

Budgetary Comparison Schedules

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the current reporting model, governments will provide budgetary comparison information in their annual reports. The District is required to present the original budget with the comparison of the final budget and actual results. The budget is adopted by the Board prior to the beginning of the fiscal year. Amendments are made during the year on approval by the Board. The District adopted the current year budget on a line-item basis.

Basis of Presentation

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

NOTE 1 – Summary of Significant Accounting Policies – Continued

Government-Wide and Fund Accounting

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. As of September 30, 2023, the District had no business-type activities.

In the government-wide Statement of Net Position, the governmental activity columns are to be presented on a consolidated basis by column, and are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety), which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety). The District does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

In the fund financial statements, financial transactions of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, and revenues and expenditures. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The governmental fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements with the governmental column of the government-wide presentation.

The focus of the reporting model is on the District as a whole and the fund financial statements, including the major individual funds of the governmental categories, and the component units (if any). Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

<u>Basis of Accounting</u>

Basis of accounting refers to the method by which revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

NOTE 1 – Summary of Significant Accounting Policies – Continued

The government-wide statement of net position and statement of activities, are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these activities are included on the statement of net position.

All revenue and expenditure recognition for governmental funds are accounted for using the modified accrual basis of accounting. Only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. The District's revenues are recognized when they become measurable and available as current assets. Available means collectible within the current year or as soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal year. Penalties and interest, and miscellaneous revenues are recorded when received in cash because they are generally not measurable until actually received. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Estimates

The preparation of financial statements in conformity with U.S. 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 during the reporting year. Actual results could differ from those estimates.

Deposits and Investments

The District's investment guidelines are defined by a written investment policy that is approved by the District's Board. In accordance with this policy, the funds are invested, and the investments of those funds managed, as a prudent investor would do, exercising reasonable care, skill and caution.

Capital Assets

Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statements of the District. Depreciation is recorded on general fixed assets on a government-wide basis. All fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated fixed assets are valued at their estimated fair market value on the date donated. Depreciation is computed using the straight-line method.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

Estimated useful lives for depreciable assets are as follows:

Furniture and equipment	5 to 7 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet 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 future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

NOTE 1 – Summary of Significant Accounting Policies – Continued

In addition to liabilities, the statement of financial position and/or balance sheet 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.

NOTE 2 – Property Taxes

The District's property tax is levied each October 1 on the assessed value listed as of the previous January 1 for all real property located in the District. The tax levy for October, 2022 was $336,506.

The tax assessment of October 1, 2022, sets the tax levy at $0.065 per $100 of assessed valuation.

Delinquent property taxes estimated to be collectible within the next fiscal year are recognized as revenues. Other delinquent property taxes receivable at year end that are deemed to be ultimately collectible are recorded as deferred revenues.

NOTE 3 – Deposits and Investments

As of September 30, 2023, cash deposits were with a depository bank in interest bearing accounts, and these balances approximated fair value. As of the balance sheet date, the District's deposits totaled $437,257 and the bank balance was $437,257.

At September 30, 2023 all of the District's balances are insured by the FDIC.

Custodial Credit Risk: The custodial credit risk for deposits is the risk that, in the event of the failure of the depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's policy requires all deposits to be fully secured in accordance with Texas Government Code, Chapter 2257, by either surety bonds, letters of credit of the United States or its agencies and instrumentalities, or by eligible securities held by an independent third-party custodian. At September 30, 2023, all District cash balances were secured.

NOTE 4 – Changes in Capital Assets

Changes in general fixed assets during the year ended September 30, 2023, were as follows:

	October 1, 2022	Increase	Decrease	September 30, 2023
Capital Assets				
Furniture and Equipment	$ 34,189	$ -	$ -	$ 34,189
Total Capital Assets	34,189	-	-	34,189
Less accumulated depreciation	(14,016)	(4,264)	-	(18,280)
Capital Assets, Net	$ 20,173	$ (4,264)	$ -	$ 15,909

Current year depreciation expense of $4,264 was charged to public safety expenses.

NOTE 5 - Commitments

Effective October 1, 2012, the District entered into an agreement with the City of Granite Shoals Fire Department (the Department). The Department agreed to provide emergency services to all persons and property within the emergency services district, including response to life-threatening emergencies and rescue calls by making available adequate staff and administrative assistance.

A new contract was approved late in fiscal year 2019 with the City of Granite Shoals Fire Department. An amendment to the contract was approved in fiscal year 2020 and 2021. The term is for four years effective October 1, 2019 and continuing through September 30, 2023. The annual support increases annually from $191,000 up to $291,300.

Amounts to be paid to the Department shall be disbursed at the discretion of the Commissioners and may include expenses for operations and other expenditures approved by the District for maintaining emergency services within the District.

NOTE 6 – Subsequent Events

In November 2023, the District's citizens approved a sales tax election. These sales taxes will begin collection in April 2024.

The District did not have any other subsequent events through April 3, 2024, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the fiscal year ended September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

BURNET COUNTY EMERGENCY SERVICES DISTRICT NO. 3
BUDGETARY COMPARISON SCHEDULE
For the Year Ended September 30, 2023

	Budget Original	Budget Final	Actual Amounts Budgetary Basis	Variance with Final Final Budget Positive (Negative)
Revenues				
Property taxes	$ 332,015	$332,015	$ 336,821	$ 4,806
Interest income	-	-	402	402
Total Revenues	332,015	332,015	337,223	5,208
Expenditures				
Contract fire disbursements	291,300	291,300	291,300	-
Insurance	2,500	2,500	2,341	159
Legal and Professional fees	16,000	16,000	7,572	8,428
Office and administration	10,027	10,027	4,290	5,737
Travel and training	6,000	6,000	2,443	3,557
Total Expenditures	325,827	325,827	307,946	17,881
Excess (Deficiencies) of Revenues Over (Under) Expenditures and Other (Uses)	$ 6,188	$ 6,188	29,277	$ 23,089
Fund Balance, Beginning of Year			407,980	
Fund Balance, End of Year			$ 437,257	

Regular Session 21.

Meeting Date: 04/23/2024

Subject

Discussion and/or action regarding contracts, agreements or grants to be approved and/or ratified:

a. Proposal from J.P. Morgan for credit card services

b. Work Order with KC Engineering for Wirtz Dam Road

c. Contract with KONE Elevator or yearly maintenance of the county elevator

Attachments

JP Morgan

Wirtz Dam

KONE elevator

Prepared for Burnet County

FINANCIAL PROPOSAL
February 15, 2024

v.65347.656599

J.P.Morgan

Financial Incentives — U.S. Programs

Annual Standard Volume Incentive
J.P. Morgan is pleased to offer a volume rebate based on annual Total Charge Volume and Settlement Terms for your programs. The Settlement Terms in your contract determine the volume rebate rate we apply to the annual Net Charge Volume for your programs, according to the schedule below.

Settlement Terms of 30 & 25 means your billing cycle has 30 calendar days and you have 25 calendar days after the cycle ends to make a payment.

Combined U.S. One Card and U.S. Virtual Card programs	
	Volume Rebate Rate applied to annual Net Charge Volume by Program Settlement Terms
Annual Total Charge Volume at or above:	*@ 30 & 25 Settlement Terms*
$250,000	0.15%
$500,000	0.30%
$1,000,000	1.00%
$2,000,000	1.05%
$3,000,000	1.10%
$4,000,000	1.12%
$5,000,000	1.14%
$6,000,000	1.15%
$7,000,000	1.16%
$8,000,000	1.17%
$9,000,000	1.18%
$10,000,000+	1.19%

Discount Interchange Rate
Should Client achieve the minimum annual Total Charge Volume required to earn a Volume Rebate as stated above, Bank will pay Client a rebate based on annual Discount Interchange Rate Transaction Volume associated with each Program. The rebate will be calculated as the Discount Interchange Rebate Rate (with categories as determined according to the following schedule) multiplied by the annual Discount Interchange Rate Transaction Volume for each respective category associated with each Program, subject to the rebate adjustments below.

Discount Interchange Rebate Rate for Combined U.S. One Card and U.S. Virtual Card programs Volume by Program Settlement Terms	
Settlement Terms	@ 30 & 25 Settlement Terms
Category 1	0.55%
Category 2	0.15%

Terms and Conditions

- This offer will be effective at time of contract signing.
- The U.S. One Card and U.S. Virtual Card programs will be on a Visa platform.
- Settlement of any centrally billed account must be made by automatic debit.
- You shall not be liable for fraudulent transactions provided you operate your program in accordance with J.P. Morgan's fraud reduction requirements (i.e., block required high risk MCCs, maintain reasonable security precautions and controls regarding accounts and transaction info, and comply with other requirements as J.P. Morgan may reasonably require from time to time).
- Credit losses will be deducted from all rebates. In cases where rebates earned are insufficient to cover these deductions, you will be invoiced for the difference.
- To qualify for rebates, you must be current at the time of rebate calculation/payment, meet Settlement Terms and not be in default under the contract. Rebates will be calculated annually in arrears and paid in the first quarter for the previous contract year and will be paid by wire transfer to an account that you designate.
- In the event that the network lowers its interchange rates, J.P. Morgan reserves the right to adjust rebates and fees accordingly.
- J.P. Morgan reserves the right to set Supplier Fees on the J.P. Morgan Virtual Connect Network and to adjust client rebates and fees accordingly.
- All clients are subject to prior credit approval before a firm commitment will be issued from J.P. Morgan.

FINANCIAL PROPOSAL

UNITED STATES

The following are the fees associated with U.S. One Card and U.S. Virtual Card programs:

STANDARD SERVICES AND FEES	
Late payment charge	Central bill: 1% of full amount past due assessed at end of the Cycle in which payment first became due and each Cycle thereafter Individual bill: 1% of full amount past due assessed 28 days after end of the Cycle in which payment first became due and each Cycle thereafter
International transaction	1.5% of the US Dollar amount charged
Standard card	$0.00
ADDITIONAL SERVICES AND FEES	
Cash advances	2.5% of amount advanced ($2.50 minimum with no maximum)
Convenience check	2% of check amount ($1.50 minimum with no maximum)
Executive card	$75 annual fee per card

FINANCIAL PROPOSAL

Pricing Assumptions, Definitions and Disclaimer — U.S. Programs

The proposed pricing for your requested card programs is based on the following assumptions:

COMMERCIAL CARD PROGRAMS			
	U.S. One Card	*U.S. Virtual Card*	*Total*
Annual Total Charge Volume	$1,100,000	$100,000	**$1,200,000**
Statement Billing Period	30	30	
Payment Days from Statement Date	25	25	
Cards	10	n/a	**10**
Contract Initial Term	5 years with one-year auto renewals		
Type of Liability, Billing, and Payment	Corporate, Central, Central	Corporate, Central, Central	

Definitions

"Net Charge Volume" means total charges made on any and all cards or accounts, net of returns, cash advances, convenience check amounts, and fraudulent transactions. U.S. Net Charge Volume does not include any Discount Interchange Rate Transaction Volume.

"Total Charge Volume" means the sum of Net Charge Volume and Discount Interchange Rate Transaction Volume.

"Discount Interchange Rate Transactions" means Transactions made on any and all cards or accounts, with an interchange rate or Supplier Fee below 2.00% under either applicable Credit Card Network rules or the JPMorgan Virtual Connect Network. Those Transactions include but are not limited to Large Ticket Transactions, level 3 Transactions, MasterCard and Visa Partnership programs, and any other programs entered into by the Networks, Client, Bank, merchant, or others whereby the parties to those programs have agreed to interchange rates or Supplier Fees below 2.00% for certain transactions. This does not include returns, cash advances, convenience check amounts, or Fraudulent Transactions.

"Discount Interchange Rate Transaction Volume" means total Discount Interchange Rate Transactions made on any and all cards or accounts. **Discount Interchange Rate Transaction Volume** is comprised of two categories based on the interchange rate of each transaction:

- **"Discount Interchange Transaction Volume Category 1"** covers all **Discount Interchange Rate Transaction Volume** with interchange rate or Supplier Fee 1.00% and above (interchange rates or Supplier Fee from 1.00% - 1.99%).
- **"Discount Interchange Transaction Volume Category 2"** covers all **Discount Interchange Rate Transaction Volume** with interchange rate or Supplier Fee below 1.00 % (interchange rates or Supplier Fee from 0.00 % -0.99 %).

"Supplier Fee" means the agreed upon fee(s) charged to merchants accepting payment through the JPMorgan Virtual Connect Network.

Disclaimer

We prepared this confidential and proprietary proposal exclusively for you in order to help you evaluate some of JPMorgan Chase Bank, N.A.'s products and services. In preparing this proposal, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information provided by you, or otherwise obtained from public sources that we have otherwise reviewed.

This proposal:

- Is not legally binding
- Cannot be disclosed to a party other than the one we addressed and delivered it to, or its subsidiaries, and can only be used to evaluate the products and services here unless we otherwise agree in writing

- Is valid for 180 days; thereafter, we can change it at any point or upon any requested changes, which can result in a new proposal.

Any products, services, terms, or other matters described in this proposal (other than in respect of confidentiality) are subject to the terms of separate legally binding documentation and are subject to change without notice. Additionally, we make no representations about the legal, regulatory, tax or accounting implications of anything in this proposal.

Neither we nor any of our directors, officers, employees or agents are responsible or liable to you or any other party for the contents of this proposal, anything referred to in it, and anything discussed as a result of it.

WORK ORDER

WORK ORDER NO. 20-208.2B

COUNTY Project No.: __________________ COUNTY Project Name: Wirtz Dam Road

In accordance with the terms and conditions of the Professional Services Agreement ("AGREEMENT") between Burnet County ("COUNTY") and K.C. Engineering, Inc. ("ENGINEER"), dated March 10, 2020, ENGINEER is hereby authorized to perform the following services:

Scope of Basic Services

Prepare legal descriptions and exhibits for up to four (4) Utility Easements with deliverables being signed and sealed legal descriptions and exhibits prepared by a Registered Professional Land Surveyor (RPLS).

Authorization

In signing this Work Order, the COUNTY grants ENGINEER specific authorization to proceed under the AGREEMENT.

Fee

ENGINEER shall be paid the lump sum fee of $4,200.00 payable incrementally based upon the estimated percent of work completed at the date of the invoice.

AGREED AND EXECUTED this ______ day of ____________________, 20____.

ATTEST:

K.C. ENGINEERING, INC. (ENGINEER)	**BURNET COUNTY** (COUNTY)
By: Greg Haley, P.E.	By: __________________
Title: March 25, 2024	Title: __________________

KONE Internal

U510

KONE

Elevators Escalators

March 29, 2024

BURNET COUNTY
220 S PIERCE ST
BURNET, TX 78611-2200
USA

Subject: Current Maintenance Contract
KONE Contract: N40064299 Customer Number: N161787

BURNET COUNTY
220 S PIERCE
BURNET, TX 78611
USA

HERMAN BROWN FREE LIBRARY
100 EAST WASHINGTON
BURNET, TX 78611
USA

Dear Customer:

KONE is proud to be your elevator/escalator service provider. Continuing our relationship and providing you with high quality KONE Service is our priority.

Since the start of our contract, KONE has worked diligently to provide you with competitive pricing. In reviewing the history of your account, the cost of providing services in connection with your contract has significantly increased. These costs include, but are not limited to, the base mechanic rate change, health & welfare and other employment benefit costs, applicable State and Federal Taxes and material costs.

Due to dramatic increases in commodity and logistics costs, material costs have increased significantly. From August 2020 to August 2023, the metals and metals index has increased 66.4%. KONE will not be passing the full impact of this cost increase onto to our customers. Instead, KONE will adjust the price of your maintenance contract as stated below.

Effective May 1, 2024, KONE will be adjusting your price by +4.45%.

Thank you for your continued business. Should you have any questions, please do not hesitate to contact your Account Representative at 512-443-0967.

Sincerely,

KONE Elevators and Escalators