

AGENDA
REGULAR CITY COUNCIL MEETING
RONALD C. BOWMAN CITY COUNCIL CHAMBERS
447 North Main Street
Boerne, TX 78006
SEPTEMBER 23, 2025 – 6:00 PM

A quorum of the City Council will be present during the meeting at: 447 N Main, Boerne, TX 78006.

1. CALL TO ORDER – 6:00 PM

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG

PLEDGE OF ALLEGIANCE TO THE TEXAS FLAG

(Honor the Texas flag, I pledge allegiance to thee, Texas – one state under God, one and indivisible.)

2. [2025-481](#) ADMINISTER OATH OF OFFICE – KYLE MICKELSEN, COUNCIL MEMBER DISTRICT 3

Attachments: [AIS oath Mickelsen dist 3](#)

3. CONFLICTS OF INTEREST

4. PUBLIC COMMENTS: This is the opportunity for visitors and guests to address the City Council on any issue, in compliance with LGC Section 551.007. City Council may not discuss any presented issue, nor may any action be taken on any issue at this time. (Attorney General opinion – JC-0169)

5. CONSENT AGENDA: All items listed below within the Consent Agenda are considered to be routine by the City Council and may be enacted with one motion. There will be no separate discussion of items unless a Council Member or citizen so requests, in which event the item may be moved to the general order of business and considered in its normal sequence.

A. [2025-484](#) CONSIDER THE MINUTES OF THE REGULAR CALLED CITY COUNCIL MEETING OF SEPTEMBER 9, 2025.

Attachments: [Minutes.25.0909](#)

- B. [2025-479](#) CONSIDER RESOLUTION NO. 2025-R68; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BOERNE AND CITY OF FAIR OAKS RANCH FOR THE USE OF THE CITY OF BOERNE ANIMAL CONTROL FACILITY.

Attachments: [AIS AC Fair Oaks 2025](#)
[Resolution No. 2025-R68](#)
[Contract Animal Control Interlocal 2025 2026](#)

- C. [2025-480](#) CONSIDER RESOLUTION NO. 2025-R69; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BOERNE AND AXON ENTERPRISE, INC. FOR PUBLIC SAFETY TECHNOLOGIES TO BE USED BY THE POLICE DEPARTMENT, INCLUDING BODY CAMERAS, TASERS, DASH CAMERAS, ALPR SYSTEMS, INTERVIEW ROOM RECORDING, DRONE SERVICES, AND AI TOOLS.

Attachments: [AIS Form AXON 2025](#)
[Resolution No. 2025-R69](#)
[Axon Contract Q-676144-45902JW](#)

- D. [2025-486](#) CONSIDER RESOLUTION NO. 2025-R70; A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE NETWORK SWITCHES AND FIREWALLS FROM GREAT SOUTH TEXAS CORP DBA COMPUTER SOLUTIONS FOR AN AMOUNT NOT TO EXCEED \$202,027.96. (City Network Infrastructure refresh)

Attachments: [AIS Network Switch refresh 9.23.25](#)
[Resolution No. 2025-R70](#)
City of Boerne - Network Refresh-5YR EA - confidential
City of Boerne - Network Refresh PS - confidential

REGULAR AGENDA:

6. RESOLUTIONS:

- A. [2025-485](#) CONSIDER RESOLUTION NO. 2025-R71; A RESOLUTION ADOPTING THE CITY OF BOERNE INVESTMENT POLICY AND BROKER-DEALER LIST.
- Attachments:** [AIS - 2026 Investment Policy](#)
[Resolution No. 2025-R71](#)
[City of Boerne Financial Management Policy Final Adopted April 2025](#)
[Broker Dealer Listing SEP 2025](#)
- B. [2025-403](#) CONSIDER RESOLUTION NO. 2025-R72; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS, ADOPTING REVISIONS TO THE PROCUREMENT POLICY TO ALIGN WITH CHANGES MADE TO THE COMPETITIVE BIDDING THRESHOLD.
- Attachments:** [AIS - Procurement Policy updates 09.23.25](#)
[Resolution No. 2025-R72](#)
[COB Procurement Policy version 2025.2 AS REVISED on 09.23.25](#)
- C. [2025-482](#) CONSIDER RESOLUTION NO. 2025-R73; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS, DIRECTING THE CLOSEOUT OF YEAR-END SURPLUSES.
- Attachments:** [AIS Form -resolution close out year end surplus](#)
[Resolution No. 2025-R73](#)
- D. [2025-483](#) CONSIDER RESOLUTION NO. 2025-R74; A RESOLUTION ADOPTING REVISIONS TO THE FINANCIAL MANAGEMENT POLICY TO ALIGN WITH BEST PRACTICES AND REGULATORY REQUIREMENTS.
- Attachments:** [AIS - Financial Management Policy updates 09.23.25](#)
[Resolution No. 2025-R74](#)
[City of Boerne Financial Management Policy-2025.2 in draft](#)
7. OTHER:
- A. [2025-487](#) DISCUSSION ON STIPENDS FOR CITY COUNCIL MEMBERS.
- Attachments:** [Council Stipend Research](#)
[Salary Survey](#)
- B. [2025-473](#) PRESENTATION OF PROPOSED UPDATES TO THE UNIFIED DEVELOPMENT CODE.
- Attachments:** [AIS UDC Amendments Discussion](#)

8. CITY MANAGER'S REPORT:

- A. [2025-491](#) RECOGNIZING LARRY WOODS - 2025 RECIPIENT OF THE MARION SZUREK LEADERSHIP AWARD.
- B. [2025-489](#) FINAL WRAP-UP OF THE 89TH TEXAS LEGISLATIVE SESSION.
- C. [2025-018](#) MONTHLY PROJECTS REPORT.

9. COMMENTS FROM COUNCIL – No discussion or action may take place.

10. EXECUTIVE SESSION IN ACCORDANCE WITH THE TEXAS GOVERNMENT CODE:

- A. [2025-492](#) SECTION 551.071 - CONSULTATION WITH ATTORNEY ON A MATTER FOR WHICH IT IS THE DUTY OF THE CITY ATTORNEY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT CONFLICT WITH THIS CHAPTER AND REQUIRES DISCUSSION OF THE ITEM IN CLOSED SESSION, REGARDING COMPLIANCE WITH EXISTING ECONOMIC DEVELOPMENT AGREEMENTS.

11. RECONVENE INTO OPEN SESSION AND TAKE ANY NECESSARY ACTION RELATING TO THE EXECUTIVE SESSION AS DESCRIBED ABOVE.

12. ADJOURNMENT

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the 17 day of September, 2025 at 4:00 p.m.

s/s Chastity Valdes
City Secretary

NOTICE OF ASSISTANCE AT THE PUBLIC MEETINGS

The City Hall is wheelchair accessible. Access to the building and special parking is available at the northeast entrance of the building. Requests for auxiliary aides and special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 830-249-9511.

Pursuant to Section 30.06 Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

Pursuant to section 30.07 Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.



AGENDA ITEM SUMMARY

Agenda Date	September 23, 2025
Requested Action	ADMINISTER OATH OF OFFICE TO KYLE MICKELSEN, COUNCIL MEMBER DISTRICT 3
Contact Person	Lori A. Carroll, City Secretary
Background Information	<p>The Oath of Office will be administered to Kyle Mickelsen.</p> <p>Mr. Mickelsen has been appointed to fill the District 3 Council Member vacancy. His term will run until May 2026.</p>
Strategic Alignment	
Financial Considerations	
Citizen Input/Board Review	
Legal Review	
Alternative Options	
Supporting Documents	

MINUTES
REGULAR CITY COUNCIL MEETING
RONALD C. BOWMAN CITY COUNCIL CHAMBERS
447 North Main Street
Boerne, TX 78006
SEPTEMBER 9, 2025 – 6:00 PM

Minutes of the Regular Called City Council Meeting of September 9, 2025.

Present: **6 -** Mayor Frank Ritchie, Mayor Pro Tem Ty Wolosin, Council Member Joe Bateman, Council Member Quinten Scott, Council Member Bret A. Bunker, and Council Member Joseph Macaluso

Staff Present: Ben Thatcher, Sarah Buckelew, Jeff Carroll, Lori Carroll, Manny Casarez, Nathan Crane, Susan Finch, Lissette Jimenez, Mike Mann, Nick Montagno, Steve Perez, Mike Raute, Natalie Shults, Kristy Stark, Chastity Valdes, and Danny Zincke.

Recognized / Registered Guests: Heather Bateman, Milan Michalec, Kyle Mickelsen, Susan Friar, Kelly and Victor Campos, Michael Ethridge, Michael Davis, and Phillip Kempf.

1. CALL TO ORDER – 6:00 PM

Mayor Ritchie called the meeting to order at 6:00 p.m.

Mayor Ritchie invited Pastor Chuck Foster from the Mission City Church to provide the Invocation.

Mayor Ritchie led the Pledge of Allegiance to the United States Flag and to the Texas Flag.

2. CONFLICTS OF INTEREST

No conflicts were declared.

3. PUBLIC COMMENTS:

Milan Michalec, 12 Brandt Road spoke on the city's water plan which was created in 2020.

4. CONSENT AGENDA:

A MOTION WAS MADE BY COUNCIL MEMBER SCOTT, SECONDED BY COUNCIL MEMBER BATEMAN, TO APPROVE THE CONSENT AGENDA AS PRESENTED. THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 5 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Scott, Council Member Bunker, and Council Member Macaluso

A. CONSIDER THE MINUTES OF THE REGULAR CALLED CITY COUNCIL MEETING OF AUGUST 26, 2025.

THE MINUTES WERE APPROVED.

B. CONSIDER RESOLUTION NO. 2025-R60; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE A SHARED SERVICES AGREEMENT FOR FUNDING OF PUBLIC PURPOSE BETWEEN THE CITY OF BOERNE AND BOERNE HOUSING AUTHORITY.

THE RESOLUTION WAS APPROVED.

C. CONSIDER RESOLUTION NO. 2025-R61; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE A SHARED SERVICES AGREEMENT FOR FUNDING OF PUBLIC PURPOSE BETWEEN THE CITY OF BOERNE AND DAS GREENHAUS.

THE RESOLUTION WAS APPROVED.

D. CONSIDER RESOLUTION NO. 2025-R62; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE A SHARED SERVICES AGREEMENT FOR FUNDING OF PUBLIC PURPOSE BETWEEN THE CITY OF BOERNE AND HILL COUNTRY

COURT APPOINTED SPECIAL ADVOCATES (HILL COUNTRY CASA).

THE RESOLUTION WAS APPROVED.

- E. CONSIDER RESOLUTION NO. 2025-R63; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE A DELEGATE AGENCY AGREEMENT FOR FUNDING OF PUBLIC PURPOSE BETWEEN THE CITY OF BOERNE AND FRIENDS OF THE CIBOLO WILDERNESS (CIBOLO CENTER FOR CONSERVATION).**

THE RESOLUTION WAS APPROVED.

- F. CONSIDER RESOLUTION NO. 2025-R64; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE A DELEGATE AGENCY AGREEMENT FOR FUNDING OF PUBLIC PURPOSE BETWEEN THE CITY OF BOERNE AND RAINBOW SENIOR CENTER (THE CENTER).**

THE RESOLUTION WAS APPROVED.

- G. CONSIDER RESOLUTION NO. 2025-R65; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BOERNE AND ALAMO AREA COUNCIL OF GOVERNMENTS FOR E9-1-1 PUBLIC SAFETY ANSWERING POINT SERVICES.**

THE RESOLUTION WAS APPROVED.

- H. CONSIDER ON SECOND READING ORDINANCE NO. 2025-12; AN ORDINANCE ADOPTING THE FISCAL YEAR 2026 CAPITAL IMPROVEMENT PLAN AND APPROPRIATING FUNDS FOR FISCAL YEAR 2026 CAPITAL PROJECTS.**

THE ORDINANCE WAS APPROVED.

- I. CONSIDER ON SECOND READING ORDINANCE NO. 2025-14; AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR WASTEWATER SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2024-23 DATED DECEMBER 10, 2024, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH. (Establishing Sewer rates)**

THE ORDINANCE WAS APPROVED.

- J. **CONSIDER ON SECOND READING ORDINANCE NO. 2025-15; AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR WATER SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2024-22 DATED DECEMBER 10, 2024, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH. (Establishing Potable Water rates)**

THE ORDINANCE WAS APPROVED.

- K. **CONSIDER ON SECOND READING ORDINANCE NO. 2025-16; AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR RECLAIMED WATER SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2024-24 DATED JANUARY 14, 2025, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH. (Establishing Reclaimed Water rates)**

THE ORDINANCE WAS APPROVED.

- L. **CONSIDER ON SECOND READING ORDINANCE NO. 2025-17; AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR ELECTRIC SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2014-26 DATED JULY 8, 2014, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH. (Establishing Electric rates)**

THE ORDINANCE WAS APPROVED.

REGULAR AGENDA:

5. PRESENTATIONS, PUBLIC HEARINGS, AND ORDINANCES:

- A. **PRESENTATION, PUBLIC HEARING AND CONSIDER ON SECOND READING ORDINANCE NO. 2025-10; AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE CITY OF BOERNE, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING**

SEPTEMBER 30, 2026, IN ACCORDANCE WITH CHAPTER 102, LOCAL GOVERNMENT CODE; AND APPROPRIATING THE VARIOUS AMOUNTS THEREOF. (Ordinance adopting the budget)

Mayor Ritchie called on Finance Director Sarah Buckelew, who addressed agenda items 5.A-C. She stated this is the final step in the Fiscal Year 2026 budget process. Director Buckelew displayed the location of the budget on the City’s website along with information on all meetings related to the budget and provided a timeline of the process. She noted that the budget consists of 19 funds, with a total FY 2026 budget of \$181 million. The \$40 million increase from last year is primarily related to the Capital Improvement Program (CIP).

Mayor Ritchie opened the Public Hearing at 6:15 p.m.

No comments were received.

Mayor Ritchie closed the Public Hearing at 6:15 p.m.

A MOTION WAS MADE BY COUNCIL MEMBER MACALUSO, SECONDED BY MAYOR PRO TEM WOLOSIN, TO APPROVE ON SECOND READING ORDINANCE NO. 2025-10; AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE CITY OF BOERNE, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026, IN ACCORDANCE WITH CHAPTER 102, LOCAL GOVERNMENT CODE; AND APPROPRIATING THE VARIOUS AMOUNTS THEREOF. (ORDINANCE ADOPTING THE BUDGET).

MAYOR RITCHIE CALLED FOR A RECORDED VOTE. THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 5 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Scott, Council Member Bunker, and Council Member Macaluso

B. RATIFY THE PROPERTY TAX REVENUE INCREASE REFLECTED IN THE FISCAL YEAR 2025-26 BUDGET.

A MOTION WAS MADE BY COUNCIL MEMBER MACALUSO, SECONDED BY MAYOR PRO TEM WOLOSIN, TO RATIFY THE PROPERTY TAX REVENUE INCREASE REFLECTED IN THE FISCAL YEAR 2025-26 BUDGET. THE MAYOR CALLED FOR A RECORDED VOTE. THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 5 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Scott, Council Member Bunker, and Council Member Macaluso

C. PRESENTATION, PUBLIC HEARING AND CONSIDER ON SECOND READING ORDINANCE NO. 2025-11; AN ORDINANCE SETTING THE AD VALOREM PROPERTY TAX RATE FOR THE 2025 TAX YEAR AT 47.16 CENTS PER EACH \$100 OF TAXABLE VALUE. (Ordinance adopting tax rate)

Mayor Ritchie opened the Public Hearing at 6:17 p.m.

No comments were received.

Mayor Ritchie closed the Public Hearing at 6:17 p.m.

Council Member Macaluso noted that even with Boerne's growth, the city's tax rate has changed very little.

A MOTION WAS MADE BY COUNCIL MEMBER SCOTT, SECONDED BY COUNCIL MEMBER BUNKER, TO APPROVE ON SECOND READING ORDINANCE NO. 2025-11; AN ORDINANCE SETTING THE AD VALOREM PROPERTY TAX RATE FOR THE 2025 TAX YEAR AT 47.16 CENTS PER EACH \$100 OF TAXABLE VALUE. (ORDINANCE ADOPTING TAX RATE). THE MAYOR CALLED FOR A RECORDED VOTE. THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 5 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Scott, Council Member Bunker, and Council Member Macaluso

D. CONSIDER A ONE-TIME READING OF ORDINANCE NO. 2025-18; AS PERMITTED BY THE CITY OF BOERNE'S HOME RULE CHARTER

SECTION 3.11.A. (As described below)

A MOTION WAS MADE BY MAYOR PRO TEM WOLOSIN, SECONDED BY COUNCIL MEMBER BATEMAN, TO APPROVE A ONE-TIME READING OF ORDINANCE NO. 2025-18; AS PERMITTED BY THE CITY OF BOERNE'S HOME RULE CHARTER SECTION 3.11.A. (AS DESCRIBED BELOW). THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 5 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Scott, Council Member Bunker, and Council Member Macaluso

E. CONSIDER ORDINANCE NO. 2025-18; AN ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF BOERNE, TEXAS GENERAL OBLIGATION BONDS, SERIES 2025"; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE BONDS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE BONDS, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN OFFICIAL BID FORM; COMPLYING WITH THE PROVISIONS OF THE DEPOSITORY TRUST COMPANY'S LETTER OF REPRESENTATIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

Director Buckelew reported that bids for the City of Boerne General Obligation Bonds, Series 2025, were opened today. This issuance includes \$4 million designated for the completion of the Northside Community Park. Jim Sabonis, Managing Director of Hilltop Securities, presented the competitive bid results for the Plan of Finance. A total of six bids were received, with the lowest bid submitted by BOK Financial Securities at 3.788232%. The bond closing is expected on September 25. Mr. Sabonis also announced that Moody's has upgraded the City's credit rating to Aa1.

A MOTION WAS MADE BY COUNCIL MEMBER MACALUSO, SECONDED BY COUNCIL MEMBER BATEMAN, TO APPROVE ORDINANCE NO. 2025-18; AN ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF BOERNE, TEXAS GENERAL OBLIGATION BONDS, SERIES 2025"; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE BONDS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE BONDS, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN OFFICIAL BID FORM; COMPLYING WITH THE PROVISIONS OF THE DEPOSITORY TRUST COMPANY'S LETTER OF REPRESENTATIONS; AND PROVIDING FOR AN EFFECTIVE DATE. THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 5 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Scott, Council Member Bunker, and Council Member Macaluso

F. CONSIDER ON SECOND READING ORDINANCE NO. 2025-13; AN ORDINANCE REPEALING AND REPLACING ORDINANCE NO. 2024-18 AND ESTABLISHING AND REESTABLISHING FEES AND CHARGES FOR ACTIVITIES, GOODS AND SERVICES PROVIDED BY THE CITY.

Director Buckelew continued with an explanation of the amendment to the fee ordinance following its first reading at the previous council meeting. She reviewed the importance of conducting a regular review of the City's fees. She also explained that, under Senate Bill 1008, effective September 1, 2025, an alcohol permit cannot be issued if a food permit has already been granted.

A MOTION WAS MADE BY COUNCIL MEMBER SCOTT, SECONDED BY MAYOR PRO TEM WOLOSIN, TO APPROVE ON SECOND READING ORDINANCE NO. 2025-13; AN ORDINANCE REPEALING AND REPLACING ORDINANCE NO. 2024-18 AND ESTABLISHING AND REESTABLISHING FEES AND CHARGES FOR ACTIVITIES, GOODS AND SERVICES PROVIDED BY THE CITY. THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 5 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Scott, Council Member Bunker, and Council Member Macaluso

6. RESOLUTIONS:

A. CONSIDER RESOLUTION NO. 2025-R66; A RESOLUTION AUTHORIZING THE CITY MANAGER TO PAY REGULAR INVOICES AND BILLS FROM SPECIFIC PROVIDERS OF GOODS AND SERVICES, IN ACCORDANCE WITH THE APPROVED ANNUAL BUDGET, AND IN ACCORDANCE WITH SECTION 6.08 OF THE CITY OF BOERNE'S HOME RULE CHARTER.

Director Buckelew continued with the resolution authorizing the city manager to pay regular invoices and bills. The state law competitive bidding threshold requirements recently changed with the 89th Legislature from \$50,000 to \$100,000. Expenditures that exceed \$100,000 must come before council for approval. To streamline the process, a procurement list was created with purchases that have been budgeted for in the current fiscal year and that meet requirements under Texas Municipal Procurement Laws.

A MOTION WAS MADE BY COUNCIL MEMBER MACALUSO, SECONDED BY COUNCIL MEMBER SCOTT, TO APPROVE RESOLUTION NO. 2025-R66; A RESOLUTION AUTHORIZING THE CITY MANAGER TO PAY REGULAR INVOICES AND BILLS FROM SPECIFIC PROVIDERS OF GOODS AND SERVICES, IN ACCORDANCE WITH THE APPROVED ANNUAL BUDGET, AND IN ACCORDANCE WITH SECTION 6.08 OF THE CITY OF BOERNE'S HOME RULE CHARTER. THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 5 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Scott, Council Member Bunker, and Council Member Macaluso

B. CONSIDER RESOLUTION NO. 2025-R67; A RESOLUTION DESIGNATING SIGNATORIES FOR THE DEPOSITORY FINANCIAL INSTITUTION FOR THE FUNDS OF THE CITY OF BOERNE, TEXAS.

Director Buckelew stated that the city holds several different depository

accounts at Frost Bank. It was recently noted that the signatories between accounts were inconsistent. This resolution will standardize all depository accounts to reflect the same authorized signatories.

A MOTION WAS MADE BY MAYOR PRO TEM WOLOSIN, SECONDED BY COUNCIL MEMBER BATEMAN, TO APPROVE RESOLUTION NO. 2025-R67; A RESOLUTION DESIGNATING SIGNATORIES FOR THE DEPOSITORY FINANCIAL INSTITUTION FOR THE FUNDS OF THE CITY OF BOERNE, TEXAS. THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 5 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Scott, Council Member Bunker, and Council Member Macaluso

7. CITY MANAGER'S REPORT:

Mayor Ritchie called on City Manager Ben Thatcher.

A. EXPRESSION OF GRATITUDE TO OUTGOING COUNCIL MEMBER QUINTEN SCOTT.

City Manager Thatcher began by thanking the City Council, staff, and Jim Sabonis with HillTop Securities for their excellent work in promoting Boerne and securing a favorable rate on the bonds. He then expressed his appreciation to outgoing City Council Member Quinten Scott for his years of dedicated service to the community, also extending gratitude to Mrs. Scott for the sacrifices she has made over the past six years.

8. COMMENTS FROM COUNCIL – No discussion or action may take place.

The Council Members extended their appreciation and well wishes to Council Member Quinten Scott.

Council Member Scott complimented the City’s website, noting that it is much

easier to navigate and more transparent than many other cities. He reflected on his time on City Council, sharing that there have been great moments and strong outcomes during his service. He stated that he is confident the Council is in good hands and expressed his belief that the needs of the community are being heard.

Mayor Pro Tem Wolosin thanked Council Member Macaluso for the way he has addressed concerns from his constituents regarding Buc-ee's.

Council Member Macaluso expressed his disappointment in the distrust some of his constituents have shared regarding Buc-ee's, noting that the current Council must weigh decisions made by previous administrations.

Mayor Ritchie reminded everyone that this week is Homecoming.

Council Member Bunker thanked Utilities Director Mike Mann for providing tours of the water treatment plant to Champion High School students. He also shared that Champion High School will play at home on Friday.

Council Member Scott closed by expressing gratitude to his wife, who supported him throughout his campaigns and was often out on the streets with him meeting voters.

9. EXECUTIVE SESSION IN ACCORDANCE WITH THE TEXAS GOVERNMENT CODE:

Mayor Ritchie convened the City Council into Executive Session at 7:04 p.m.

Council Member Scott left the meeting at 7:04 p.m.

- A. SECTION 551.074: PERSONNEL MATTERS - TO INTERVIEW AND DELIBERATE THE SELECTION AND APPOINTMENT OF A QUALIFIED PERSON TO FILL THE UNEXPIRED TERM OF THE COUNCIL MEMBER FOR DISTRICT 3 AS PER THE CITY OF BOERNE'S HOME

RULE CHARTER SECTION 3.08. (C).

No action was taken.

10. RECONVENE INTO OPEN SESSION AND TAKE ANY NECESSARY ACTION RELATING TO THE EXECUTIVE SESSION AS DESCRIBED ABOVE.

Mayor Ritchie reconvened the City Council into Open Session at 8:23 p.m.

A. CONSIDER APPOINTMENT OF A QUALIFIED PERSON TO FILL THE UNEXPIRED TERM OF COUNCIL MEMBER FOR DISTRICT 3 AS PER THE CITY OF BOERNE’S HOME RULE CHARTER SECTION 3.08. (C), WHICH WILL EXPIRE IN MAY 2026.

A MOTION WAS MADE BY MAYOR PRO TEM WOLOSIN, SECONDED BY COUNCIL MEMBER BATEMAN, TO APPOINT KYLE MICKELSEN TO FILL THE UNEXPIRED TERM OF COUNCIL MEMBER FOR DISTRICT 3 AS PER THE CITY OF BOERNE’S HOME RULE CHARTER SECTION 3.08. (C), WHICH WILL EXPIRE IN MAY 2026. THE MOTION CARRIED BY THE FOLLOWING VOTE:

Yeah: 4 - Mayor Pro Tem Wolosin, Council Member Bateman, Council Member Bunker, and Council Member Macaluso

Absent: 1 - Council Member Scott

ADJOURNMENT

Mayor Ritchie adjourned the City Council meeting at 8:24 p.m.

Approved:


Mayor

Attest:

City Secretary



AGENDA ITEM SUMMARY

	AGENDA ITEM SUMMARY
Agenda Date	September 23, 2025
Requested Action	APPROVE RESOLUTION NO. 2025-R68; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BOERNE AND CITY OF FAIR OAKS RANCH FOR THE USE OF THE CITY OF BOERNE ANIMAL CONTROL FACILITY.
Contact Person	Chief Steve Perez
Background Information	<p>Each year since 2000, the City of Boerne has signed an interlocal agreement with the City of Fair Oaks Ranch. This agreement provides for Animal Control Services, specifically pertaining to the housing of strays and pets picked up by the City of Fair Oaks Ranch inside their city limits.</p> <p>The City of Boerne provides housing and care for these animals during the designated holding period. Once the required holding period has passed, the City of Fair Oaks Ranch releases any unclaimed animals to the City of Boerne for final disposition.</p> <p>For these services, the City of Fair Oaks Ranch pays a minimum of 10% of the annual “operational costs” if the % of animals brought in by the City of Fair Oaks is 10% or less of the total animals brought into the shelter. Should they bring in more than 10%, then the fee matches the percentage of animals brought into the shelter. They must also pay an additional fee per animal that an owner does not claim and must be released to the City of Boerne for disposition.</p> <p>For this agreement, “operational costs” are calculated for 1.5 employees (salaries and benefits), utilities, food, cleaning supplies, and facility maintenance. For the current term, the “operational cost” was \$294,761.00, resulting in an annual minimum fee of \$29,476.00.</p>
Strategic Alignment	<p>Safety and Security</p> <p>C3 Collaborating with community partners to enhance quality of life.</p>

Financial Considerations	Since the agreement adjusts the fee the City of Fair Oaks pays the City of Boerne based on usage, there is little to no financial impact to the budget.
Citizen Input/Board Review	N/A
Legal Review	The agreement was reviewed by the legal team.
Alternative Options	<ul style="list-style-type: none"> • Deny the agreement and inform the City of Fair Oaks Ranch to procure other means to house their animals. • Authorize staff to negotiate a different agreement with the City of Fair Oaks Ranch for Animal Control Services.
Supporting Documents	Resolution No. 2025-R68 Copy of the proposed agreement with the City of Fair Oaks Ranch for Animal Control Services.

RESOLUTION NO. 2025-R68

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BOERNE AND CITY OF FAIR OAKS RANCH FOR THE USE OF THE CITY OF BOERNE ANIMAL CONTROL FACILITY

WHEREAS, the City of Boerne operates an Animal Control Facility for the purpose of providing a safe humane shelter for unwanted, stray, abused, and impounded animals in accordance with state and city regulations; and

WHEREAS, the City of Fair Oaks Ranch currently has a need for a facility and is not equipped to render such shelter services; and

WHEREAS, both the City of Boerne and City of Fair Oaks Ranch find it mutually desirable to enter into this agreement; and

WHEREAS, the City of Boerne finds it in the best interest of the citizens to enter into and manage an interlocal agreement for the use of the animal control facility;

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

that the City Council hereby authorizes the City Manager to enter into and manage an interlocal agreement with City of Fair Oaks Ranch for the use of the City of Boerne Animal Control Facility for a term beginning October 1, 2025, and ending on September 30, 2026.

PASSED, APPROVED, and ADOPTED on this the _____ day of _____, 2025.

APPROVED:

Mayor

ATTEST:

City Secretary

LETTER OF AGREEMENT

This Interlocal Agreement (“the Agreement”) is entered into by the City of Boerne, Texas and City of Fair Oaks Ranch, Texas for the use of the City of Boerne Animal Control Facility.

I. RECITALS

WHEREAS, CHAPTER 791 of the TEXAS GOVERNMENT CODE, also known as the INTERLOCAL COOPERATION ACT, authorizes all local governments to contract with each other to provide a governmental function or service that each party to the contract is authorized to perform individually and in which the contracting parties are mutually interested, such as police protection and public health and welfare; and

WHEREAS, the City of Boerne (“Boerne”) is a Home-Rule Municipal Corporation organized under the laws of Texas and is authorized to enter into this Agreement; and

WHEREAS, the City of Fair Oaks Ranch (“FOR”) is a Home-Rule Municipal Corporation organized under the laws of the State of Texas and is authorized to enter into this Agreement; and

WHEREAS, Boerne and FOR represent that each is independently authorized to perform the functions contemplated by this Agreement; and

WHEREAS, Boerne operates an Animal Control Facility located at 330 South Esser Road, Boerne, Texas 78006 (the “Facility”) for the purpose of providing a safe humane shelter for unwanted, stray, abused, and impounded animals in accordance with state and city regulations in a cost-efficient and effective manner and, thereby, protecting its citizens from the dangers and problems associated with free roaming animals; and

WHEREAS, FOR currently has a need for a Facility and is not equipped to render such shelter services; and

WHEREAS, each party has sufficient funds available from current revenues to perform the functions contemplated by this Agreement; and

WHEREAS, both Boerne and FOR find it mutually desirable to enter into this Agreement.

NOW, THEREFORE in consideration of the mutual benefits and promises each to the other made herein, the parties named above do hereby agree as follows:

II. BOERNE OBLIGATIONS

The services to be provided by Boerne to FOR are as follows:

1. Maintain, repair, control, regulate, administer, and operate the Facility as a complete animal shelter for the use and benefit of the Parties to this Agreement.
2. Retain in custody, on a temporary basis, animals taken into possession by the Parties to this Agreement. As used herein, the term "animals" shall mean dogs and cats. Should FOR need to impound an animal other than a dog or cat, FOR will contact Boerne to see if the Facility is able to house the type of animal being brought in and verify that the Facility has the type of food needed for the animal. If Boerne does not have food for the animal, FOR will be responsible for either bringing the correct food or will be invoiced by Boerne for the purchase of specialized food. An invoice will be provided with the Monthly Report.
3. Contract for and purchase all reasonably necessary supplies, equipment, materials, and services deemed reasonably necessary to operate the Facility.
4. Emergency animal pickup by Boerne Animal Control personnel when all authorized FOR Animal Control and Law Enforcement personnel is unavailable upon authorization from the Boerne City Manager, or their designee. The Facility is not required to accept impoundment of any animal from a FOR resident.
5. On the first day of each month, the Boerne Animal Control Department will compile a report of all FOR animals impounded at the facility during the preceding month and shall provide the report to FOR no later than the 10th day of each month.

III. FOR Obligations

1. FOR agrees and understands that the only person(s) authorized to bring an animal impounded from FOR to the Facility shall be a FOR Law Enforcement Officer or a FOR Animal Control Officer. In no event will the Facility accept any animal for impoundment from a FOR resident.
2. FOR agrees and understands that no animal impounded from FOR shall be released from the Facility to the owner of the animal without direction from FOR.
3. If a FOR animal is in need of reasonable medical attention, FOR agrees and understands that such FOR animal must be taken to a veterinary hospital by a FOR agent prior to bringing the FOR animal to the Facility. Boerne is under no obligation to impound an animal that it deems in need of medical attention, such determination is in the sole discretion of the Boerne Animal Control Officer[s].
4. Should any FOR animal need medical attention while impounded at the Facility, such cost for veterinary treatment shall be borne solely by FOR.
5. If a FOR animal is declared a ward of the Court due to abuse or neglect, the FOR animal must first be taken to a veterinary hospital for a complete medical examination prior to impoundment at the Facility.

6. FOR will create standards for the procedures desired to be implemented by Boerne concerning the length of time any FOR animal is impounded at the Facility. Such FOR created standards will include the length of time the FOR animal will be impounded before being available for adoption or humanely euthanized. After the holding period prescribed by the FOR standards, FOR shall surrender the animal to Boerne for a surrender fee of \$10.00. FOR is responsible to forward an Animal Surrender Notice to the COB at the end of the prescribed holding period. If FOR has not furnished COB an Animal Surrender Notice by Noon on the day following the end of the prescribed holding period, COB will assess a boarding fee of \$10.00 for each day FOR is delinquent in forwarding the Animal Surrender Notice to COB. Should the end of the holding period fall on a Saturday or Sunday, the Animal Surrender Notice will be due by Noon on Monday.
7. Owner-Surrendered Animals. Should FOR accept an Owner-Surrendered Animal for re-adoption, FOR will pay \$10.00 to COB per animal surrendered. COB reserves the right to reject any Owner-Surrendered Animal that displays aggression or is sick, injured, or elderly to the point that adoption is not an option. COB will not accept any Owner-Surrendered Animal for euthanasia. Owner-Surrendered Animals should be taken by the owner to the veterinarian for euthanasia purposes. Should FOR choose to accept Owner-Surrendered Animals for euthanasia purposes, FOR should contract with a veterinarian to perform this service.
8. In the event that any FOR animal impounded at the Facility is involved in a biting or scratching incident requiring the quarantine of the FOR animal, the FOR animal must be removed from the Facility by FOR within twenty-four hours for the duration of the quarantine period.

IV. CONSIDERATION

1. The operational costs of the Boerne Facility shall be shared by Boerne and FOR on a percentage basis, with FOR minimum percentage at 10%. This actual percentage shall be determined at the end of April each year, based on the number of animals impounded at the Facility from each Party during the previous twelve (12) month period. The operational costs are the total of 1.5 Boerne Facility employees' salary and benefits for the next fiscal year plus utilities, food, cleaning supplies, and building maintenance. Pursuant to this calculation, the amount due from FOR to Boerne is 10% of the operational costs of \$294,761.00 equaling \$29,476.00 or a monthly sum of \$2,456.00 over the period of this Agreement. Payment of FOR's proportionate share is due on the 15th day of each month if FOR elects to pay monthly. Should FOR elect to make one payment, such payment is due on the 15th day of the month following execution of this Agreement.
2. If an emergency animal pickup is made between 8:00 AM and 5:00 PM by COB personnel for a FOR animal per Section II.4. above, FOR shall pay a fee to the COB of \$35.00 per hour and an additional \$15.00 for each additional half hour, or any

portion thereof. After 5:00 PM, Boerne holidays and weekend, FOR shall pay \$50.00 per hour and an additional \$25.00 for each additional half hour, or any portion thereof. Boerne will provide FOR with an invoice listing all animals picked-up by Boerne personnel and impounded pursuant to this Section plus any associated fees therewith (including, but not limited to, any necessary medical treatment prior to and during impoundment per Section III.3). Payment of this additional invoice is due on or before the 15th day of the month following receipt of the invoice.

3. Boerne will provide FOR with an invoice listing all animals in need of medical attention while impounded at the Facility per Section III.4. Such invoice will list the necessary treatment received and the fees associated therewith. Payment of this additional invoice is due on or before the 15th day of the month following receipt of the invoice.
4. Boerne will provide FOR with an invoice listing all animals exceeding their length of time at the Facility per FOR established standards per Section III.6. Upon receipt of such invoice, FOR will immediately forward an Animal Surrender Notice to Boerne via facsimile or electronic mail. The original Animal Surrender Notice will be provided to Boerne with the accompanying fee on or before the 15th day of the month following receipt of the invoice.

V. TERM AND TERMINATION

1. This Agreement shall be effective as of October 1, 2025, and shall continue in force and effect for a period of twelve months and shall terminate September 30, 2026. The Agreement shall be reviewed by the Boerne City Council prior to each fiscal year.
2. Any party may terminate the Agreement by giving written notice; said termination to take effect within sixty (60) days after the notice is given.

Vi. GENERAL PROVISIONS

1. **Indemnification. Subject to the limitations as to liability and damages in the Texas Tort Claims Act and without waiving its governmental immunity, each Party agrees to hold harmless each other, its governing board, officers, agents and employees for any liability, loss, damages, claims or causes of action caused or asserted to have been caused directly or indirectly by any other Party to this Agreement, or any of its officers, agents or employees, or as the result of its performance, or any of its officers, agents or employees, under this Agreement.**
2. **Independent Contractor.** Boerne shall be solely responsible for the Facility. Boerne shall supply all materials, equipment, tools, transportation, and labor required for or reasonably incidental to the maintenance and care of the Facility. The City shall have

the sole obligation to employ, direct, control, supervise, manage, discharge and compensate all of the Boerne Animal Control Service employees.

3. Severability Clause. The Parties intend for the various provisions of this Agreement to be severable so that the invalidity, if any, of any one section (or more) shall not affect the validity of the remaining provisions or sections.
4. Public Information Act. Each Party agrees that it is a governmental body for purposes of the Public Information Act codified as Chapter 552 of the Texas Government Code and as such is required to release information in accordance with the Public Information Act.
5. This document may be executed in any number of original signature counterparts, each of which shall for all purposes be deemed an original, and all such counterparts shall constitute one and the same document. It is understood and agreed that this Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.
6. Each Party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective entity.
7. This Agreement shall be interpreted in accordance with the laws of the State of Texas and in Kendall County, Texas.
8. This Agreement represents the entire agreement of the Parties and supersedes any verbal or written representations of, to or by the parties to each other.
9. Headings. The headings at the beginning of the various provisions of this Agreement have been included only in order to make it easier to locate the subject covered by each provision and are not to be used in construing this Agreement.
10. Notices to either Party shall be sufficient if sent in writing, postage pre-paid, registered or certified mail to the following:

Boerne
Ben Thatcher
City Manager
P.O. Box 1677
Boerne, TX 78006-1677
bthatcher@boerne-tx.gov
Fax: (830) 249-9264

FOR
Scott Huizenga
City Manager
7286 Dietz Elkhorn
Fair Oaks Ranch, TX 78015
shuizenga@fairoaksranchtx.org
Fax: (210) 698-3565

Agreed to this the ____ day of _____, 2025.

Approved:
City of Boerne, Texas

Attest:

City Secretary

Approved:
City of Fair Oaks Ranch, Texas

Attest:

City Secretary



AGENDA ITEM SUMMARY

	<h2 style="margin: 0;">AGENDA ITEM SUMMARY</h2>
Agenda Date	September 23, 2025
Requested Action	APPROVE RESOLUTION NO. 2025-R69; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BOERNE AND AXON ENTERPRISE, INC. FOR PUBLIC SAFETY TECHNOLOGIES TO BE USED BY THE POLICE DEPARTMENT, INCLUDING BODY CAMERAS, TASERS, DASH CAMERAS, ALPR SYSTEMS, INTERVIEW ROOM RECORDING, DRONE SERVICES, AND AI TOOLS.
Contact Person	Chief of Police Steve M. Perez
Background Information	<p>The City of Boerne (COB) currently has a written agreement for Camera services with Motorola Solutions expiring this year, and an agreement with Axon Enterprise for Taser devices. We intend to switch to Axon for all these services, as they have proven to be a much better product, and we would save with the bundle pricing offered.</p> <p>We plan to enter into a 10-year agreement with Axon for them to supply the following items:</p> <ul style="list-style-type: none"> • 47- Axon body four cameras • 47- Axon Taser 10's • 25- Axon Fleet 3 Cameras W/ ALPR Features • 2- Interview Room Cameras • 1- Skydio X-10 Drone (If signed by 9-25) • 10 Years of AI Professional Service (If signed by 9-25) • All Hardware/Software/Storage for the above-listed equipment <p>\$3,158,714.65 over ten years. A bundled savings of \$2,534,889.50</p> <p>Total year one costs \$315,871.51</p> <p>Years 2-10 cost of \$315,871.46</p>

Strategic Alignment	C1, F1, F2, B1, B3
Financial Considerations	<p>If the contract is signed by 9-25-25, Axon has agreed to throw in the Skydio X-10 drone and services valued at \$50,000, Also They will include the full Artificial Intelligence package which gives us access to all their current AI tools, as well as any others developed throughout the 10 year contract at no additional costs a value of \$700,000.00 (\$70,000 per year)</p> <p>By bundling and agreeing to this 10-year contract we will save \$253,488.95 per year, as it protects us from price increases which historically increase at a rate of at least 7% per year over the next 10 years.</p>
Citizen Input/Board Review	N/A
Legal Review	Yes
Alternative Options	Taser is a Patented product by Axon and the sole source Provider. Based on our experience, the current provider, Motorola, has demonstrated a pattern of substandard performance that negatively impacts operational efficiency.
Supporting Documents	Resolution No. 2025-R69 Axon Contract Q-676144-45902JW

RESOLUTION NO. 2025-R69

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BOERNE AND AXON ENTERPRISE, INC. FOR PUBLIC SAFETY TECHNOLOGIES TO BE USED BY THE POLICE DEPARTMENT, INCLUDING BODY CAMERAS, TASERS, DASH CAMERAS, ALPR SYSTEMS, INTERVIEW ROOM RECORDING, DRONE SERVICES, AND AI TOOLS

WHEREAS, the City of Boerne currently has an agreement with Motorola Solutions for body cameras that will expire this year, and an existing agreement with Axon Enterprise, Inc. for Taser devices; and

WHEREAS, the City of Boerne Police Department intends to switch all public safety technology services to Axon Enterprise, Inc. due to improved product quality and significant bundled pricing savings; and

WHEREAS, the City plans to enter into a 10-year agreement with Axon Enterprise, Inc. for a total cost of \$3,158,714.65, which includes all necessary equipment, software, cloud storage, and support services; and

WHEREAS, the City of Boerne finds it in the best interest of the public to enter into a 10-year agreement with Axon Enterprise, Inc. for public safety technology equipment and services, including body cameras, Tasers, dash cameras with ALPR features, interview room recording, drone services, AI tools, and related support.

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

that the City Council hereby authorizes the City Manager to enter into and manage a 10-year Interlocal Agreement between the City of Boerne and Axon Enterprise, Inc. for public safety technology equipment and services, including but not limited to body cameras, Tasers, dash cameras with ALPR features, interview room recording, drone services, AI tools, and associated hardware and software, for an amount not to exceed \$3,158,714.65.

PASSED, APPROVED and ADOPTED on this the ___ day of _____, 2025.

APPROVED:

Mayor

ATTEST:

City Secretary



Axon Enterprise, Inc.
 17800 N 85th St
 Scottsdale, Arizona 85255
 United States
 VAT: 86-0741227
 Domestic:(800) 978-2737
 International: +1.800.978.2737

Q-676144-45902JW

Issued: 09/02/2025

Quote Expiration: 09/25/2025

Estimated Contract Start Date: 12/01/2025

Account Number: 270751

Payment Terms:

Mode of Delivery: UPS-GND

Credit/Debit Amount: \$0.00

SHIP TO	BILL TO
Boerne Police Dept. - TX 124 Old San Antonio Rd Boerne, TX 78006-3413 USA	Boerne Police Dept. - TX 124 Old San Antonio Rd Boerne TX 78006-3413 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Jerrold Wilson Phone: 903-830-5660 Email: jewilson@axon.com Fax:	James Schmidt Phone: (830) 249-8645 Email: jschmidt@boerne-tx.gov Fax: (830) 249-2852

Quote Summary

Program Length	120 Months
TOTAL COST	\$3,158,714.65
ESTIMATED TOTAL W/ TAX	\$3,158,714.65

Discount Summary

Average Savings Per Year	\$253,488.95
TOTAL SAVINGS	\$2,534,889.50

Payment Summary

Date	Subtotal	Tax	Total
Nov 2025	\$315,871.51	\$0.00	\$315,871.51
Nov 2026	\$315,871.46	\$0.00	\$315,871.46
Nov 2027	\$315,871.46	\$0.00	\$315,871.46
Nov 2028	\$315,871.46	\$0.00	\$315,871.46
Nov 2029	\$315,871.46	\$0.00	\$315,871.46
Nov 2030	\$315,871.46	\$0.00	\$315,871.46
Nov 2031	\$315,871.46	\$0.00	\$315,871.46
Nov 2032	\$315,871.46	\$0.00	\$315,871.46
Nov 2033	\$315,871.46	\$0.00	\$315,871.46
Nov 2034	\$315,871.46	\$0.00	\$315,871.46
Total	\$3,158,714.65	\$0.00	\$3,158,714.65

Quote Unbundled Price: \$5,649,403.80
 Quote List Price: \$3,837,933.00
 Quote Subtotal: \$3,158,714.65

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
Program									
Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	120	\$289.39	\$248.53	\$231.13	\$693,390.00	\$0.00	\$693,390.00
IR2CA	Interview Room 2 Camera Standard	2	120	\$472.58	\$569.69	\$0.00	\$0.00	\$0.00	\$0.00
M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	120	\$490.08	\$318.16	\$248.73	\$1,402,837.20	\$0.00	\$1,402,837.20
S00007	AXON AI - AI ERA LEADERS	47	120	\$302.90	\$178.89	\$178.89	\$1,008,939.60	\$0.00	\$1,008,939.60
C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	120	\$479.66	\$120.06	\$119.71	\$14,365.20	\$0.00	\$14,365.20
A00025	BUNDLE - AXON AIR BASIC PATROL	1	120			\$0.00	\$0.00	\$0.00	\$0.00
A la Carte Hardware									
101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5			\$600.00	\$0.00	\$0.00	\$0.00	\$0.00
101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3			\$2,000.00	\$0.00	\$0.00	\$0.00	\$0.00
101409	AXON FUSUS - CORE - LISTEN	1			\$600.00	\$0.00	\$0.00	\$0.00	\$0.00
101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1			\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00
101408	AXON FUSUS - CORE - CAD	1			\$600.00	\$0.00	\$0.00	\$0.00	\$0.00
H00002	AB4 Multi Bay Dock Bundle	6			\$1,638.90	\$1,638.90	\$9,833.40	\$0.00	\$9,833.40
H00001	AB4 Camera Bundle	47			\$899.00	\$224.75	\$10,563.25	\$0.00	\$10,563.25
H00001	AB4 Camera Bundle	1			\$899.00	\$0.00	\$0.00	\$0.00	\$0.00
A la Carte Software									
ProLicense	Pro License Bundle	7	120		\$54.52	\$0.00	\$0.00	\$0.00	\$0.00
A la Carte Services									
44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3			\$895.00	\$0.00	\$0.00	\$0.00	\$0.00
75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1			\$2,395.00	\$0.00	\$0.00	\$0.00	\$0.00
101186	AXON VR - PSO - VIRTUAL	1			\$2,000.00	\$2,000.00	\$2,000.00	\$0.00	\$2,000.00
85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1			\$6,786.00	\$6,786.00	\$6,786.00	\$0.00	\$6,786.00
85144	AXON BODY - PSO - STARTER	1			\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	\$10,000.00
A la Carte Warranties									
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	109		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	109		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	109		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	109		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	109		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total							\$3,158,714.65	\$0.00	\$3,158,714.65

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
AB4 Camera Bundle	100147	AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK	1	1	11/01/2025
AB4 Camera Bundle	100147	AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK	1	1	11/01/2025
AB4 Camera Bundle	100147	AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK	47	1	11/01/2025
AB4 Camera Bundle	100466	AXON BODY 4 - CABLE - USB-C TO USB-C	2	1	11/01/2025
AB4 Camera Bundle	100466	AXON BODY 4 - CABLE - USB-C TO USB-C	52	1	11/01/2025
AB4 Camera Bundle	100775	AXON BODY 4 - MAGNETIC DISCONNECT CABLE	52	1	11/01/2025
AB4 Camera Bundle	100775	AXON BODY 4 - MAGNETIC DISCONNECT CABLE	2	1	11/01/2025
AB4 Camera Bundle	74028	AXON BODY - MOUNT - WING CLIP RAPIDLOCK	52	1	11/01/2025
AB4 Multi Bay Dock Bundle	100206	AXON BODY 4 - 8 BAY DOCK	6	1	11/01/2025
AB4 Multi Bay Dock Bundle	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	6	1	11/01/2025
AB4 Multi Bay Dock Bundle	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	6	1	11/01/2025
BUNDLE - AXON AIR BASIC PATROL	101738	AXON AIR - SKYDIO X10 PATROL HW KIT	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100126	AXON VR - TACTICAL BAG	2	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100390	AXON TASER 10 - HANDLE - YELLOW CLASS 3R	47	2	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100390	AXON TASER 10 - HANDLE - YELLOW CLASS 3R	1	2	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100394	AXON TASER 10 - MAGAZINE - HALT TRAINING BLUE	4	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100396	AXON TASER 10 - MAGAZINE - INERT RED	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100399	AXON TASER 10 - CARTRIDGE - LIVE	140	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100399	AXON TASER 10 - CARTRIDGE - LIVE	940	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100399	AXON TASER 10 - CARTRIDGE - LIVE	140	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100399	AXON TASER 10 - CARTRIDGE - LIVE	140	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100399	AXON TASER 10 - CARTRIDGE - LIVE	150	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	380	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	470	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	380	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	370	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	380	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100401	AXON TASER 10 - CARTRIDGE - INERT	20	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100591	AXON TASER - CLEANING KIT	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100611	AXON TASER 10 - SAFARILAND HOLSTER - RH	47	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100623	ENHANCED HOOK-AND-LOOP TRAINING (HALT) SUIT (V2)	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100681	AXON SIGNAL - SIDEARM SENSOR ONLY	47	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100748	AXON VR - CONTROLLER - TASER 10	2	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100832	AXON VR - CONTROLLER - HANDGUN VR19H	2	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101122	AXON VR - HOLSTER - T10 SAFARILAND GRAY - RH	2	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101294	AXON VR - TABLET	2	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101300	AXON VR - TABLET CASE	2	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101455	AXON TASER 10 - REPLACEMENT TOOL KIT - INTERPOSER BUCKET	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101456	AXON TASER 10 - REPLACEMENT INTERPOSER BUCKET	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20018	AXON TASER - BATTERY PACK - TACTICAL	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20018	AXON TASER - BATTERY PACK - TACTICAL	10	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20018	AXON TASER - BATTERY PACK - TACTICAL	47	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	1	1	11/01/2025

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	71044	AXON SIGNAL - BATTERY - CR2430 SINGLE PACK	94	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	74200	AXON TASER - DOCK - SIX BAY PLUS CORE	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80087	AXON TASER - TARGET - CONDUCTIVE PROFESSIONAL RUGGEDIZED	1	1	11/01/2025
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80090	AXON TASER - TARGET FRAME - PROFESSIONAL 27.5 IN X 75 IN	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100126	AXON VR - TACTICAL BAG	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100390	AXON TASER 10 - HANDLE - YELLOW CLASS 3R	1	2	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100394	AXON TASER 10 - MAGAZINE - HALT TRAINING BLUE	4	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100396	AXON TASER 10 - MAGAZINE - INERT RED	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100399	AXON TASER 10 - CARTRIDGE - LIVE	20	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	10	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100401	AXON TASER 10 - CARTRIDGE - INERT	10	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100591	AXON TASER - CLEANING KIT	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100611	AXON TASER 10 - SAFARILAND HOLSTER - RH	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100623	ENHANCED HOOK-AND-LOOP TRAINING (HALT) SUIT (V2)	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100748	AXON VR - CONTROLLER - TASER 10	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100832	AXON VR - CONTROLLER - HANDGUN VR19H	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101122	AXON VR - HOLSTER - T10 SAFARILAND GRAY - RH	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101294	AXON VR - TABLET	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101300	AXON VR - TABLET CASE	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101455	AXON TASER 10 - REPLACEMENT TOOL KIT - INTERPOSER BUCKET	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101456	AXON TASER 10 - REPLACEMENT INTERPOSER BUCKET	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101751	AXON VR - HEADSET - HTC FOCUS VISION	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101755	AXON TASER 10 - MAGAZINE - LIVE DUTY BLACK V2	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101757	AXON TASER 10 - MAGAZINE - LIVE TRAINING PURPLE V2	3	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	20018	AXON TASER - BATTERY PACK - TACTICAL	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	20018	AXON TASER - BATTERY PACK - TACTICAL	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	70033	AXON - DOCK WALL MOUNT - BRACKET ASSY	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	71019	AXON BODY - DOCK POWERCORD - NORTH AMERICA	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	74200	AXON TASER - DOCK - SIX BAY PLUS CORE	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	80087	AXON TASER - TARGET - CONDUCTIVE PROFESSIONAL RUGGEDIZED	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	80090	AXON TASER - TARGET FRAME - PROFESSIONAL 27.5 IN X 75 IN	1	1	11/01/2025
Fleet 3 Advanced 10 Year	100989	AXON FLEET - CRADLEPOINT R920-C7A+5YR NETCLOUD	25	1	11/01/2025
Fleet 3 Advanced 10 Year	101926	AXON FLEET - TAOGLAS ANT - 5-IN-1 2CELL 2WIFI 1GNSS INT	25	1	11/01/2025
Fleet 3 Advanced 10 Year	70112	AXON SIGNAL - VEHICLE	25	1	11/01/2025
Fleet 3 Advanced 10 Year	72036	AXON FLEET 3 - STANDARD 2 CAMERA KIT	25	1	11/01/2025
Interview Room 2 Camera Standard	50114	AXON INTERVIEW - CAMERA - COVERT SENSOR	2	1	11/01/2025
Interview Room 2 Camera Standard	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	2	1	11/01/2025
Interview Room 2 Camera Standard	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	2	1	11/01/2025
Interview Room 2 Camera Standard	50218	AXON INTERVIEW - CAMERA - COVERT MAIN UNIT	2	1	11/01/2025
Interview Room 2 Camera Standard	50220	AXON INTERVIEW - POE SWITCH - 8 PORT	2	1	11/01/2025
Interview Room 2 Camera Standard	50294	AXON INTERVIEW - SERVER - LITE	2	1	11/01/2025
Interview Room 2 Camera Standard	50298	AXON INTERVIEW - CAMERA - OVERT DOME	2	1	11/01/2025
Interview Room 2 Camera Standard	50322	AXON INTERVIEW - TOUCH PANEL PRO	2	1	11/01/2025
Interview Room 2 Camera Standard	74056	AXON INTERVIEW - TOUCH PANEL WALL MOUNT	2	1	11/01/2025
Interview Room 2 Camera Standard	74116	AXON INTERVIEW - COVERT ENCLOSURE	2	1	11/01/2025
A la Carte	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	1	11/01/2025
A la Carte	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	1	11/01/2025

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
A la Carte	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	1	11/01/2025
A la Carte	101408	AXON FUSUS - CORE - CAD	1	1	11/01/2025
A la Carte	101409	AXON FUSUS - CORE - LISTEN	1	1	11/01/2025
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100399	AXON TASER 10 - CARTRIDGE - LIVE	10	1	11/01/2026
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	10	1	11/01/2026
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	10	1	11/01/2027
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73309	AXON BODY - TAP REFRESH 1 - CAMERA	48	1	05/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73689	AXON BODY - TAP REFRESH 1 - DOCK MULTI BAY	6	1	05/01/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100210	AXON VR - TAP REFRESH 1 - TABLET	2	1	05/02/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101009	AXON VR - TAP REFRESH 1 - SIDEARM CONTROLLER	2	1	05/02/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101012	AXON VR - TAP REFRESH 1 - CONTROLLER	2	1	05/02/2028
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20373	AXON VR - TAP REFRESH 1 - HEADSET	2	1	05/02/2028
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100210	AXON VR - TAP REFRESH 1 - TABLET	1	1	05/02/2028
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101009	AXON VR - TAP REFRESH 1 - SIDEARM CONTROLLER	1	1	05/02/2028
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101012	AXON VR - TAP REFRESH 1 - CONTROLLER	1	1	05/02/2028
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	20373	AXON VR - TAP REFRESH 1 - HEADSET	1	1	05/02/2028
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	10	1	11/01/2028
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100399	AXON TASER 10 - CARTRIDGE - LIVE	10	1	11/01/2029
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100400	AXON TASER 10 - CARTRIDGE - HALT	10	1	11/01/2029
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100211	AXON VR - TAP REFRESH 2 - TABLET	2	1	11/01/2030
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101010	AXON VR - TAP REFRESH 2 - SIDEARM CONTROLLER	2	1	11/01/2030
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101013	AXON VR - TAP REFRESH 2 - CONTROLLER	2	1	11/01/2030
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20374	AXON VR - TAP REFRESH 2 - HEADSET	2	1	11/01/2030
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73310	AXON BODY - TAP REFRESH 2 - CAMERA	48	1	11/01/2030
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73688	AXON BODY - TAP REFRESH 2 - DOCK MULTI BAY	6	1	11/01/2030
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100211	AXON VR - TAP REFRESH 2 - TABLET	1	1	11/01/2030
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101010	AXON VR - TAP REFRESH 2 - SIDEARM CONTROLLER	1	1	11/01/2030
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101013	AXON VR - TAP REFRESH 2 - CONTROLLER	1	1	11/01/2030
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	20374	AXON VR - TAP REFRESH 2 - HEADSET	1	1	11/01/2030
Fleet 3 Advanced 10 Year	72040	AXON FLEET - TAP REFRESH 1 - 2 CAMERA KIT	25	1	11/01/2030
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20242	AXON TASER - CERTIFICATION PROGRAM YEAR 6-10 HARDWARE	47	1	05/02/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73345	AXON BODY - TAP REFRESH 3 - CAMERA	48	1	05/02/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73347	AXON BODY - TAP REFRESH 3 - DOCK MULTI BAY	6	1	05/02/2031
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	20242	AXON TASER - CERTIFICATION PROGRAM YEAR 6-10 HARDWARE	1	1	05/02/2031
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100212	AXON VR - TAP REFRESH 3 - TABLET	2	1	05/02/2033
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101011	AXON VR - TAP REFRESH 3 - SIDEARM CONTROLLER	2	1	05/02/2033
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101014	AXON VR - TAP REFRESH 3 - CONTROLLER	2	1	05/02/2033
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20375	AXON VR - TAP REFRESH 3 - HEADSET	2	1	05/02/2033
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73346	AXON BODY - TAP REFRESH 4 - CAMERA	48	1	05/02/2033
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73348	AXON BODY - TAP REFRESH 4 - DOCK MULTI BAY	6	1	05/02/2033
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100212	AXON VR - TAP REFRESH 3 - TABLET	1	1	05/02/2033
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101011	AXON VR - TAP REFRESH 3 - SIDEARM CONTROLLER	1	1	05/02/2033
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101014	AXON VR - TAP REFRESH 3 - CONTROLLER	1	1	05/02/2033
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	20375	AXON VR - TAP REFRESH 3 - HEADSET	1	1	05/02/2033
Fleet 3 Advanced 10 Year	100092	AXON FLEET - TAP REFRESH 2 - 2 CAMERA KIT	25	1	11/30/2035

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
AXON AI - AI ERA LEADERS	101740	AXON - AI SOFTWARE LICENSE	47	12/01/2025	11/30/2035

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
BUNDLE - AXON AIR BASIC PATROL	100112	AXON AIR - EVIDENCE.COM LICENSE - PILOT DATA	1	12/01/2025	11/30/2035
BUNDLE - AXON AIR BASIC PATROL	100551	AXON AIR - DRONESENSE CLOUDSTREAM FOR SKYDIO	1	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101180	AXON TASER - DATA SCIENCE PROGRAM	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101705	AXON FUSUS - LICENSE - PRO USER	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101711	AXON FUSUS - LICENSE - ADDITIONAL CCTV STREAMS	150	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20248	AXON TASER - EVIDENCE.COM LICENSE	1	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20248	AXON TASER - EVIDENCE.COM LICENSE	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	20370	AXON VR - USER ACCESS - FULL VR	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73449	AXON BODY - LICENSE - DEVICE CONNECTIVITY	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73478	AXON EVIDENCE - REDACTION ASSISTANT USER LICENSE	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73618	AXON COMMUNITY REQUEST	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73638	AXON STANDARDS - LICENSE	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73682	AXON EVIDENCE - AUTO TAGGING LICENSE	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73683	AXON EVIDENCE - STORAGE - 10GB A LA CARTE	470	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73686	AXON EVIDENCE - STORAGE - UNLIMITED (AXON DEVICE)	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73739	AXON PERFORMANCE - LICENSE	47	12/01/2025	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	73746	AXON EVIDENCE - ECOM LICENSE - PRO	47	12/01/2025	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101180	AXON TASER - DATA SCIENCE PROGRAM	1	12/01/2025	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	20248	AXON TASER - EVIDENCE.COM LICENSE	1	12/01/2025	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	20248	AXON TASER - EVIDENCE.COM LICENSE	1	12/01/2025	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	20370	AXON VR - USER ACCESS - FULL VR	1	12/01/2025	11/30/2035
Fleet 3 Advanced 10 Year	80400	AXON EVIDENCE - FLEET VEHICLE LICENSE	25	12/01/2025	11/30/2035
Fleet 3 Advanced 10 Year	80401	AXON FLEET 3 - ALPR LICENSE - 1 CAMERA	25	12/01/2025	11/30/2035
Fleet 3 Advanced 10 Year	80402	AXON FLEET - LICENSE - REAL-TIME LOCATION, ALERTS, & LIVESTREAM	25	12/01/2025	11/30/2035
Fleet 3 Advanced 10 Year	80410	AXON EVIDENCE - STORAGE - FLEET 1 CAMERA UNLIMITED	50	12/01/2025	11/30/2035
Interview Room 2 Camera Standard	50037	AXON INTERVIEW - CLIENT SOFTWARE - PER TOUCH PANEL-PC	2	12/01/2025	11/30/2035
Interview Room 2 Camera Standard	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	2	12/01/2025	11/30/2035
Interview Room 2 Camera Standard	50041	AXON INTERVIEW - STREAMING SERVER LICENSE - PER SERVER	2	12/01/2025	11/30/2035
Interview Room 2 Camera Standard	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	12/01/2025	11/30/2035
Interview Room 2 Camera Standard	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	4	12/01/2025	11/30/2035
Interview Room 2 Camera Standard	73840	AXON EVIDENCE - ECOM LICENSE - BASIC	1	12/01/2025	11/30/2035
Pro License Bundle	73683	AXON EVIDENCE - STORAGE - 10GB A LA CARTE	21	12/01/2025	11/30/2035
Pro License Bundle	73746	AXON EVIDENCE - ECOM LICENSE - PRO	7	12/01/2025	11/30/2035

Services

Bundle	Item	Description	QTY
AXON AI - AI ERA LEADERS	101741	AXON - AI PROFESSIONAL SERVICES	47
BUNDLE - AXON AIR BASIC PATROL	12021	AXON AIR - PROFESSIONAL IMPLEMENTATION	1
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100751	AXON TASER 10 - REPLACEMENT ACCESS PROGRAM - DUTY CARTRIDGE	47
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101184	AXON INVESTIGATE - TRAINING - OPERATOR AND EXAMINER	3
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101193	AXON TASER - ON DEMAND CERTIFICATION	1
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101780	AXON FUSUS - PSO - SW IMPLEMENTATION - PRO	1
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	11642	AXON INVESTIGATE - THIRD PARTY VIDEO SUPPORT	47
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	79999	AXON EVIDENCE - IMPLEMENTATION FOR AUTO TAGGING/PERFORMANCE	1
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80190	AXON EVIDENCE - CHANNEL SERVICES	1
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100751	AXON TASER 10 - REPLACEMENT ACCESS PROGRAM - DUTY CARTRIDGE	1

Services

Bundle	Item	Description	QTY
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101193	AXON TASER - ON DEMAND CERTIFICATION	1
Fleet 3 Advanced 10 Year	100738	AXON FLEET 3 - SIM INSERTION - VZW 4FF	25
Fleet 3 Advanced 10 Year	73391	AXON FLEET 3 - DEPLOYMENT PER VEHICLE - NOT OVERSIZED	25
Fleet 3 Advanced 10 Year	73392	AXON FLEET 3 - INSTALLATION - UPGRADE (PER VEHICLE)	25
Interview Room 2 Camera Standard	85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	2
A la Carte	101186	AXON VR - PSO - VIRTUAL	1
A la Carte	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3
A la Carte	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1
A la Carte	85144	AXON BODY - PSO - STARTER	1
A la Carte	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
Interview Room 2 Camera Standard	101648	AXON INTERVIEW - EXT WARRANTY - 5 YEARS	2		
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100213	AXON VR - EXT WARRANTY - TABLET	2	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100704	AXON TASER 10 - EXT WARRANTY - HANDLE	1	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	100704	AXON TASER 10 - EXT WARRANTY - HANDLE	47	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101007	AXON VR - EXT WARRANTY - CONTROLLER	2	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	101008	AXON VR - EXT WARRANTY - HANDGUN CONTROLLER	2	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	47	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	10	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	1	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80396	AXON TASER - EXT WARRANTY - DOCK SIX BAY T7/T10	1	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80464	AXON BODY - TAP WARRANTY - CAMERA	1	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80464	AXON BODY - TAP WARRANTY - CAMERA	47	11/01/2026	11/30/2035
BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	80465	AXON BODY - TAP WARRANTY - MULTI BAY DOCK	6	11/01/2026	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100197	AXON VR - EXT WARRANTY - HEADSET	1	11/01/2026	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100213	AXON VR - EXT WARRANTY - TABLET	1	11/01/2026	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	100704	AXON TASER 10 - EXT WARRANTY - HANDLE	1	11/01/2026	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101007	AXON VR - EXT WARRANTY - CONTROLLER	1	11/01/2026	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	101008	AXON VR - EXT WARRANTY - HANDGUN CONTROLLER	1	11/01/2026	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	1	11/01/2026	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	80374	AXON TASER - EXT WARRANTY - BATTERY PACK T7/T10	1	11/01/2026	11/30/2035
BUNDLE - TASER 10 CERTIFICATION PRO 10YR	80396	AXON TASER - EXT WARRANTY - DOCK SIX BAY T7/T10	1	11/01/2026	11/30/2035
Fleet 3 Advanced 10 Year	80379	AXON SIGNAL - EXT WARRANTY - SIGNAL UNIT	25	11/01/2026	11/30/2035
Fleet 3 Advanced 10 Year	80495	AXON FLEET 3 - EXT WARRANTY - 2 CAMERA KIT	25	11/01/2026	11/30/2035
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	11/01/2026	11/30/2035
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	11/01/2026	11/30/2035
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	11/01/2026	11/30/2035
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	11/01/2026	11/30/2035
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	11/01/2026	11/30/2035

Shipping Locations

Location Number	Street	City	State	Zip	Country
1	124 Old San Antonio Rd	Boerne	TX	78006-3413	USA
2	124 Old San Antonio Rd	Boerne	TX	78006-3413	USA
2	124 Old San Antonio Rd	Boerne	TX	78006-3413	USA

Payment Details

Nov 2025						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 1	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 1	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 1	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 1	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 1	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 1	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 1	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 1	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 1	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 1	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 1	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 1	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 1	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 1	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 1	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 1	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00
Year 1	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.52	\$0.00	\$1,436.52
Year 1	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 1	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 1	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 1	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 1	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 1	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74
Year 1	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 1	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.99	\$0.00	\$100,893.99
Total				\$315,871.51	\$0.00	\$315,871.51

Nov 2026						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 2	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 2	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 2	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 2	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 2	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 2	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 2	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00

Nov 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 2	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 2	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 2	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 2	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 2	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 2	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 2	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 2	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 2	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00
Year 2	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.52	\$0.00	\$1,436.52
Year 2	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 2	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 2	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 2	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 2	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 2	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74
Year 2	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 2	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.94	\$0.00	\$100,893.94
Total				\$315,871.46	\$0.00	\$315,871.46

Nov 2027

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 3	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 3	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 3	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 3	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 3	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 3	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 3	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 3	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 3	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 3	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 3	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 3	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 3	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 3	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 3	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 3	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00
Year 3	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.52	\$0.00	\$1,436.52
Year 3	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 3	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 3	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 3	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 3	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 3	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74
Year 3	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 3	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.94	\$0.00	\$100,893.94
Total				\$315,871.46	\$0.00	\$315,871.46

Nov 2028

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 4	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 4	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 4	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 4	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 4	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 4	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 4	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 4	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 4	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 4	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 4	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 4	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 4	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 4	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 4	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 4	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00
Year 4	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.52	\$0.00	\$1,436.52
Year 4	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 4	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 4	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 4	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 4	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 4	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74
Year 4	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 4	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.94	\$0.00	\$100,893.94
Total				\$315,871.46	\$0.00	\$315,871.46

Nov 2029

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 5	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 5	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 5	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 5	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 5	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 5	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 5	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 5	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 5	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 5	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 5	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 5	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 5	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 5	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 5	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00
Year 5	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.52	\$0.00	\$1,436.52
Year 5	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 5	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 5	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 5	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 5	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 5	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74

Nov 2029

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 5	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.94	\$0.00	\$100,893.94
Total				\$315,871.46	\$0.00	\$315,871.46

Nov 2030

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 6	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 6	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 6	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 6	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 6	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 6	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 6	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 6	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 6	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 6	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 6	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 6	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 6	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 6	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 6	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 6	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00
Year 6	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.52	\$0.00	\$1,436.52
Year 6	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 6	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 6	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 6	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 6	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 6	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74
Year 6	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 6	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.94	\$0.00	\$100,893.94
Total				\$315,871.46	\$0.00	\$315,871.46

Nov 2031

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 7	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 7	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 7	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 7	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 7	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 7	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 7	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 7	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 7	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 7	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 7	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 7	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 7	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 7	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 7	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 7	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00

Nov 2031

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 7	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.52	\$0.00	\$1,436.52
Year 7	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 7	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 7	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 7	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 7	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 7	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74
Year 7	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 7	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.94	\$0.00	\$100,893.94
Total				\$315,871.46	\$0.00	\$315,871.46

Nov 2032

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 8	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 8	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 8	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 8	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 8	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 8	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 8	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 8	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 8	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 8	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 8	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 8	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 8	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 8	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 8	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 8	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00
Year 8	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.52	\$0.00	\$1,436.52
Year 8	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 8	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 8	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 8	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 8	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 8	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74
Year 8	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 8	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.94	\$0.00	\$100,893.94
Total				\$315,871.46	\$0.00	\$315,871.46

Nov 2033

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 9	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 9	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 9	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 9	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 9	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 9	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 9	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 9	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 9	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00

Nov 2023

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 9	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 9	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 9	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 9	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 9	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 9	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 9	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00
Year 9	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.52	\$0.00	\$1,436.52
Year 9	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 9	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 9	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 9	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 9	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 9	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74
Year 9	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 9	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.94	\$0.00	\$100,893.94
Total				\$315,871.46	\$0.00	\$315,871.46

Nov 2024

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 10	101186	AXON VR - PSO - VIRTUAL	1	\$200.00	\$0.00	\$200.00
Year 10	101386	AXON FUSUS - CORE - PRO 2.0 4TB HDD	5	\$0.00	\$0.00	\$0.00
Year 10	101389	AXON FUSUS - CORE - PRO AI 8TB HDD	3	\$0.00	\$0.00	\$0.00
Year 10	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	\$0.00	\$0.00	\$0.00
Year 10	101408	AXON FUSUS - CORE - CAD	1	\$0.00	\$0.00	\$0.00
Year 10	101409	AXON FUSUS - CORE - LISTEN	1	\$0.00	\$0.00	\$0.00
Year 10	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 10	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 10	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	3	\$0.00	\$0.00	\$0.00
Year 10	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	5	\$0.00	\$0.00	\$0.00
Year 10	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	\$0.00	\$0.00	\$0.00
Year 10	44729	AXON TASER - INSTRUCTOR COURSE VOUCHER - A LA CARTE	3	\$0.00	\$0.00	\$0.00
Year 10	75010	AXON TASER - MASTER INSTRUCTOR SCHOOL - A LA CARTE	1	\$0.00	\$0.00	\$0.00
Year 10	85144	AXON BODY - PSO - STARTER	1	\$1,000.00	\$0.00	\$1,000.00
Year 10	85149	AXON TASER - 2 DAY PRODUCT SPECIFIC INSTRUCTOR COURSE	1	\$678.60	\$0.00	\$678.60
Year 10	A00025	BUNDLE - AXON AIR BASIC PATROL	1	\$0.00	\$0.00	\$0.00
Year 10	C00023	BUNDLE - TASER 10 CERTIFICATION PRO 10YR	1	\$1,436.55	\$0.00	\$1,436.55
Year 10	Fleet3A10Yr	Fleet 3 Advanced 10 Year	25	\$69,339.00	\$0.00	\$69,339.00
Year 10	H00001	AB4 Camera Bundle	1	\$0.00	\$0.00	\$0.00
Year 10	H00001	AB4 Camera Bundle	47	\$1,056.32	\$0.00	\$1,056.32
Year 10	H00002	AB4 Multi Bay Dock Bundle	6	\$983.34	\$0.00	\$983.34
Year 10	IR2CA	Interview Room 2 Camera Standard	2	\$0.00	\$0.00	\$0.00
Year 10	M00042	BUNDLE - OFFICER SAFETY PLAN 10 PLUS ISLE 10YR	47	\$140,283.74	\$0.00	\$140,283.74
Year 10	ProLicense	Pro License Bundle	7	\$0.00	\$0.00	\$0.00
Year 10	S00007	AXON AI - AI ERA LEADERS	47	\$100,893.91	\$0.00	\$100,893.91
Total				\$315,871.46	\$0.00	\$315,871.46

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Contract BuyBoard Contract 743-24 is incorporated by reference into the terms and conditions of this Agreement. In the event of conflict the terms of Axon's Master Services and Purchasing Agreement shall govern.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at <https://www.axon.com/sales-terms-and-conditions>), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature

Date Signed

9/2/2025





AGENDA ITEM SUMMARY

Agenda Date	September 23, 2025
Requested Action	APPROVE RESOLUTION NO. 2025-R70; A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE NETWORK SWITCHES AND FIREWALLS FROM GREAT SOUTH TEXAS CORP DBA COMPUTER SOLUTIONS FOR AN AMOUNT NOT TO EXCEED \$202,027.96. (<i>City network infrastructure refresh</i>)
Contact Person	Mike Raute, IT Director
Background Information	<p>As technology evolves, it is critical for the City of Boerne to maintain a secure, resilient, and efficient network infrastructure. Our existing network switches and firewalls are approaching end of life and are increasingly difficult to support, which places the City at risk of outages, security vulnerabilities, and reduced performance.</p> <p>Upgrading these devices as part of a planned network refresh ensures:</p> <ul style="list-style-type: none">• Security Enhancement: New firewalls incorporate advanced security capabilities to protect against evolving cyber threats.• Reliability & Resiliency: Replacing aging switches and firewalls reduces downtime risks and ensures continuous operations for City services.• Performance Improvement: Modern infrastructure provides faster speeds, higher throughput, and better scalability to meet growing operational needs.• Compliance & Support: Replacement hardware ensures continued compliance with security frameworks and provides active warranty and manufacturer support.• Future Proofing: Investing in modernized infrastructure positions the City for the next five years of growth, technology adoption, and service improvements. <p>This purchase is an approved budgeted item in the FY 2025–2026 IT Capital Budget. Due to vendor price protection expiring on October 9, 2025, Council consideration is being requested prior to the start of the new Fiscal Year. If Council approval is not granted and a purchase order issued by October 9, the cost could increase by 5–10% due to vendor price adjustments.</p>

	The purchase order will not be released until the new Fiscal Year begins on October 1, 2025 , aligning with budget appropriations while securing the locked-in pricing.
Strategic Alignment	<ul style="list-style-type: none"> • Safety & Security – Strengthening City IT infrastructure safeguards operations and sensitive data. ☐ Fiscal Excellence – Taking advantage of price protection prevents additional costs from expected vendor increases. ☐ Infrastructure – Supports the City’s commitment to maintain high-quality systems and public assets.
Financial Considerations	<p>The total not-to-exceed purchase amount is \$202,027.96, comprised of:</p> <ul style="list-style-type: none"> • Hardware & Licensing – \$152,878.96 • Professional Services & Implementation – \$49,149.00 <p>Funding is included in the FY 2025–2026 approved IT Capital Budget. If Council approval is not granted and the purchase order issued prior to October 9, 2025, the cost could increase by 5–10%, possibly resulting in an estimated additional expense of up to \$20,200.</p>
Citizen Input/Board Review	N/A
Legal Review	N/A
Alternative Options	N/A
Supporting Documents	<p>Resolution No. 2025-R70 Quote #1052173 – Network Refresh Hardware & Licensing (Great South Texas Corp dba Computer Solutions) - <i>*Confidential</i> Quote #1052172 – Professional Services (Great South Texas Corp dba Computer Solutions) - <i>*Confidential</i></p> <p>* Confidentiality Notice: Supporting vendor documentation for this item includes detailed information regarding the City’s technology infrastructure and cybersecurity measures. Pursuant to Texas Government Code § 552.1391 (HB 3112, 2025), this type of information is considered confidential and is not subject to public disclosure. For that reason, the vendor quotes and related technical materials are maintained internally</p>

	by City staff for Council review, audit, and compliance purposes, but are not attached for public view in this agenda packet.
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RESOLUTION NO. 2025-R70

A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE NETWORK SWITCHES AND FIREWALLS FROM GREAT SOUTH TEXAS CORP DBA COMPUTER SOLUTIONS FOR AN AMOUNT NOT TO EXCEED \$202,027.96

WHEREAS, the City of Boerne’s current network switches and firewalls are approaching end-of-life and need replacement; and

WHEREAS, upgrading this equipment will improve security, reliability, and performance across the City’s network; and

WHEREAS, this purchase is included in the FY 2025–2026 IT Capital Budget, and vendor pricing is protected through October 9, 2025.

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

that the City Council hereby authorizes the City Manager to purchase network switches and firewalls from Great South Texas Corp dba Computer Solutions in an amount not to exceed \$202,027.96.

PASSED, APPROVED and ADOPTED this the ___ day of _____, 2025.

APPROVED:

Mayor

ATTEST:

City Secretary



Great South Texas Corp dba Computer Solutions

14410 Wurzbach Parkway, Suite 175
 San Antonio, Texas 78216
 United States
 www.comsoltx.com
 (P) 210-369-0300

Quote (Open)	
Date Aug 25, 2025 09:30 AM CDT	Expiration Date 10/09/2025
Modified Date Sep 15, 2025 09:25 AM CDT	
Quote # 1052173 - rev 1 of 1	
Description Network Refresh - Cisco/Meraki & 5 Year EA	
SalesRep Belanger, Lane (P) 210-369-0300	
Customer Contact Raute, Mike (P) 830-249-9511 mraute@boerne-tx.gov	

Customer
 City of Boerne (17511)
 Raute, Mike
 447 N Main St
 Boerne, TX 78006
 United States
 (P) 830-249-9511

Bill To
 City of Boerne
 447 N Main St
 Boerne, TX 78006
 United States
 (P) 830-249-9511

Ship To
 City of Boerne
 447 N Main St
 Boerne, TX 78006
 United States
 (P) 830-249-9511

Contract Programs: DIRCIS5347 - CISCO DIR-CPO-5347 EXP 1/7/30
Certifications: WBE/SBE/HUB# 1942650013800 Exp: 08/29/2029
Sales Order Type: Drop Ship - Ship to customers location

Customer PO:	Terms: Undefined	Ship Via: FedEx Ground
Special Instructions:		Carrier Account #:

#	Description	Part #	List Price	Qty	Unit Price	Total
MX105 HA FWs - PD/Court Complex & City Hall						
1	Meraki MX105 Router/Security Appliance	MX105-HW	\$8,865.73	4	\$3,103.00	\$12,412.00
2Gb MX95 FWs - Remote Sites						
2	Meraki MX95 Router/Security Appliance	MX95-HW	\$5,908.52	10	\$2,067.98	\$20,679.80
(5) MX75 FWs - 1GB Remote Sites						
3	Cisco Meraki MX75 Security appliance - 10 ports - 1GbE - desktop	MX75-HW	\$1,899.45	5	\$664.80	\$3,324.00
						Subtotal \$60,953.40
(2) C9300X-24Y-A Core Switches - PD/Court Complex						
4	Catalyst 9300X 24x25G Fiber Ports, modular uplink Switch	C9300X-24Y-A	\$29,572.13	2	\$10,350.24	\$20,700.48
5	SNTC-8X5XNBD Catalyst 9300X 24x25G Fiber Ports, modul Note: 5 Year SMARTnet for C9300X-24Y-A	CON-SNT-C9300XYA	\$10,595.00	2	\$8,105.17	\$16,210.34
6	715W AC 80+ platinum Config 1 SecondaryPower Supply	PWR-C1-715WAC-P/2	\$1,478.61	2	\$517.51	\$1,035.02
7	50CM Type 1 Stacking Cable	STACK-T1-50CM	\$118.29	2	\$41.40	\$82.80
8	Catalyst Stack Power Cable 150 CM	CAB-SPWR-150CM	\$118.29	2	\$41.40	\$82.80
9	U.S. Export Restriction Compliance license for Catalyst 9000	C9000-HSEC	\$1.01	2	\$0.35	\$0.70
10	Catalyst 9300 8 x 10G/25G Network Module SFP+/SFP28	C9300X-NM-8Y	\$3,016.36	2	\$1,055.72	\$2,111.44
11	DNA Advantage 5 Year License	C9300-DNA-L-A-5Y	\$3,962.66	2	\$1,386.93	\$2,773.86
						Subtotal \$42,997.44
(18) MS130-48P-HW - Access Switches						
12	Meraki MS130-48P Cloud Managed 48GE 740W PoE Switch	MS130-48P-HW	\$5,376.75	18	\$1,881.86	\$33,873.48
						Subtotal \$35,636.04
(6) Meraki MR36 Access Points - PD/Court Complex						
13	Meraki MR36 Wi-Fi 6 Indoor AP	MR36-HW	\$797.31	6	\$279.05	\$1,674.30
						Subtotal \$2,123.58
(10) MS130-24P-HW - 24 Port PoE+ Switches for Remote Sites						
14	Meraki MS130-24P Cloud Managed 24GE 370W PoE Switch	MS130-24P-HW	\$3,009.98	10	\$1,053.49	\$10,534.90
						Subtotal \$11,168.50
5 Year Cisco EA 3.0 for Meraki - Year 1 Term: 10/15/2025 - 10/14/2026						
15	Meraki MX Large Essentials + Support - Subscription License - 1 License Note: Licenses for (2) HA MX105s and (10) MX95s at Remote Sites	E3N-MX-L-E	\$3,660.00	12	\$1,756.80	\$21,081.60
16	Meraki MX Medium Essentials + Support - Subscription License - 1 License Note: Licenses for (5) MX75s	E3N-MX-M-E	\$1,440.00	5	\$691.20	\$3,456.00

17	Cisco Meraki MS Series 100 Large Essentials + Support - Subscription License - 1 License Note: Licenses for (18) MS130-48P-HW Switches	E3N-MS-100-L-E	\$204.00	18	\$97.92	\$1,762.56
18	Cisco Meraki MR Series + Support - Subscription License - 1 License Note: Licenses for (6) MR36-APs	E3N-MR-E	\$156.00	6	\$74.88	\$449.28
19	Cisco Meraki MS Series 100 Medium Essentials + Support - Subscription License - 1 License Note: Licenses for (10) MS130-24P-HW switches	E3N-MS-100-M-E	\$132.00	10	\$63.36	\$633.60
						Subtotal \$0.00

Enterprise Agreement Terms:
10/15/2025 - 10/14/2030

Subtotal: \$152,878.96
Tax (.0000%): \$0.00
Shipping: \$0.00
Total: \$152,878.96
(List Price: \$390,483.23)

BARRING NO ADDITIONS OR OVERCONSUMPTION

Year 1 Payment: \$27,383.04
Year 2 Payment: \$27,383.04
Year 3 Payment: \$27,383.04
Year 4 Payment: \$27,383.04
Year 5 Payment: \$27,383.04

5 Year Total: \$136,915.20

Invoicing and Partial Invoice Policy: Computer Solutions will invoice or partial invoice products and/or services when they have shipped or rendered complete (or Milestone Complete). By ordering or releasing a PO for this order, you agree to pay for the items that have shipped or delivered as part of the whole order.

Subscriptions/Enterprise Agreements Cancellation Policy- Computer Solutions requires a forty-five (45) day written notification from the customer based on the renewal/anniversary date in order to process the cancellation with the applicable manufacturer(s).

Cisco Purchases: By purchasing Cisco hardware, software, and/or subscriptions, you agree to be bound by the terms and conditions available at Cisco Software Terms.

The relevant documents are attached here. -->

<https://www.cisco.com/c/en/us/about/legal/cloud-and-software/software-terms.html>

Freight charges are estimates only. Returns are subject to approval and may include a restocking fee.

Tariff Disclaimer: All prices quoted are subject to change based on fluctuations in government tariffs, taxes, and duties. Computer Solutions reserves the right to adjust the final price to reflect any such changes that may occur between the date of the quote and the delivery of goods or services.



Great South Texas Corp dba Computer Solutions

14410 Wurzbach Parkway, Suite 175
 San Antonio, Texas 78216
 United States
 www.comsoltx.com
 (P) 210-369-0300

Quote (Open)	
Date Aug 25, 2025 09:30 AM CDT	Expiration Date 10/15/2025
Modified Date Sep 15, 2025 09:27 AM CDT	
Quote # 1052172 - rev 1 of 1	
Description Meraki Network Refresh - ComSol Professional Services	
SalesRep Cook, Tyler (P) 210-369-0301	
Customer Contact Raute, Mike (P) 830-249-9511 mraute@boerne-tx.gov	

Customer
 City of Boerne (17511)
 Raute, Mike
 447 N Main St
 Boerne, TX 78006
 United States
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 United States
 (P) 830-249-9511

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 (P) 830-249-9511

Contract Programs: DIRCPO5034 - IT OUTSOURCING DIR-CPO-5034 EXP 1/19/27
Certifications: WBE/SBE/HUB# 1942650013800 Exp: 08/29/2029
Sales Order Type: Drop Ship - Ship to customers location

Customer PO:	Terms: Undefined	Ship Via: FedEx Ground
Special Instructions:		Carrier Account #:

#	Description	Part #	List Price	Qty	Unit Price	Total
1	Project Solution - Fixed Bid Engagement See Statement of Work for Complete Details	CS-FB-PRJ	\$48,645.00	1	\$48,645.00	\$48,645.00
2	Computer Solutions Travel Expenses	CS-SVC	\$504.00	1	\$504.00	\$504.00

Invoicing and Partial Invoice Policy: Computer Solutions will invoice or partial invoice products and/or services when they have shipped or rendered complete (or Milestone Complete). By ordering or releasing a PO for this order, you agree to pay for the items that have shipped or delivered as part of the whole order.

Subtotal: \$49,149.00
 Tax (.0000%): \$0.00
 Shipping: \$0.00
Total: \$49,149.00
 (List Price: \$49,149.00)

Subscriptions/Enterprise Agreements Cancellation Policy- Computer Solutions requires a forty-five (45) day written notification from the customer based on the renewal/anniversary date in order to process the cancellation with the applicable manufacturer(s).

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AGENDA ITEM SUMMARY

	AGENDA ITEM SUMMARY
Agenda Date	September 23, 2025
Requested Action	APPROVE RESOLUTION NO. 2025-R71; A RESOLUTION ADOPTING THE CITY OF BOERNE INVESTMENT POLICY AND BROKER-DEALER LIST.
Contact Person	Sarah Buckelew, Finance Director
Background Information	<p>The City of Boerne is required by the Texas Public Funds Investment Act (PFIA) to have an Investment Policy that is reviewed and adopted on an annual basis. This Act applies to all governmental entities in Texas. The PFIA outlines authorized investments for governmental entities, investment policies, standards of care for investing, required investment training by investment officers and reporting requirements.</p> <p>Staff has reviewed the policy to ensure that it continues to follow PFIA rules and maintains the safety and security of City funds and is recommending no changes to the existing policy.</p> <p>The Broker-Dealer list is also required to be approved by City Council. Those listed on the Broker-Dealer list have indicated an interest in providing this service for the City of Boerne and must agree to follow the requirements of the Public Funds Investment Act and the City's Investment Policy.</p>
Strategic Alignment	B3 – Streamlined and Efficient Processes
Financial Considerations	N/A
Citizen Input/Board Review	N/A
Legal Review	N/A
Alternative Options	N/A
Supporting Documents	Resolution No. 2025-R71 Investment Policy and Broker-Dealer List

RESOLUTION NO. 2025-R71

A RESOLUTION ADOPTING THE CITY OF BOERNE INVESTMENT POLICY AND BROKER-DEALER LIST

WHEREAS, the Texas Public Funds Investment Act (PFIA) requires all Texas governmental entities to adopt a written Investment Policy and approve a list of qualified broker-dealers on an annual basis; and

WHEREAS, City staff has reviewed the current Investment Policy and determined that it complies with the PFIA and continues to ensure the safety and security of City funds, and is recommending no changes at this time; and

WHEREAS, the broker-dealers listed have expressed interest in doing business with the City and have agreed to comply with both the PFIA and the City's Investment Policy.

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

That the City Council hereby adopts the City of Boerne Investment Policy and the approved Broker-Dealer List as presented.

PASSED, APPROVED and ADOPTED this the ___ day of _____, 2025.

APPROVED:

Mayor

ATTEST:

City Secretary


	CITY OF BOERNE – FINANCE DEPARTMENT	
	POLICY 100 - FINANCIAL MANAGEMENT POLICY	
	VERSION # 2025.1	EFFECTIVE DATE: 04/08/2025
	POLICY OWNER: FINANCE DIRECTOR	REVIEW CYCLE: AS NEEDED
	APPROVED BY: City Council	APPROVAL DATE: 04/08/2025

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I. PURPOSE

The City of Boerne, Texas (the “City”) is committed to financial management through integrity, prudent stewardship, planning, accountability, full disclosure and communication. The broad purpose of this Fiscal and Budget Policy is to enable the City to achieve and maintain a long-term stable and positive financial condition, and provide guidelines for the day-to-day planning and operation of the City’s financial affairs.

The scope of this policy spans areas of accounting and financial reporting, internal controls, both operating and capital projects budgeting, revenue management and forecasting. These functions are intended to:

- A. Demonstrate to the citizens of the City, the investment community, and the bond rating agencies that the City is committed to strong fiscal operations;
- B. Provide precedents of common financial goals and strategies for future policy-makers and financial managers;
- C. Fairly present and fully disclose the financial position of the City in conformity with accounting practices generally accepted in the United States of America; and
- D. Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code and other related legal mandates upon the City.

These policies will be reviewed annually and updated as needed as part of the new budget adoption process.

The budgeted funds for the City include:

Governmental Funds:

1. **General Fund** which accounts for all financial resources except those required to be accounted for in another fund, and include basic governmental services, such as Police, Fire and Administration functions among others.
2. **Special Revenue Funds** which account for revenues that are restricted or committed for specified purposes other than debt service and capital projects. The City currently budgets five (8) Special Revenue Funds that include Hotel Motel, Parks, Library, Cemetery, Economic Development, Vehicle Replacement, Equipment Replacement, and Dispatch.
3. **Debt Service Fund** which is used to account for the payment of general long-term debt principal and interest.

4. **Capital Projects Funds** which are used to account for the acquisition or construction of major capital projects other than those financed by enterprise activities.

Proprietary Funds:

1. **Enterprise Funds** include the City's "business-type" activities including all the City's utility funds including a capital recovery fund, vehicle replacement, and equipment replacement.
2. **Utility Construction Funds** are used to account for the acquisition or construction of major system capital projects financed by utility revenue bonds designated for specific improvements to the utility systems.

Permanent Fund:

1. **Cemetery Trust Fund** is used to account for resources legally held in trust to provide for upkeep of the cemetery. This fund is restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs that is, for the benefit of the City or its citizens. This fund meets the criteria of a permanent trust fund and thus has been reported as governmental activity in the statement of net position.

Blended Component Unit:

1. **Boerne Public Facility Corporation Fund** is used to account for the activity of the Boerne Public Facility Corporation (BPFC), a blended component unit of the City. The BPFC is a nonprofit public corporation organized exclusively for the purpose of assisting the City in financing, refinancing, or providing public facilities within the City.

II. BASIS OF ACCOUNTING AND OF BUDGETING

The City accounts and budgets for all **Governmental Funds** using the modified accrual basis of accounting. This basis means that revenue is recognized in the accounting period in which it becomes available and measurable, while expenditures are recognized in the accounting period in which they are incurred. Because the appropriated budget is used as the basis for control and comparison of budgeted and actual amounts, the basis for preparing the budget is the same as the basis of accounting. Exceptions to the modified accrual basis of accounting include:

- Grants, in accordance with GASB 33 are considered revenue when eligibility requirements are met or resources are received (whichever is first); and
- Principal and interest on long-term debt, which are recognized when paid.

The City's **Proprietary Funds**, which include the enterprise funds, are accounted and budgeted using the full-accrual basis of accounting. Under this method, revenues are recognized when they are earned and measurable, while expenses are recognized when they are incurred regardless of timing or related cash flows. The basis for preparing the budget is the same as the basis of accounting except for principal payments on long-term debt and capital outlay expense which are treated as budgeted expenses.

III. OPERATING BUDGET

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The "operating budget" is the City's annual financial operating plan. The annual budget includes all of the operating departments of the general fund, proprietary funds, debt service funds, special revenue funds, and capital improvements funds of the City.

- A. **Preparation** – The City of Boerne Home Rule Charter ("Charter") (Section 6.02) requires that "the City Manager submit a proposed budget containing a complete financial plan for each fiscal year. Such a budget shall be submitted to the City Council not more than one hundred twenty (120) days but not less than sixty (60) days prior to the beginning of each fiscal year."

The Budget will contain the following basic segments for review and evaluation:

- (a) A brief budget message which shall outline the proposed financial policies of the City for the fiscal year, shall set forth the reasons for any major changes in expenditure and revenue items from the previous fiscal year, and shall explain any major change in financial policy;
- (b) Revenue summary;
- (c) Departmental expenditures summary;
- (d) Departmental budgets;
- (e) Schedule of outstanding bonded debt;
- (f) Schedule of capital outlays by department;
- (g) Review of property valuations;
- (h) An analysis of tax rates;
- (i) Tax levies and collections by year for the last three (3) fiscal years;
- (j) A provision for financing the current Capital Improvement plan.

The proposed budget submitted to City Council will compare revenues and expenditures for at least the last complete fiscal year, the estimated total amount of each item for the current fiscal year, and the proposed total amounts for the ensuing fiscal year.

The budget review process will include City Council participation in the development of each segment through various budget workshops and will allow for citizen participation in the process through a public hearing on the proposed budget. Required notice of the hearing will be made in accordance with Local Government Code Section 102.

A copy of the proposed budget will be filed with the City Secretary and will also be available on the City's website.

- B. **Amendment before adoption** - After the public hearing, the City Council may adopt the budget with or without amendments. In amending the proposed budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service, provided that no amendment to the proposed budget shall increase expenditures to an amount greater than the estimated income (including the use of available Fund Balance).
- C. **Adoption** - The City Council will adopt the proposed budget on or before the deadline established under Local Government Code Section 102. If it fails to adopt the proposed budget by this date, the amounts appropriated for operations for the current fiscal year will be deemed adopted for the ensuing fiscal year on a month-to-month basis, with all items in it pro-rated accordingly, until such time as the City Council adopts a budget for the ensuing fiscal year. Adoption of the budget will constitute appropriations of the amounts specified therein as expenditures from the funds indicated and will constitute a levy of the property tax therein proposed.
- D. **Balanced Budget** -
The Charter (Section 6.05) requires that the total of proposed expenditures shall not exceed the total estimated income. The City's goal is to balance the operating budget with current revenues, whereby, current revenues would match and fund on-going expenditures/expenses. The City considers the budget balanced when total expenditures/expenses are equal to total revenues. However, the budget is also balanced in situations where total expenditures/expenses are less than total revenues, which is technically a surplus. There are also instances when the City might plan to spend excess fund balances accumulated from previous years (while maintaining established reserves) on one-time or non-routine expenditures. The City considers the budget to be balanced in this case also, provided the funding from previous years is available, and a plan is in place to not build ongoing expenditures/expenses into this type of funding. This type of balanced budget is especially prevalent when capital projects are budgeted using proceeds from the issuance of bonds.

<p>Scenario One: Revenues = Expenditures Scenario Two: Revenues > Expenditures Scenario Three: Revenues + Appropriated Fund Balances = Expenditures</p>

- E. **Planning** - The budget process will be coordinated so that major policy issues are identified prior to the budget approval date. This will allow City Council adequate time for consideration of appropriate decisions and analysis of the financial impacts.
- F. **Reporting** - Summary financial reports will be presented to the City Council on a quarterly basis. These reports will be in an appropriate format to enable the City Council to understand the overall budget and the City's financial status. These reports will also give the current status of revenues and expenditures to-date compared with the corresponding budgets for each fund.
- G. **Control and Accountability** – Each department director, appointed by the City Manager, will be responsible for the goals and objectives adopted as part of the budget and for monitoring their individual departmental budget for compliance with spending limitations. The Finance Director and the City Manager may transfer funds within the operations and maintenance or capital line items of a departmental budget category without City Council approval. All other transfers of appropriation or budget amendments that alter the original adopted budgets at the fund level require City Manager and City Council approval as outlined in the following section.
- H. **Budget Amendments** – The City's Charter (Section 6.04) provides a method to amend the adopted budget for supplemental appropriations and emergency appropriations. The City Council may authorize supplemental appropriations for the year if the City Manager certifies that there are available revenues in excess of those estimated in the budget. In addition, in order to meet a public emergency affecting life, health, property or the public peace, the City Council may make emergency appropriations to the adopted budget. To the extent that there are no available unappropriated revenues to meet such emergency situations, the City Council may, by such ordinance, authorize the issuance of emergency notes, which may be renewed as necessary. In the event of a budgeted revenue shortfall, contingency procedures are further defined in Section VI.
- I. **Contingency Appropriations** – The budget may include contingency appropriations within designated operating departmental budgets. These funds are used to offset expenditures for unexpected maintenance or other unanticipated expenses that might occur during the year.
- J. **Lapse of Appropriations** – The Charter (Section 6.06) provides a method to address budget appropriations that have not been expended or encumbered before the end of the fiscal year. The Charter states that every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three (3) years pass without any disbursement from or encumbrance of the appropriation.

IV. REVENUE MANAGEMENT

A. **Characteristics** – The City will strive for the following optimum characteristics in its revenue system:

1. **Simplicity** – The City, where possible and without sacrificing accuracy, will strive to keep the revenue system simple in order to reduce compliance costs for the taxpayer or service recipient.
2. **Certainty** – A knowledge and understanding of revenue sources increases the reliability of the revenue system. The City will understand its revenue sources and enact consistent collection policies to provide assurances that the revenue base will materialize according to budget.
3. **Fund Balance**– The City shall make every effort to maintain fund balance in its revenue system; i.e., the City should seek to minimize or eliminate all forms of subsidization between entities, funds, services, utilities, and customer classes, and ensure an on-going return on investment for the City.
4. **Revenue adequacy** - The City should require that there be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to the cost of services, willingness to pay, and ability to pay.
5. **Realistic and conservative estimates** – Revenues will be estimated realistically, and conservatively, taking into account the volatile nature of various revenue sources.
6. **Administration** – The benefits of a revenue source should exceed the cost of levying and collecting that revenue.
7. **Diversification and stability** – A diversified revenue system with a stable source of income shall be maintained. This will help avoid instabilities in two major revenue sources due to factors such as fluctuations in the economy and variations in the weather.

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

1. **Cost/Benefit of incentives for economic development** – The City will use due diligence in the analysis of any incentives that are used to encourage development. A cost/benefit (fiscal impact) analysis will be performed as part of the evaluation.
2. **Non-recurring revenues** – One-time or non-recurring revenues should not be used to finance current ongoing operations. Non-recurring revenues should be used only for non-recurring expenditures and not for budget balancing purposes.
3. **Property tax revenues** – All real and business personal property located within the City will be valued at 100% of the fair market value for any given year based

on the current appraisal supplied by the Kendall Appraisal District. A conservative approach will be taken to estimate the budgeted collection rate taking into consideration historical data and the current economic climate. For budgeting purposes, the City will forecast the proposed property tax rate using the effective maintenance & operations (M&O) rate plus the interest and sinking (I&S) rate needed to fund tax supported debt service. Any increase to the M&O rate will be evaluated and determined by the City Council.

4. Interest Income – Interest income earned from investments will be distributed to the funds in accordance with the fund balance from which the monies were provided to be invested.
5. User-based fees and service charges – For services associated with a user fee or charge, the direct or indirect costs of that service will be offset by a fee where possible. The City will review fees and charges no less than once every year to ensure that fees provide adequate coverage for the cost of the services. The City Council will determine how much of the cost of a service should be recovered by fees and charges.
6. Enterprise fund rates – The City Council will serve as the governing body for the Utilities that make up the City’s Utility Funds. The City Council will review and adopt utility rates as needed to generate revenues required to fully cover operating expenses, meet the legal requirements of all applicable bond covenants, and to provide for an adequate level of working capital and fund balance reserve. Utility rates will be reviewed annually as part of the budget process. An external rate study will be conducted on a regular basis (to be determined by City Council) to review rate methodology and to ensure revenues will meet future needs.

Additionally, enterprise activity rates will include transfers to and credits from other City funds as follows:

- a) General and administrative charges – Administrative costs should be charged for general overhead services such as administration, finance, legal, information technology services, and other costs as appropriate. These charges will be determined through an indirect cost allocation following accepted practices and procedures and will be reviewed annually during the City’s budget process.
 - b) Payment for return on investment – The intent of this charge is to provide a benefit to the citizens of the City for the ownership of the various utility operations they own.
 - c) Street rental fee - This fee will be assessed to each utility based on a percentage of sales revenues in lieu of franchise fees.
7. Grant revenues – All potential grants will be reviewed for any matching requirements and on-going long term maintenance and operations expense

and must be approved by the City Council and addressed in the adopted budget or amendments to the budget. Operational requirements (on-going costs) set up as a result of an awarded grant should be discontinued once the term and conditions of the grant have been completed unless City Council approves continuance of the program and related expenses.

8. Revenue monitoring – Revenues will be regularly compared to budgeted revenues as they are received and variances will be investigated, and any abnormalities will be addressed in the quarterly report to the City Council.
9. Use of excess fund balance - Any inclusion of previous years' excess fund balance in the adopted budget will be intended for use for one-time or non-recurring expenses or projects.
10. Revenue reserve requirements – In the budget process, current excess fund balances for each fund carried-over from previous years will be reviewed and compared to the City's desired level of available operating revenue reserves. The desired level of available operating revenue reserves is equivalent to six (6) months of operating expenditures. This desired level will also be reviewed during the budget process to ensure adequate reserves are available to cover unforeseen temporary down-turns in revenue streams. The City considers a reserve balance of less than three (3) months of operating expenditures to be inadequate. See Section XIII C. for reserve balance policy.

V. EXPENDITURE POLICIES

- A. **Appropriations** – The point of budget control is at the department level budget for all funds. The Charter (Section 6.04) provides that any transfer of appropriation between funds must be approved by the City Council and that the City Manager is authorized to transfer appropriations between categories within the same department and fund.
- B. **Purchasing** – The City Council has formally approved a separate Procurement Policy for the City of Boerne which is more restrictive than the legal requirements under State Law. This policy is reviewed and updated as needed by the Finance Department and approved by the City Council. All City purchases of goods or services will be made in accordance with the City's current Procurement Policy and in compliance with State law.
- C. **Prompt payment** – All invoices approved for payment by the proper City authorities shall be paid within thirty (30) calendar days of receipt of goods or services or the invoice date, whichever is later, in accordance with State law. The City will take advantage of all purchase discounts and early payment savings where possible.
- D. **Risk Management** – The City will pursue every opportunity to provide for the Public's and City employees' safety and to manage its risks. The goal shall be to

minimize the risk of loss of resources through liability claims with an emphasis on safety programs.

VI. BUDGET CONTINGENCY PLAN

The Charter Section 6.04C refers to the actions to be taken by the City Manager in event that available revenues will be insufficient to meet appropriations during the fiscal year. This policy is designed to establish general guidelines for managing revenue shortfalls resulting from local and national economic down-turns that adversely affect the City's revenue streams.

- A. **Immediate action** – Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset the projected shortfall with a reduction in current expenses. The City Manager may:
- a) Freeze all new hires and filling of vacant positions except those deemed to be absolutely necessary for public safety;
 - b) Review and delay all planned remaining capital expenditures not funded by bond proceeds;
 - c) Delay all “non-essential” spending or equipment replacement purchases.
- B. **Further action** – If the above actions are insufficient to offset the revenue deficit and the shortfall continues to increase, the City Manager will further reduce operating expenses to balance the variance. Any remaining service level reductions, including workforce reductions, will be reviewed and addressed by the City Council.

VII. CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET

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

- A. **Preparation** - The City annually reviews and updates a five-year Capital Improvement Program (CIP) schedule as part of the operating budget adoption process. The plan is adjusted annually as needed, and year one is adopted as the current year capital budget. The capital budget will include all capital projects, capital resources, and estimated operational impacts.
- Needed capital improvements are identified through system models, repair and maintenance records and growth demands.
 - Economic development projects that have capital infrastructure needs must be reviewed and approved for funding by the City Manager or his designee.
 - A team approach will be used to prioritize CIP projects, whereby City staff from all affected operational areas will provide input and ideas relating to each project and its effect on operations.

- Citizen involvement and participation may be solicited in formulating the capital budget through meetings, public hearings and other forums.
 - Capital infrastructure necessary to meet the requirements of the City's Master Plan will be identified separately with the CIP plan, so that additional or alternative funding can be developed if necessary.
- B. **Control** - All capital project expenditures must be appropriated in the capital budget. The availability of resources must be identified and then reviewed by the Finance Department and approved by the City Manager before any CIP document is presented to the City Council for approval.
- C. **Financing programs** - Where applicable, assessments, impact fees, pro-rata charges, or other fees should be used to fund capital projects which have a primary benefit to specific identifiable property owners.
- 1) Recognizing that long-term debt is usually a more expensive financing method, alternative financing sources will be explored before debt is considered. When long-term debt is determined to be the financing source, it will be used to acquire major assets. The type of assets acquired will determine the average life of the debt issued.
 - 2) Short-term financing including capital leasing and other tax-supported obligations can be used to fund vehicles, computers and other operating equipment, provided the impact to the tax rate is minimal. Caution should be used in replacing assets with short-term, tax-supported obligations due to the repetitive nature of the replacements.

VIII. CAPITAL MAINTENANCE AND REPLACEMENT

The City recognizes that deferred maintenance increases future capital costs. Therefore, a portion of all individual funds with capital asset infrastructure should be budgeted each year to maintain the quality within each system.

- A. **Infrastructure maintenance** – On-going maintenance and major repair costs are included as capital expense within the departmental operating budgets. These costs are generally considered system repairs and are not capitalized for accounting purposes. They include such items as street seal coat, water line repairs and other general system maintenance.
- B. **Other funds** – The City currently uses regular maintenance and replacement in order to maximize use of its operational assets and to ensure that repair costs do not become overly burdensome on what are considered relatively short-term assets. In this way, suitable funds are available for the replacement of these assets without the need to issue debt.
1. **Vehicle and Equipment maintenance and replacement funds** - The City has a major investment in its fleet of cars, trucks, tractors, and other similar equipment. The City anticipates having to replace the existing equipment as

necessary and budgets to that end each year. Vehicle and equipment maintenance is also funded in this manner. Vehicles and equipment will be replaced when it is cost effective to do so. Vehicles and equipment purchased will be suitable for their purpose but not exceed the necessary features and capabilities required to meet the day to day requirements of the vehicle/equipment. When an existing vehicle is replaced by a new vehicle, every effort should be made to:

- a. Utilize the proceeds of the sale of the vehicle toward the purchase of future vehicles or equipment, or;
 - b. Utilize the outgoing vehicle somewhere else in the City fleet as long as its condition is suitable for the new purpose.
2. **Information technology maintenance and replacement fund**- It is the current policy of the City to plan and fund the maintenance and replacement of its computer network and other technology systems. Equipment of this type typically is covered by warranty for five (5) years. As this is the case, the City will budget for replacement of approximately 20% of the equipment in place each year if funds are available. However, if a department such as Police, Finance or Cash Collections has any technology that is no longer under warranty, it is considered to be at end of life and must be replaced to stay in compliance with Federal and State policies such as the Criminal Justice Information Security Policy and the Payment Card Industry Security Policy. If it is determined by the IT Director to be beneficial, older computers can fill a need within another area in the City and if so, each one is used as needed beyond the five year cycle.
3. **Facilities maintenance fund** – Facilities are also an area of major investment on the part of the City. Due to the rich heritage of buildings in the City, it is not surprising that several of the main City facilities are historic buildings and many years old. For this reason, the City has established an on-going maintenance program, which includes major repairs, equipment upgrades, and contracts for maintaining City facilities. By maintaining these facilities on a regular basis, the City is able to be a proud contributor to preserving some of the City’s colorful past.

IX. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- A. **Accounting** - The City is solely responsible for the recording and reporting of its financial affairs, both internally and externally. The Finance Director is the City’s Chief Financial Officer and is responsible for establishing the structure for the City’s Chart of Accounts and for assuring that procedures are in place to properly record financial transactions, pay all of the City’s bills on a timely basis, keep revenues and expenditures realistic and equitable to all the citizens of the City, and to report the financial position of the City at any given time.

- B. **Auditing** - In accordance with the Charter, an independent audit of the City's financial statements will be performed every year. The auditor will be retained by City Council and will be directly accountable to the City Council.
- C. **External Reporting** - In conjunction with the completion and acceptance of the annual audit by the City's auditors, the Finance department shall prepare a written Annual Comprehensive Financial Report (ACFR) with all reasonable efforts to be made to present the ACFR to the City Council within 180 calendar days of the City's fiscal year end. The ACFR shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and shall also be presented annually to the Government Finance Officers Association (GFOA) for evaluation and consideration for the GFOA Certificate of Achievement in Financial Reporting.
- D. **Internal reporting** - The Finance department will prepare internal financial reports for presentation to and review by the City Council on a quarterly basis. Reports must be timely, accurate, and sufficient to plan, monitor and control the City's financial affairs.

X. ASSET MANAGEMENT

- A. **Cash management and investments** – The City Council has formally approved a separate Investment Policy for the City of Boerne that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local Government Code. This policy is reviewed and updated annually by the Finance Department and approved by the City Council and as it applies to all financial assets held by the City.
- B. **Capital Assets** - The Finance department is responsible for ensuring that capital assets are reasonably safeguarded, properly accounted for, reported and capitalized in accordance with GAAP, and prudently insured against loss.
 - 1. **Capitalization criteria** – For the purposes of budgeting and accounting classification, the following criteria apply to assets to be capitalized:
 - The asset must be owned by the City.
 - The asset must be tangible.
 - The expected useful life of the asset must be longer than three (3) years or must extend the life of an existing asset by more than three (3) years.
 - The original or improved cost of the asset must be greater than \$5,000.
 - Useful life will be established based on available sources such as the Internal Revenue Service, or other acceptable sources that are in accordance with GAAP.
 - On-going repairs and general maintenance will not be capitalized.
 - Assets not meeting the above criteria will be expensed in the period in which they were purchased or added.

2. **New purchases** – All costs associated with bringing the asset into working order will be capitalized as part of the asset cost. This will include start-up costs, engineering or consultant-type fees that are incurred once the decision to purchase the asset is made. The cost of land acquired should include all related costs associated with its purchase.
3. **Improvements and replacement** – Improvements will be capitalized when they extend the original life of an asset or when they make the asset more valuable than it was originally. The replacement of asset components will normally be expensed unless they are of a significant nature and meet all of the capitalization criteria.
4. **Contributed capital** – Infrastructure assets received from developers or as a result of annexation will be recorded as capital contributions when they are received at fair market value. Assets received from developers in the form of cash contributions will be accounted for separately from infrastructure assets for purposes of cash-flow reporting.
5. **Distribution systems** – All costs associated with public domain assets, such as streets and utility distribution lines will be capitalized in accordance with the capitalization policy. Costs should include engineering, construction and other related costs including right-of-way acquisition.
6. **Reporting and inventory** – The Finance Department will maintain the permanent records of the City's capital assets, including description, cost, department of responsibility, date of acquisition, depreciation and expected useful life. Periodic, random sampling will be performed to inventory capital assets assigned to a department. Responsibility for safeguarding the City's capital assets lies with the department that has been assigned that asset. When an asset leaves a department's responsibility due to disposition, sale or transfer, the assigned department is responsible to report the change in status or location to the Finance Department. All assets will be inventoried using a system specific to each capital asset and recorded in the permanent records of capital assets.
7. **Intangible Assets** – right-of-way easements are considered intangible assets and are recorded at fair market value based on the date purchased or the most recent appraisal (if donated).
8. **Lease Assets** – the City leases machinery and equipment. Leases are approved by City Council, and recorded as assets amortized over the life of the lease in accordance with GASB Statement No. 97 *Leases*.
9. **Subscription-based Information Technology Arrangements (SBITA)** are contracts between a government entity and another party (such as an IT

Vendor) that grants the right to use IT software for a period of time in an exchange or exchange-like transaction. SBITA's are amortized over the life of the arrangement and are intangible in nature in accordance with GASB Statement No. 96, Subscription Based Information Technology Arrangements

XI. DEBT MANAGEMENT

The City recognizes the primary purpose of capital facilities is to provide services to the community. Using debt financing to meet the capital needs of the City must be evaluated according to efficiency and fund balance. Efficiency must be evaluated to determine the highest rate of return for a given investment of resources. Allocation of debt is resolved by determining who should pay for the cost of capital improvements. In meeting demand for additional services, the City will strive to balance the needs between debt financing and "pay as you go" methods. The City realizes that failure to meet the demands of growth may inhibit its continued economic viability, but also realizes that too much debt may have detrimental effects on the City's long-range financial condition. The City will issue debt only for the purpose of acquiring or constructing capital assets for the general benefit of its citizens and to allow it to fulfill its various purposes as a city.

- A. **Usage of debt** - Long-term debt financing will be considered for non-continuous capital improvements of which future citizens will be benefited. Alternatives for financing will be explored prior to any debt issuances and include, but are not limited to:
- Grants;
 - Reserve funds;
 - Current revenues;
 - Contributions from developers and others;
 - Leases; and
 - Impact fees.

When the City utilizes long-term financing, it will ensure that the debt is adequately financed by conservatively projecting revenue sources that will be used to pay the debt. It will not finance the improvement over a period greater than the useful life of the improvement and it will determine that the cost benefit of the improvement including interest costs is positive to the City.

The City may utilize the benefits of short-term debt financing for purchasing operating equipment provided the debt doesn't extend past the useful life of the asset and the potential impact to the tax rate is within policy guidelines.

- B. **Types of debt** -

1. **General Obligation Bonds (GO's)** - General Obligation (or limited tax) Bonds must be authorized by a vote of the citizens of Boerne. They are used only to fund capital assets of the general government and are not to be used to fund

operating needs of the City. The full faith and credit of the City as well as the City's ad valorem taxing authority back GO's. Conditions for issuance of GO debt include:

- A significant impact will occur on the tax rate due to the contemplated project;
 - A project is controversial, even if it is routine in nature;
 - A project that resides outside the normal bounds of projects the City has typically undertaken.
2. **Revenue Bonds** - Revenue bonds will be issued to provide for the capital needs of any activities where the capital requirements are necessary for the continuation or expansion of a service. The improved activity shall produce a revenue stream to fund the debt service requirements of the necessary improvement to provide service expansion. Revenue bonds are issued and repaid by the revenue derived from the sales of the utility service or expansion. The average life of the obligation should not exceed the useful life of the asset(s) to be funded by the bond issue and will generally be limited to thirty (30) years or less.
3. **Certificates of Obligation (CO's)** - Certificates of obligation may be used to fund capital requirements that are not otherwise covered either by general obligation or revenue bonds. Debt service for CO's may be either from general revenues (tax-supported) or supported by a specific revenue stream(s), or a combination of both. Typically, the City may issue CO's when the following conditions are met:
- The proposed debt will have minimal impact on future effective property tax rates;
 - The projects to be funded are within the normal bounds of City capital requirements, such as for roads, parks, various infrastructure and City facilities; and
 - The average life of the obligation does not exceed the useful life of the asset(s) to be funded by the issue.
4. **Tax Notes** - The City may issue tax notes in anticipation of tax collections, grant proceeds, bond proceeds or any other lawful purpose. These tax notes are of a short-term, usually not more than seven (7) years and are intended to boost cash flow in anticipation of future receipts of funds. The asset(s) to be purchased with tax notes may at times be later incorporated into an issuance of a GO or CO on a similar or related issue.
- C. **Method of Sale** - The City will use a competitive bidding process in the sale of bonds unless conditions in the bond market or the nature of the issue warrant a negotiated bid. In such situations, the City will publicly present the reasons for

the negotiated sale. The City will rely on the recommendation of the financial advisor in the selection of the underwriter or direct purchaser.

- D. **Disclosure** - Full disclosure of operating costs along with capital costs will be made to the bond rating agencies and other users of financial information. The City staff, with the assistance of the City's financial advisors and bond counsel, will prepare the necessary materials for presentation to the rating agencies and will aid in the production of the offering documents. The City Manager is responsible for the accuracy of all financial information released.
- E. **Federal Requirements** - The City will maintain procedures to comply with arbitrage rebates and other Federal requirements of debt issuance.
- F. **Debt Structuring** - The City will issue bonds with an average life of no more than twenty-five (25) years, not to exceed the useful lives of the assets acquired. The structure should approximate level debt service unless operational matters dictate otherwise. Market factors, such as the effects of tax-exempt designations, the cost of early redemption options and the like, will be given consideration during the structuring of long-term debt instruments.
- G. **Debt Coverage Ratio** - Debt coverage ratio refers to the number of times the current combined debt service requirements or payments would be covered by the current operating revenues net of on-going operating expenses of the City's combined utilities (Electric, Water, Wastewater, and Gas). The City will maintain a minimum debt service coverage ratio of at least 1.25 times for these utilities as a whole unless otherwise dictated by the bond covenants.
- H. **Bond Reimbursement Resolutions** - The City may utilize bond reimbursements as a tool to manage its debt issues, due to arbitrage requirements and project timing. In doing so, the City uses its capital reserve "cash" to delay bond issues until such time when bond issuance is favorable and most beneficial to the City.

The City Council may authorize a bond reimbursement resolution for General Capital projects that have a direct impact on the City's ad valorem tax rate when the bonds will be issued within the term of the existing City Council. The City Council may also authorize revenue bond reimbursements for approved utility and other self-supporting capital projects within legislative limits. The total outstanding bond reimbursements may not exceed the total amount of the City's reserve funds.

XII. OTHER FUNDING ALTERNATIVES:

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

- A. **Grants** - All potential grants will be examined for any matching requirements and the source of those requirements identified. A grant funding worksheet,

reviewed by the Finance Department, that clearly identifies funding sources, outcomes and other relevant information will be presented and approved by the City Manager prior to any grant application being submitted. The information identified will be included as a factor in determining inclusion into the budget. It must be understood that any resulting operation requirements of the grant should be discontinued once the term and conditions of the project for which the grant was awarded has been terminated or completed.

- B. **Use of reserve funds** – The City may authorize the use of reserve funds to potentially delay or eliminate a proposed bond issue. This may occur due to higher than anticipated fund balances in prior years, thus eliminating or reducing the need for debt proceeds, or postpone a bond issue until market conditions are more beneficial or because timing of the related capital improvements does not correspond with the planned bond issue. Reserve funds used in this manner are replenished upon issuance of the proposed debt.
- C. **Developer contributions** – The City will require developers who negatively impact the City's utility capital plans to offset those negative impacts. These policies are further defined within the City's Utility Rules and Regulations on line extensions and other development regulations.
- D. **Leases** – The City may authorize the use of lease financing for certain operating equipment when it is determined that the cost benefit of such an arrangement is advantageous to the City.
- E. **Impact fees** – The City will impose impact fees as allowable under state law for both water and wastewater services. These fees will be calculated in accordance with applicable statute(s) and reviewed and updated at least every five (5) years. All fees collected will fund projects identified within the Fee study and as required by state laws.

XIII. FUND BALANCE/NET POSITION POLICY, FINANCIAL CONDITIONS, RESERVES, AND STABILITY

- A. **Fund Balance Policy (Revised for GASB 54)** – The purpose of this policy is to establish a key element of the financial stability of the City of Boerne by setting guidelines and parameters for fund balance of the various funds used by the City. Unassigned fund balance is an important measure of economic stability and it is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances. Advantages of a fund balance policy are as follows:
 - Enhances the quality of decisions by imposing order and discipline
 - Promotes consistency and continuity in decision making
 - Demonstrates a commitment to long term financial planning objectives.

GASB 54 Background – In February 2009, The Governmental Accounting Standards Board (GASB) issued GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. The statement substantially changes how fund balances are categorized. It clarifies/modifies how some of the governmental funds are presented and classified.

Non-spendable	Not available for spending, either now or in the future, because of their form (e.g., debt retirement, inventory, prepaids)	
Restricted	Constraints on spending that are legally enforceable by outside parties.	
Unrestricted	Committed	Constraints on spending that the government imposes upon itself by highest-level formal action prior to the close of the period.
	Assigned	Resources intended for spending for a purpose set by the governing body itself or by some person or body delegated to exercise such authority in accordance with policy established by the City Council.
	Unassigned	Residual (general fund only)

- B. Net Position Policy (Revised for GASB 63)** – The purpose of this policy is to establish a key element of the financial stability of the City of Boerne by setting guidelines and parameters for net position of the various proprietary funds used by the City. Unrestricted net position is an important measure of economic stability and it is essential that the City maintain adequate levels of unrestricted net position to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances.

GASB 63 Background – In June 2011, The Governmental Accounting Standards Board (GASB) issued GASB 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The statement incorporated the terminology of deferred outflows/inflows of resources and updated the calculation of net position for proprietary funds.

C. Definitions

Fund Balance – The fund equity of a governmental fund for which an accounting distinction is made between the portions that are spendable and non-spendable. Fund balance is classified into five categories:

- 1) **Non-spendable fund balance** – includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain in-tact such as the principal of an endowment.
- 2) **Restricted fund balance** – includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. Examples include impact fees and bond proceeds.
- 3) **Committed fund balance** – includes the portion of net resources upon which the Council has imposed limitations on use. Amounts that can be used only for the specific purposes determined by a *formal action* of the council. Commitments may be changed or lifted only by the Council taking the same *formal action* that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements.
- 4) **Assigned fund balance** – includes the portion of net resources for which an *intended* use has been established by the City Council or the City Official authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.
- 5) **Unassigned fund balance** – includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification.

Net Position - The difference between a business-type activities (i.e. proprietary, enterprise, utilities) assets, deferred outflows, deferred inflows and liabilities of proprietary funds. Net position is classified into three categories:

- 1) **Net Investment in Capital Assets** – This component of net position is the difference between assets, deferred outflows, deferred inflows and liabilities of proprietary funds that consists of capital assets (both tangible and intangible). The calculation is detailed and done in accordance with GFOA's requirements.
- 2) **Restricted**– This component of net position is the difference between assets, deferred outflows, deferred inflows and liabilities of proprietary funds that consists

of assets with constraints placed on their use by externally imposed by creditors, grantors, contributors or laws/regulations of other governments or imposed by law through enabling legislation or constitutional provisions.

- 3) **Unrestricted**– this component of net position is the difference between the assets, deferred outflows, deferred inflows and liabilities of business type activities not reported as net investment in capital assets or restricted net position. Operating reserves are included herein as the reserves are determined by the government and thus, not externally restricted.

D. Policy

Committed Fund Balance

The Council is the City's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council at a City Council meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period (i.e. the Council may approve the calculation or formula for determining the amount to be committed).

Assigned Fund Balance

The City Council authorizes the City Manager as the City Official responsible for the assignment of fund balance to a specific purpose as approved by this fund balance policy.

Unassigned Fund Balance and Unrestricted Net Position

The unassigned fund balance and unrestricted net position for all funds of the City will be maintained at a level sufficient to provide the required resources to meet operating cost needs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustment to changes resulting from fluctuations of revenue sources.

General Fund –It is the goal of the City of Boerne to maintain an unassigned fund balance in the General Fund equivalent to six (6) months of operating expenditures. The City considers a balance of less than three (3) months of operating expenditures to be inadequate and will take action as described in this policy to increase the unassigned fund balance to maintain the required minimums.

Special Revenue Funds – The fund balances of the Special revenue funds (Hotel/Motel, Parks, Library, and Cemetery)-should have a minimum of three (3) months or 25 % of annual budgeted operating expenditures in reserve

Debt Service Funds – Revenues within this fund are by nature stable and based on property tax revenues. Balances are maintained to meet contingencies

and to make certain that the next year's debt service payments may be met in a timely manner. The fund balance should not fall below the one month or 1/12 annual debt service requirements, in accordance with IRS guidelines.

Utility Funds – It is the goal of the City of Boerne to maintain unrestricted net position in the Utility Funds equivalent to six (6) months of operating expenses. Although the goal is for each enterprise (utility) fund to maintain the minimum level of reserve by enterprise fund, the reserve requirement can be met when all utility funds are considered as a whole. The City considers a balance of less than three (3) months of operating expenses to be inadequate and will take action as described in this policy to increase the net position to maintain the required minimums.

- E. **Replenishment of Minimum Fund Balance/Net Position Reserves** – If unassigned fund balance/unrestricted net position unintentionally falls below the required minimum or if it is anticipated that at the completion of any fiscal year the projected unassigned fund balance/net position will be less than the minimum requirement, the City Manager shall prepare and submit a plan to restore the minimum required level as soon as it is feasible to do so. The plan shall detail the steps necessary for the replenishment of fund balance/net position as well as an estimated timeline for achieving such. These steps may include, but are not limited to, identifying new, nonrecurring, or alternative sources of revenue; increasing existing revenues, charges and/or fees; use of year end surpluses; and/or enacting cost saving measures such as holding capital purchases, reducing departmental operating budgets, freezing vacant positions, and/or reducing the workforce. The replenishment of fund balance/net position to the minimum level shall be accomplished within a three-year period. If restoration of the reserve cannot be accomplished within such a period without severe hardship to the City, then the Council shall establish an extended time line for attaining the minimum balance.

Reserve requirements will be reviewed and recalculated as part of the annual budget process. Funds in excess of the minimum reserves may be expended for City purposes at the will of the City Council once it has been determined that use of the excess will not endanger reserve requirements in future years.

- F. **Order of Expenditure of Funds** – When multiple categories of fund balance or net position are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will first spend the most restricted funds/net position before moving down to the next most restrictive category with available funds.
- G. **Appropriation of Unassigned Fund Balance** – Appropriation from the minimum unassigned fund balance shall require the approval of the City Council and shall be utilized only for one-time expenditures, such as capital purchases, and not for ongoing operating expenditures unless a viable revenue plan designed to sustain the expenditure is simultaneously adopted.

The Council may appropriate unassigned fund balances for emergency purposes, as deemed necessary, even if such use decreases the fund balance below the established minimum.

- H. **Monitoring and Reporting** – The City Manager, Assistant City Manager, and Finance Director shall be responsible for monitoring and reporting the City’s reserve balances. The City Manager is directed to make recommendations to the Council on the use of reserve funds as an element of the annual operating budget submission. The City Manager, Assistant City Manager, and Finance Director will prepare a report documenting the status of the fund balances and present to the Council with the presentation of the Comprehensive Annual Financial Report, in conjunction with the development of the annual budget and from time to time throughout the fiscal year as needs may arise.
- I. **Operational Coverage** – The City’s goal is to maintain operations coverage of 100%, such that operating revenues will be at least equal to or exceed current operating expenditures. Certain one-time capital expenses may be covered using excess fund balance operating reserves.
- J. **Liabilities and Receivables** – Procedures will be followed to maximize vendor discounts and reduce any penalties from creditors. Accounts receivable procedures will target collection at a maximum of thirty (30) days of service. Receivable aging past one hundred twenty (120) days will be sent to a collection agency unless internal collection procedures are determined to be more effective. The Finance Director is authorized to write-off non-collectible, non-utility accounts that are delinquent for more than one hundred eighty (180) days. Utility accounts that are delinquent more than one hundred eighty (180) days will also be written-off provided normal delinquency procedures have been followed in attempting to collect the delinquencies. Efforts to collect written off accounts will continue taking into consideration the cost vs. benefits of further collection efforts.
- K. **Capital Project funds** – Every effort will be made for all monies within the Capital project funds to be expended within thirty-six (36) months and no longer than 60 months of receipt. The idle fund balance will be invested and the income generated will be used by the project to offset increases in construction or other costs associated with the project. Capital project funds are intended to be expended totally, with any unexpected excess to be transferred to the Debt Service fund to service project-related debt.
- L. **Investment of Reserve funds** – Investment of reserve funds that are required by bond covenants will be invested in accordance with the City’s Investment Policy.

XIV. INTERNAL CONTROLS

- A. **Written procedures** – Wherever possible, written procedures will be established and maintained by the Finance Director for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.

- B. **Internal Audit Program** – An internal audit program will be maintained by the Finance Director to ensure compliance with City policies and procedures and to prevent the potential for fraud.
 - 1. **Departmental audits** – Departmental processes will be reviewed on an on-going basis to ensure dual control of City assets and to identify the opportunity for fraud potential, as well as, to ensure that departmental internal procedures are documented and updated as needed.
 - 2. **Employee or transaction reviews** – Programs to be audited include petty cash, city credit card accounts, time entry, and travel expense. Discrepancies will be identified and remedied immediately. The Director of the department will be notified of the situation and in cases of serious infractions, the City Manager will also be notified.

- C. **Department Directors responsibility** - Each department Director is solely responsible for ensuring that good internal controls are followed throughout his/her department. All Finance directives must be implemented and any recommendations resulting from either an internal audit or from the outside independent audit should be reviewed and addressed by the department Director as quickly as possible.

XV. STAFFING

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

- A. **Adequate staffing** - Staffing levels will be adequate for the fiscal functions of the City to operate effectively. Additional staffing requests will be presented in conjunction with the annual budgeting process. Unforeseen vacancies for existing positions will be filled at the direction of the City Manager.

- B. **Cost of Living Adjustments (COLA)** – In order to sustain employee compensation levels within the competitive job market, the City may fund an annual COLA for all regular employees. The COLA will be based on the Employment Cost Index (ECI) one (1) year percentage change for the period ending June 30th, as found on the Bureau of Labor Statistics website. This proposed COLA will be presented each year during the budget process for City Council review and approval.


- C. **Pay for Performance (MERIT)** – The City Council may fund a merit bonus/incentive program to aid in retaining quality employees and to reward those employees for productivity and job performance. This program will be funded annually if approved by City Council with available resources. This program will be based on performance during the review period. The City Manager will determine a “City-wide pool” amount or percentage to be used to fund the program if approved by the City Council.
- D. **Training & Credentials** – The City will support the continuing education efforts of the staff in areas where additional certifications may be earned or work related courses will lead to additional or improved services to the citizens of the City. It is understood that staff will be expected to pass on any information or teaching garnered from City sponsored seminars, conferences and related education efforts and share with fellow employees. The City will also support efforts and involvements which result in meeting standards and receiving exemplary recitations on behalf of the City or of its personnel.

CITY OF BOERNE
LIST OF AUTHORIZED BROKERS/DEALERS
AS OF SEPTEMBER 2025

Dealer	Contact	Phone	Email
UBS Bank	Dick Ebert	(281) 362-6340	richard.ebert@ubs.com
Wells Fargo	Susan Ward	(214) 740-1586	wardst@wellsfargo.com
Frost Bank	Manuel Long	(210) 220-5372	manuel.long@frostbank.com
Hilltop Securities	Gilbert H. Ramon	(713) 654-8606	Gilbert.Ramon@hilltopsecurities.com
HUB Investment Partners	Eric Light	(512) 600-5296	eric.light@hubinternational.com



AGENDA ITEM SUMMARY

	AGENDA ITEM SUMMARY
Agenda Date	September 23, 2025
Requested Action	APPROVE RESOLUTION NO. 2025-R72; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS, ADOPTING REVISIONS TO THE PROCUREMENT POLICY TO ALIGN WITH CHANGES MADE TO THE COMPETITIVE BIDDING THRESHOLD.
Contact Person	Sarah Buckelew, Finance Director
Background Information	<p>During the 89th Texas Legislature, Senate Bill 1173 amended the Texas Local Government Code to increase the competitive bidding threshold for municipalities from \$50,000 to \$100,000. This legislative change, effective September 1, 2025, allows municipalities to make purchases up to \$100,000 through informal processes (e.g., obtaining quotes) rather than requiring formal competitive bidding procedures.</p> <p>The City’s Procurement Policy currently reflects the prior \$50,000 threshold. The proposed amendment updates the policy to align with the new statutory requirement, ensuring consistency with state law and maintaining clear internal guidance for City staff.</p>
Strategic Alignment	F1 – Fiscal Excellence
Financial Considerations	N/A
Citizen Input/Board Review	N/A
Legal Review	N/A
Alternative Options	N/A
Supporting Documents	Resolution No. 2025-R72 COB Procurement Policy

RESOLUTION NO. 2025-R72

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS,
ADOPTING REVISIONS TO THE PROCUREMENT POLICY TO ALIGN WITH
CHANGES MADE TO THE COMPETITIVE BIDDING THRESHOLD**

WHEREAS, during the 89th Texas Legislature, Senate Bill 1173 amended the Texas Local Government Code to increase the competitive bidding threshold for municipalities from \$50,000 to \$100,000, effective September 1, 2025; and

WHEREAS, this change allows municipalities to make purchases up to \$100,000 through informal procurement processes, such as obtaining quotes, without the need for formal competitive bidding; and

WHEREAS, the City of Boerne's current Procurement Policy reflects the previous \$50,000 threshold and requires revision to maintain compliance with state law and provide accurate guidance to City staff; and

WHEREAS, the City Council has reviewed the proposed revision and finds that it is in the best interest of the City and its operations to align the Procurement Policy with current statutory requirements;

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

1. The revised Procurement Policy, attached hereto as Exhibit A, is hereby adopted and shall take effect on September 1, 2025, in accordance with the effective date of Senate Bill 1173.
2. The revised Procurement Policy updates the competitive bidding threshold from \$50,000 to \$100,000, in alignment with state law.
3. The City Manager, Finance Director, and designated staff are authorized to implement and enforce the updated Procurement Policy.
4. All City staff involved in procurement shall adhere to the updated policy to ensure transparency, efficiency, and compliance with applicable laws.


PASSED, APPROVED and ADOPTED on ___ day of _____, 2025.

APPROVED:

Mayor

ATTEST:

City Secretary

	CITY OF BOERNE – FINANCE DEPARTMENT	
	POLICY 300 - GENERAL PROCUREMENT POLICY	
	VERSION # 2025.2	EFFECTIVE DATE: September 1, 2025
	POLICY OWNER: FINANCE DIRECTOR	REVIEW CYCLE: AS NEEDED
	APPROVED BY: City Council	APPROVAL DATE: September 23, 2025

Revision Log

Policy Sections Implemented 1-11, 17, 18	March 25, 2025
Amended for Bid threshold increase \$50k - \$100k	September 23, 2025

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Section 1. Purpose of this Policy

This policy is intended for all City of Boerne personnel, to be used as a guide for procuring items and services. This policy is based on requirements from the State of Texas for municipal purchasing. There are many Governmental statutes that set the parameters for what the City can and cannot do. This Policy is intended to summarize those requirements into one document for reference. Purchasing for a municipality requires transparency and must follow procedures to ensure a fair process, one that aligns with laws and provides best value to the citizens.

Section 2. Ethical Standards

When utilizing taxpayer funds, it is vital that employees maintain high ethical standards. Extra due diligence should be taken to avoid any perception of unfairness. Even an unintentional perception of unfairness can damage public trust in the City. With this in mind, the following ethical standards should be adhered to.

- 2.1 An employee, elected official, or board member should not attempt to realize personal gain through their position
- 2.2 An employee, elected official, or board member should not use the City's purchasing power to purchase material, equipment, supplies or anything else for personal use.
- 2.3 An employee, elected official or board member should not directly or indirectly participate in the procurement of goods or services if the employee has knowledge that the following applies:
 - 2.3.1 The employee or any member of their immediate family has a financial, business, or personal interest in the procurement.
 - 2.3.2 If an employee discovers that they or any member of their immediate family has a financial, business, or personal interest in the procurement, they should immediately recuse themselves from the solicitation.
- 2.4 An employee, elected official, or board member should not accept kickbacks, gratuity, or offer of employment from a prospective or current vendor.
- 2.5 An employee, elected official, or board member should not disclose any confidential information for anyone's interest, whether it is personal or financial.
- 2.6 An employee elected official, or board member should not have a direct or indirect financial interest in any sale made to the City.
- 2.7 A prospective vendor should not attempt to influence any employee, elected official or board member to breach these ethical standards.

Section 3. Quick Reference Guide: Authorizations and Responsibilities

Single Purchase approvals shall adhere to the following:

Amount	Single Purchase Authorization Requirements
\$0- 2,999.99	<ul style="list-style-type: none"> • Usage of City-issued Purchase Card is encouraged with adherence to the City’s Purchase Card Policy and Procedures Manual. • Informal approvals (verbal) required per the Authority Matrix.
\$ 3,000.00 -99,999.99	<ul style="list-style-type: none"> • Three written quotes are required. Valid exceptions must be documented with a completed Exemption Form attached to the requisition. Refer to full exemption listing on the form which is maintained in the Procurement Resource Library. • Requisition and issued purchase order are required PRIOR to purchase unless purchase is made on a City purchase card in accordance with the Purchase Card Policy and Procedures Manual, or the purchase is a valid public emergency as defined by purchase exemption laws. (See Section 11) • H.U.B. search and documentation required (See Section 4) • All required documentation should be attached to the requisition (See Section 11) • Budgeted <u>and</u> within Budget for purchases of 14,999.99 or less: <ul style="list-style-type: none"> ○ Approval required by Department Manager or higher * • Budgeted <u>and</u> within Budget for purchases of \$15,000.00 or more: <ul style="list-style-type: none"> ○ Approval required by Department Head and CMO * • Unbudgeted <u>or</u> over Budget: Approval required by Department Head and CMO *
<p>\$100,000.00 or greater single purchase - or - \$100,000.00 or greater per vendor for sequential or same product/service per Fiscal Year</p>	<ul style="list-style-type: none"> • Complex competitive bidding requirements – documentation must be maintained by the department making the purchase in accordance with the Records Retention Policy and also attached to the requisition. • Valid exceptions to bidding requirements must be documented with a completed Exemption Form attached to the requisition. Refer to full exemption listing on the form which is maintained in the Procurement Resource Library. • Requisition and issued purchase order are required PRIOR to purchase unless the purchase is defined as a valid public emergency as defined by purchase exemption laws (See section 10.5.2) • Budgeted <u>and</u> within Budget: Department Head, CMO, Council Approval Consent agenda <ul style="list-style-type: none"> ○ Agenda Item Summary must state the item was within budget and explain compliance with bidding requirements. • Unbudgeted <u>or</u> Over Budget: Department Head, CMO, Council Approval Regular agenda <ul style="list-style-type: none"> ○ Department Head must meet with the Finance Director prior to the agenda packet being due to propose funding for the item. ○ Funding proposal must be approved in writing by the CMO. ○ Funding proposal and explanation of compliance with bidding requirements must be explained in the Agenda Item Summary.

*As defined by the **Authority Matrix**, which includes authorized designee in approved circumstances

Section 4. Historically Underutilized Businesses (HUBs)

If the City is processing a request for quote for more than \$3,000 but less than \$100,000, at least two historically underutilized businesses in Kendall County must be contacted on a rotating basis, based on information provided by the comptroller pursuant to Chapter 2161 (Historically Underutilized Businesses), Government Code. If the list fails to identify a historically underutilized business in Kendall County, the municipality is exempt from this section.

The HUB search directory is maintained by the Texas Comptroller's office website. Detailed HUB search instructions and documentation requirements are available in the **Procurement Resource Library**.

**Please note that the search page automatically defaults to CMBL only. Select HUBs only and Kendall County when conducting a HUB vendor search.*

A requisition for any purchase between \$3,000-\$100,000 must include at minimum a note explaining details of the HUB search conducted. If quotes are obtained from a HUB vendor, they must be attached to the requisition. If a HUB vendor located in Kendall County cannot be found for the products/services being solicited, a note must be entered in the notes field of the requisition detailing the search conducted and the results of the search.

Purchases made through a governmental purchasing cooperative do not require a separate HUB search. If a vendor is a part of a purchasing cooperative, a note is still required to be added to the purchase order indicating the reason a HUB search was not performed.^{1& 2}

Section 5. Training

Department Heads are responsible for ensuring all purchasers in their department have attended training on this policy, and have signed the purchaser acknowledgement. Any employee listed on the matrix of authority, designated as a Departmental Purchasing Representative, or issued a City Purchase Card is required to sign the purchaser acknowledgement. All purchasers must attend training to participate in the purchase program. Additional training may be subsequently required to maintain status in the purchasing program.

¹ Texas Comptroller's HUB directory is maintained at: <https://comptroller.texas.gov/purchasing/vendor/hub>

² State of Texas Purchasing Cooperatives: <https://www.comptroller.texas.gov/purchasing/coptx/>

Section 6. Sales Tax

As a municipality, the City is exempt from paying sales tax on all purchases made for official City business. It is the responsibility of the purchaser to verify that no sales tax has been charged on any receipts or invoices. If sales tax has been mistakenly applied, the purchaser must have the sales tax removed immediately. There are certain exceptions to this rule for specific travel-related expenses and some food purchases, as detailed in the following sections.³ If the purchaser is unable to obtain a refund of the sales tax, they must either (1) reimburse the City for the sales tax charged and provide proof of reimbursement or (2) obtain written approval from the City Manager's office to waive the reimbursement requirement. All relevant documentation, including receipts and approvals, must be attached to the invoice or the purchaser's monthly Purchase Card packet, as applicable.

6.1 Meal Purchases

For meal purchases under \$250.00, the Cardholder is not required to have sales tax exempted. This applies to purchases such as team lunches and unplanned events. However, this exception does not apply to food purchases from grocery stores.

For large, catered meals costing \$250.00 or more, sales tax should not be charged, and the Cardholder must ensure that the tax exemption is applied.

6.2 Hotel and Lodging Taxes

The City is not exempt from hotel/motel occupancy taxes or other lodging, or airline-related taxes and fees, and these non-sales taxes are to be paid when incurred as part of official City business.

6.3 Gifts

Gifts such as retirement gifts, or appreciation gifts for boards and commissions members are not exempt from sales taxes, as they benefit the recipient directly and not the City. All purchases of gifts with City funds should strictly follow guidelines in the personnel policy. Gifts to employees using City funds must be approved in advance by the Human Resources Director.

6.4 Access to Tax Exemption Certificate

The City's tax exemption certificate is available in the **Procurement Resource Library**. The City's tax exemption status is legally restricted to City-related purchases only. It is illegal for anyone to use the City's tax exemption status for personal purchases or any non-City-related transactions. Misuse of the City's tax-exempt status for personal gain may result in disciplinary action, including termination of employment and potential legal consequences. Employees are responsible for ensuring that all use of the City's tax-exempt certificate complies with applicable laws and City policies.⁴

³ Texas Government Code Section 2161.061

⁴ Texas Tax Code Section 151.309

Section 7. Freight and Shipping

The preferred method for shipping items to the City is FOB (Free on Board) Destination, which makes the vendor responsible for the shipment until the City inspects and accepts it. The vendor selects the shipper and is responsible for the risk of transportation, including filing for loss or damages. FOB shipping method, freight and shipping costs should be written in the quote/proposal. City employees should never sign for or accept a shipment of goods that are damaged. City employees should not engage in the unloading of large equipment or fragile items.

Section 8. General Rules and Prohibitions

8.1 House Accounts, Charge Accounts and Accounts on Credit

These are similar in that they allow for an individual to receive a good or service, and instead of paying for each individual transaction immediately, the vendor keeps track of items purchased and will bill for the outstanding charges at a later date. When used correctly for frequently used suppliers or service providers, these arrangements can streamline purchasing processes and centralize billing. However, these types of accounts come with heightened risk of fraud and require extra diligence on the part of the vendor, the purchaser, and approvers of individual transactions.

Because of the risk, these types of accounts are highly discouraged. Extreme caution should be used. Alternate forms of purchase are recommended.

Employees are strictly prohibited from signing up for these types of accounts in the name of the City without written advance approval by the Finance Director, or City Manager's Office, or designee. The Procurement Coordinator is responsible for maintaining a list of the authorized Charge Accounts. Prior to this type of account being authorized, time must be permitted for the Finance Director or designee to set up appropriate internal controls to safeguard the City from risk of fraud.

8.2 Alcohol

Purchase of alcohol using City funds is strictly prohibited unless expressly authorized for a specific, documented purpose in advance by the City Manager or designee.

8.3 Online Purchase Accounts and Purchases made online

8.3.1 Only employees designated on the Purchase Authority Matrix are authorized to make online purchases using City funds. Online purchases must comply with the same policies and procedures as in-person purchases. When using a City-issued card for online purchases, Cardholders must adhere to the City's Purchase Card Policy. City purchase cards may not be saved for recurring use on websites.

8.3.2 To enhance oversight and reduce the risk of unauthorized transactions, the City seeks to centralize online purchasing accounts for commonly used platforms (e.g. Amazon and Walmart). Consequently, access to these centralized accounts will be granted primarily to designated Departmental Purchasing Representatives, rather than allowing individual-level access. The Account Administrator and his/her designee will have dual administrative access to these City-level accounts and be responsible for maintaining the list of users and deactivating accounts of employees who leave the City.

8.3.3 Departmental-level online purchasing accounts are permitted but must receive Department Head approval prior to use. Departmental Purchasing Representatives are responsible for maintaining an up-to-date list of websites used for purchases and identifying which individuals within their department have access to these sites. Departmental Purchasing Representatives and their managers will be required to have dual administrative access to these department-level accounts and be responsible for maintaining the list of users and deactivating accounts of employees who leave the City. This listing will be reviewed periodically by the Account Administrator, and IT department for appropriateness.

8.3.4 If a City-level account is available, departments will be required to utilize the centralized online purchasing method through the City-level account. Exceptions require a written business need, and approval by the Account Administrator. Departments may be required to convert department-level accounts to City-level accounts if they later become available.

8.4 Gift Cards

8.4.1 Purchase of Gift Cards

Purchasing gift cards with City funds poses a significant risk of misuse, fraud, and lack of transparency. Gift cards are difficult to track and can be easily used for unauthorized or personal expenses, making it challenging to ensure proper accountability. Additionally, receipt of gift cards may result in income tax consequences to the recipient, which would need to be investigated by the Finance Director or designee. To maintain fiscal responsibility and safeguard against potential abuse, the purchase of gift cards using City funds is strictly prohibited unless expressly authorized for a specific, documented purpose by the City Manager or designee.

8.4.2 Receipt of Gift Cards

To uphold fiscal responsibility and safeguard against potential abuse, the receipt of gift cards, including well-intended donations, is strictly prohibited unless expressly authorized in advance by the City Manager or designee for a specific, documented purpose. Acceptance of such donations requires additional internal controls.

While donations of gift cards may be offered in good faith for specific purposes, they should either be declined or submitted to the Finance Department to ensure proper accounting as a City asset. Employees must adhere to Personnel Policies related to the acceptance of gifts and gratuities, ensuring that no gift is accepted if it could influence official actions or impair the independence of judgment in performing duties for the City.

Every effort must be made to prevent both actual and perceived conflicts of interest to protect the integrity and trust in City operations.

8.5 Employee Expense Reimbursements for Legitimate City Expenses including Travel

Policies around Employee Expense reimbursements, including travel are covered in detail in the Personnel Policy Handbook section 18. Forms to request Employee Expense Reimbursements or advancements are included in the **Procurement Resource Library**.

8.6 Technology Purchases

Policies around technology purchases are covered in detail in the Personnel Policy Handbook Section 19.02.14. All IT subscription purchases must be approved by the IT department and will be paid for by the IT department. Only the IT Director or designee may make exceptions to this rule.

Section 9. Restricted Vendors

9.1 Restricted Vendors

9.1.1 What is a Restricted Vendor?

A restricted vendor is any vendor deemed unsuitable for future business with the City due to documented risks or issues. A vendor may be restricted for reasons including, but not limited to:

- Posing a security threat to the City,
- Having outstanding financial obligations to the City,
- Being involved in ongoing legal disputes with the City, or
- Causing financial or reputational harm to the City.

Financial harm includes, but is not limited to:

- Failure to deliver goods or services as agreed.
- Breach of contractual obligations.
- Consistent poor performance.

The City strictly adheres to the guidelines set forth on the **State Restricted Texas Department of Information prohibited Software and Developers List**. The list is maintained on the Texas Department of Transportation website, and is also available in the **Procurement Resource Library**.

9.1.2 Instructions on how to add or remove a vendor from the restricted list

Procedure for Addition

- The responsible City department must submit a written request to the Procurement Office detailing the reason(s) for restriction, including supporting documentation.
- The Procurement Office will review the submission for completeness and accuracy.
- The City Manager, or their designee, will approve or deny the request.
- If approved, the vendor may be notified in writing of their restricted status, along with the reason(s) and any opportunities for remediation (if applicable). Notice to the vendor is not required, but recommended if it is the City Manager's, Department's, or Procurement Coordinator's belief that the vendor could be used in the future.

Criteria and Procedure for Removal

- Vendors or responsible City department may petition for removal from the restricted vendor list by submitting a written request to the Procurement Coordinator, including evidence that the issue(s) leading to blacklisting have been resolved.
- The Procurement Office will review the petition and verify the claims.
- A recommendation for removal will be submitted to the City Manager, or their designee, for final approval.
- Vendors may be notified in writing of the decision if the City Manager, Department Head, or Procurement Coordinator believe it is in the best interest of the City.

9.1.3 Restricted Vendors Listings

Purchases from restricted vendors are strictly prohibited without prior written approval from the City Manager's office as well as other appropriate individuals as determined in the restricted vendor listing document. Written approval must be included with purchase card approval packet and/or Purchase Order documentation.

A listing of restricted vendors will be maintained by the Procurement Coordinator and made available in the **Procurement Resource Library**.

9.2 Periodic Review of Restricted Vendor List

The Procurement Office will conduct a formal review of the **restricted vendor list** at least once annually, or more frequently if deemed necessary. This review will include:

- Verifying that vendors on the restricted vendor list continue to meet the criteria for restriction.
- Removing vendors from either list if they no longer meet the criteria or if issues have been resolved.
- Updating supporting documentation for vendors as needed to ensure accuracy and completeness.

The results of the review, along with any updates, will be documented and submitted to the Finance Director or their designee for approval, and communicated to authorized individuals at least once annually, or more frequently as deemed necessary.

9.3 Local Preference

The Texas Local Government Code includes two provisions that allow municipalities to give preference to local vendors under certain conditions for purchases subject to competitive bidding requirements under Texas Local Government Code Section 252. These provisions do not apply to purchases below the competitive bidding threshold.

The specific applicable criteria are defined through the Texas Local Government Code, and the criteria are based on each competitive bidding process, not through a list. The two separate provisions that allow for local preference are listed below:

9.3.1 Local Preference consideration for Bidder’s Principal Place of Business for purchases of real or personal property.

Pursuant to Texas Local Government Code Section 271.905, if the City receives one or more bids from a vendor whose principal place of business is within City Limits and whose bid is within three percent of the lowest bid price received by the City from a bidder who is not a resident of the local government, the local government may enter into a contract with:

- (1) the lowest bidder; or
- (2) the bidder whose principal place of business is within City Limits if the City Council determines, through resolution or ordinance, that the local bidder offers the City the best combination of contract price and additional economic development opportunities for the local government created by the contract award, including the employment of residents of the local government and increased tax revenues to the local government.

9.3.2 Local Preference Consideration for Bidder’s Principal Place of Business for purchases of construction services less than \$100,000 and other purchases of personal property less than \$500,000.

- If the City receives one or more competitive sealed bids from a vendor whose principal place of business is within City limits and whose bid is within five percent of

the lowest bid price received by the City from a bidder who is not a resident of the City, the City may:

- enter into a contract for construction services in an amount of less than \$100,000 or
- enter into a contract for other purchases in an amount of less than \$500,000

with:

- (1) the lowest bidder; or
- (2) the bidder whose principal place of business is in the municipality if the governing body of the municipality determines, in writing, that the local bidder offers the municipality the best combination of contract price and additional economic development opportunities for the municipality created by the contract award, including the employment of residents of the municipality and increased tax revenues to the municipality.

- This section does not prohibit a municipality from rejecting all bids.
- This section does not apply to the purchase of telecommunications services or information services, as those terms are defined by 47 U.S.C. Section 153.

9.3.3 What is Local Preference for projects or purchases less than \$100,000?

The City of Boerne Procurement Policy allows for local preference in vendor selection when one or more quotes have been received, and the local vendor's quote is within 3% of the lowest price received.

Section 10. Purchase Parameters – Purchases of \$0 - \$2,999.99

Purchases less than \$3,000 are not required to be competitively bid. While there are no formal requirements for obtaining quotes under \$3,000, sound judgement should be used to ensure the City is receiving best value. Quotes can be obtained but are not required. Below are some general guidelines for purchases under \$3,000.

- A City-issued Purchase Card is encouraged to be utilized for purchases under \$3,000.
- Verbal quotes are acceptable for purchases under \$3,000.
- Budget must be available prior to making the purchase.
- Informal verbal approval prior to purchase is acceptable according to the Authority Matrix.

Section 11. Purchases of \$3,000.00 to \$99,999.99

Under State law, before the City plans to make purchases of \$3,000 but less than \$100,000 certain requirements are required to meet competitive bidding requirements.

10.1 Three Written Quotes are Required

Three written quotes are required. This can be performed at the time of budgeting or purchase. Written quote documentation is required to be attached to the requisition.

10.2 Historically Underutilized Business Solicitation Required

The purchaser is required to contact at least two vendors from the State's current certified Historically Underutilized Business (HUB) list. If the listing fails to identify a HUB in the county in which the City is situated (Kendall County), the City is exempt from this requirement. The search must be documented in the requisition for the City's legal requirements under this statute to have been met. (See section 4 for more information).

10.3 Exceptions to Quote Requirements

If the purchase is subject to a valid exemption under the law as indicated on the **City's Exemption Form**, quotes are not required. If an exemption applies, the purchaser should complete an exemption form and attach it to the purchase requisition. If three written quotes cannot be obtained due to inconsistency in product among vendors, or unwillingness of vendors to provide written quotes, documentation must be included with the requisition notes section to explain why three quotes could not be obtained.

10.4 Requisition and Issued Purchase Order are Required Prior to Purchase

A purchase order (PO) is the legal document that authorizes the purchase and permits the vendor to either deliver the product or begin services. The PO Packet that contains all the details of the purchase, as well as required documentation is also proof that the purchase complied with all applicable procurement laws. A purchase will not be considered authorized without a valid PO and attached documentation. Purchasers may be held personally responsible for purchases made without an authorized PO. A requisition must be entered with all required documentation and approved in Incode, and a purchase order must be issued PRIOR to purchase except in the following circumstances:

10.5 Exceptions to Purchase Order Requirement

10.5.1 Purchases made on a Purchase Card in accordance with the **Purchase Card Procedures Manual** do not require purchase orders. Refer to the **Purchase Card Policy and Procedure Manual** section C1.3 for purchases over \$2,999.99 on a purchase card.

10.5.2 If the purchase is due to a valid public emergency as defined by purchase exemption laws, a purchase order may be entered *after* the purchase is made. An exemption form must be included with the requisition when entered.

10.6 Documentation Requirements

All quotes, bids, proposals, request for quote (RFQ), completed exemption forms, **Resolution number (if applicable)**, and HUB search documentation must be attached to the requisition request in Incode. Requisitions may not be approved, and a PO will not be issued without appropriate documentation.

Section 12. Competitive Bidding Requirements – Purchases of \$100,000 or more

12.1 Solicitation Types and Definitions

Solicitation Type	Use	Price Determination
Invitation for Bid (IFB)	Price is the sole factor in award. Requirements may specify qualifications that the bidder must meet. If the qualifications are not met, the City can elect to not move forward with business.	Negotiations are not allowed. Whether it is solicited as a lump sum or unit price project, the bidder is not allowed to change their bid.
Request for Competitive Proposals	Used for construction projects. Price is just one component of the selection. An evaluation team ranks and scores the submittals based on the evaluation criteria (Price, Experience, Proposed Plan, etc.)	Negotiations are allowed. If an agreement can't be met, the City can move forward with negotiations with the next ranked firm.
Request for Proposals (RFP)	Used for non-construction or professional services solicitations. An evaluation team ranks and scores the submittals based on the evaluation criteria (Price, Experience, Proposed Plan, etc.)	Negotiations are allowed. If an agreement can't be met, the City can move forward with negotiations with the next ranked firm.
Request for Qualifications (RFQ)	Price may not be a factor in the selection. An evaluation team ranks and scores the submittals based on other evaluation criteria.	After selection, the recommended firm(s) will be notified, and negotiations begin. If negotiations are unsuccessful, the City may move to the next ranked firm(s).
Construction Manager at Risk (CMR)	A one-step process where price is received with qualifications and other criteria, or a two-step process is followed where a maximum of 5 businesses are shortlisted based on qualifications, then a Request for Proposal (RFP), which includes price and other criteria is issued to the shortlisted firms.	Negotiations are allowed. If an agreement can't be met, the City can move forward with negotiations with the next ranked firm. A guaranteed maximum price is set. City hires architect/engineer separately, and a General Contractor comes aboard to provide consultation during design and to construct.

Solicitation Type	Use	Price Determination
Design Build	May be used for Vertical Construction Projects. A two-step process is followed where a maximum of 5 firms are shortlisted based on qualifications, then a Request for Proposal, which includes price and other criteria, is issued to the shortlisted firms.	City hires a team that includes a General Contractor and Engineer/Architect to jointly design and construct. Provides for cohesive team and is usually utilized when only minimal design has occurred. Negotiations are allowed. If an agreement can't be met, the City can move forward with negotiations with the next ranked firm. A guaranteed maximum price is set.

12.2 Vendor Contract through Interlocal Agreement

This section will be put into effect with the future implementation round of the policy. (5 6)

Section 13. Change Orders

This section will be put into effect with the future implementation round of the policy

Section 14. Receiving the Service/Product Ordered with a Purchase Order

This section will be put into effect with the future implementation round of the policy

Section 15. Invoices

This section will be put into effect with the future implementation round of the policy

Section 16. Disposal of Surplus Property

This section will be put into effect with the future implementation round of the policy

Section 17. Disciplinary Action

Violations of this policy will result in disciplinary action, which may include written warnings, suspension of procurement privileges, reimbursement of unauthorized expenses, and termination of employment. Severe violations may be referred for criminal prosecution. To ensure compliance with the City's procurement policies and maintain accountability in the

⁵ Texas Government Code Section 791.025

⁶ Texas Municipal Procurement Laws Made Easy (Texas Municipal League)

purchasing process, a structured disciplinary framework is established through three violation levels and associated consequences:

Level 1 – Notification and Training

Upon identifying a Level 1 violation, a Procurement Audit Memo will be sent to the Purchaser, Manager, and Department Head in the form of an email which will outline the transaction in question or nature of the violation.

The Purchaser will be required to provide a thorough explanation to all parties included in the email of the transaction, as well as plan of action or resolution, if applicable. If an action plan is required, the Purchaser must provide all requested documentation by the deadline stated in the audit memo.

The notification will be documented for the Purchaser, as well as for any approvers of the transaction in question, and will be maintained in the centralized tracking system for record-keeping purposes over a rolling 12-month period.

Examples include but are not limited to:

- Incomplete or missing receipts or invoices per the policy.
- Established deadline for submitting documentation missed.
- Late submission of invoices, receipts, or purchase card documentation.
- Failure to properly code transactions, or identify associated purchase orders with invoices.

Consequences:

- Written explanation and recommended remediation plan required.
- Mandatory procurement refresher training specific to transaction violation for purchaser and any approvers of the transaction.
- Remediation complete within timeframe established in the Audit Memo.

Level 2 – Suspension of Procurement Activity

Level 2 violations include repeated or more serious violations that compromise procurement integrity.

Examples include but are not limited to:

- Three (3) Level One Violations within a six-month period
- Making a purchase without a purchase order as required under the policy.

- Failing to document a valid exemption when bypassing competitive purchasing requirements.
- Failing to document HUB (Historically Underutilized Business) requirements.
- Losing a Purchase card twice in a fiscal year
- “Splitting” purchases in order to circumvent procurement Purchase card or procurement policy requirements.

Consequences:

- Written explanation and recommended remediation plan required.
- Mandatory meeting with Department Head, Finance Director, and/or City Manager’s Office.
- Possible temporary suspension of purchasing privileges, including suspension of Purchase card(s).
- Recorded in centralized tracking system (rolling 12-month period).

Level 3 – Serious Violations

Level 3 violations include gross negligence, willful misconduct, or policy abuse requiring formal disciplinary action.

Examples include but are not limited to:

- Intentional circumvention of competitive bidding laws.
- Providing false or misleading procurement documentation.
- Collusion with vendors or conflicts of interest in purchasing decisions.
- More than three (3) Level 2 infractions within a fiscal year.
- Three (3) occurrences of losing purchase card within a fiscal year.

Consequences:

- Written explanation and remediation plan if possible.
- Formal investigation followed by appropriate disciplinary action per the Personnel Policy Handbook including and/or up to termination.

Section 18. Program Definitions

Program Administrator: The Finance Director or designee coordinates the City of Boerne Purchasing Card Policy and is responsible for setting program procedures. The Program Administrator serves as the contact point with the card companies regarding any creation of, or changes to City-level accounts. City-level purchasing programs or accounts require approval from the program administrator prior to implementation. The Program Administrator has

authority to set purchasing limits. The Program Administrator will review the list of positions that are approved for purchase card, purchasing limits, authority for assigning positions authorized, and approval of new purchase card requests regularly for appropriateness, and make recommended changes based on City purchasing needs. The Assistant Finance Director acts as the Finance Director's designee when the Finance Director is unavailable or out of the office.

Account Administrator: The Procurement Coordinator or designee has the ability and authority to administer purchase card portals, including setup and maintenance of individual card accounts. The Account Administrator also has the authority to speak with card vendors regarding account issues. Set-up of new purchase cards, or modification to purchasing limits of existing purchase cards requires written approval by the Program Administrator through a revised Credit Card Request Form that will be filed in the employee's personnel file. The Account Administrator is also responsible for maintaining a listing of active card holders and current spending limits and ensuring that cancellation of cards due to change in employment status or account issues occurs timely. The Account Administrator is also responsible for monitoring progress made by Cardholders in charge disputes, return items, and refunds expected. The Reporting and Compliance Manager acts as the Procurement Coordinator's designee when the Procurement Coordinator is unavailable or out of the office.

Serial or Sequential Purchases (aka "splitting transactions"): purchases made over a period of time of items that in normal purchasing practices would be purchased in one purchase, but were split into multiple transactions in order to circumvent procurement rules, or competitive bidding requirements.

Section 19. References

- Texas Comptroller's HUB Directory
- Texas Municipal Procurement Laws Made Easy (Texas Municipal League)
- State of Texas Purchasing Cooperatives



AGENDA ITEM SUMMARY

	AGENDA ITEM SUMMARY
Agenda Date	September 23, 2025
Requested Action	APPROVE RESOLUTION NO. 2025-R73; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS, DIRECTING THE CLOSEOUT OF YEAR-END SURPLUSES.
Contact Person	Sarah Buckelew, Finance Director
Background Information	<p>Each year, as the City closes its financial records, some funds may reflect a surplus balance after accounting for restricted uses, required reserves, and approved obligations. This resolution establishes a clear process for applying those remaining surpluses to support the City’s upcoming adopted budget and CIP, and strategic priorities.</p> <p>Under the resolution, year-end surpluses in the General Funds and Utility Funds (not Special Revenue Funds) will first be applied to statutory restrictions, encumbrances, and the City’s minimum operating reserve requirement. Any remaining balances will then be assigned to capital and special projects as adopted in the FY 2026 Budget and Capital Improvement Program (CIP). Finally, residual surpluses will be transferred to the Governmental Capital Fund or to the respective Capital Funds of each utility.</p> <p>Adopting this resolution provides consistency and transparency in year-end financial practices. It ensures that one-time surpluses are directed toward capital improvements and long-term projects rather than ongoing operations, aligning with the City’s Fiscal and Budget Policy and the Texas Local Government Code.</p>
Strategic Alignment	F1: Commitment to strategic, responsible, and conservative financial management. Fiscal Excellence
Financial Considerations	N/A

Citizen Input/Board Review	N/A
Legal Review	The resolution was reviewed and approved by legal
Alternative Options	N/A
Supporting Documents	Resolution No. 2025-R73

RESOLUTION NO. 2025-R73

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS,
DIRECTING THE CLOSEOUT OF YEAR-END SURPLUSES FOR FISCAL
YEAR ENDED SEPTEMBER 30, 2025**

WHEREAS, the City Council adopts an annual operating budget and Capital Improvement Program ("CIP"), which includes appropriations for each approved capital improvement project; and

WHEREAS, the City's Fiscal & Budget Policy provides guidance for applying year-end surpluses to maintain reserves and support capital needs;

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

SECTION 1: At the close of fiscal year 2025, after accounting for all statutory, restricted, assigned, and reserve requirements, the City shall direct any remaining fund balance/net position to capital or special project purposes in accordance with the Fiscal Year 2026 adopted budget and CIP, with residual balances transferred to the Governmental Capital Fund or the respective Capital Fund of each utility.

SECTION 2: This resolution shall apply to all City funds except Special Revenue Funds.

PASSED, APPROVED and ADOPTED on this the ___ day of _____, 2025.

APPROVED:

ATTEST:

Mayor

City Secretary



AGENDA ITEM SUMMARY

Agenda Date	September 23, 2025
Requested Action	APPROVE RESOLUTION NO. 2025-R74; A RESOLUTION ADOPTING REVISIONS TO THE FINANCIAL MANAGEMENT POLICY TO ALIGN WITH BEST PRACTICES AND REGULATORY REQUIREMENTS.
Contact Person	Sarah Buckelew, Finance Director
Background Information	<p>The proposed revisions to the Financial Management Policy will clarify the City’s standard practice for handling fund balances and net position in excess of the minimum reserve requirements. Under the revised policy, year-end surpluses in the General Fund and Utility Funds will, by default, be directed to budgeted long-term, one-time uses, in accordance with Financial Management Policy XXII (3)(E) unless otherwise directed by City Council.</p> <p>The updated language establishes a clear hierarchy for applying surplus funds:</p> <ol style="list-style-type: none"> 1. Statutory, restricted, assigned, and non-spendable amounts (including encumbrances); 2. Minimum operating reserves as required by the Fiscal & Budget Policy; 3. Capital and special projects adopted in the subsequent year’s budget and Capital Improvement Program (CIP); and 4. Residual balances transferred to the Governmental Capital Fund or the respective Capital Fund of each utility. <p>This change ensures that surplus funds are applied in a consistent, transparent manner that prioritizes capital improvements and/or budgeted special projects, while preserving Council’s discretion to direct otherwise when necessary. Special Revenue Funds remain excluded, as their use is restricted by law or dedicated revenue sources.</p> <p>By formalizing this process, the City ensures that one-time surpluses are not used to fund ongoing operations, supporting long-term financial sustainability and compliance with best practices in municipal finance.</p>

Strategic Alignment	Financial Excellence
Financial Considerations	N/A
Citizen Input/Board Review	N/A
Legal Review	N/A
Alternative Options	N/A
Supporting Documents	Resolution No. 2025-R74

RESOLUTION NO. 2025-R74

A RESOLUTION ADOPTING REVISIONS TO THE FINANCIAL MANAGEMENT POLICY TO ALIGN WITH BEST PRACTICES AND REGULATORY REQUIREMENTS

WHEREAS, the City of Boerne is committed to strong financial stewardship and aligning its financial policies with best practices and applicable regulations; and

WHEREAS, the City's Financial Management Policy has been reviewed and revised to clarify the treatment of fund balances and net position in excess of required minimum reserves; and

WHEREAS, the revised policy provides a clear hierarchy for allocating year-end surpluses in the General Fund and Utility Funds, ensuring that such funds are directed to long-term, one-time uses unless otherwise directed by City Council; and

WHEREAS, the updated hierarchy is as follows:

1. Statutory, restricted, assigned, and non-spendable amounts (including encumbrances);
2. Minimum operating reserves as required by the Fiscal & Budget Policy;
3. Capital and special projects adopted in the subsequent year's budget and Capital Improvement Program (CIP); and
4. Residual balances transferred to the Governmental Capital Fund or the respective Utility Capital Funds;

WHEREAS, Special Revenue Funds remain excluded from this policy due to statutory and revenue-use restrictions; and

WHEREAS, formalizing this approach ensures one-time surpluses are applied in a consistent, transparent manner that supports capital needs and long-term financial sustainability, while preserving Council's authority to direct funds otherwise when appropriate;

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

SECTION 1. The revised Financial Management Policy, as presented, is hereby adopted.

SECTION 2. City staff shall implement and apply the policy revisions in accordance with the established hierarchy and Council direction.

SECTION 3. This resolution shall take effect immediately upon passage.

PASSED, APPROVED and ADOPTED on this the ___ day of _____, 2025.

APPROVED:

Mayor

ATTEST:

City Secretary


	CITY OF BOERNE – FINANCE DEPARTMENT	
	POLICY 100 - FINANCIAL MANAGEMENT POLICY	
	VERSION # 2025.2	EFFECTIVE DATE: 09/23/2025
	POLICY OWNER: FINANCE DIRECTOR	REVIEW CYCLE: AS NEEDED
	APPROVED BY: City Council	APPROVAL DATE: 09/23/2025

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I. PURPOSE

The City of Boerne, Texas (the “City”) is committed to financial management through integrity, prudent stewardship, planning, accountability, full disclosure and communication. The broad purpose of this Fiscal and Budget Policy is to enable the City to achieve and maintain a long-term stable and positive financial condition, and provide guidelines for the day-to-day planning and operation of the City’s financial affairs.

The scope of this policy spans areas of accounting and financial reporting, internal controls, both operating and capital projects budgeting, revenue management and forecasting. These functions are intended to:

- A. Demonstrate to the citizens of the City, the investment community, and the bond rating agencies that the City is committed to strong fiscal operations;
- B. Provide precedents of common financial goals and strategies for future policy-makers and financial managers;
- C. Fairly present and fully disclose the financial position of the City in conformity with accounting practices generally accepted in the United States of America; and
- D. Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code and other related legal mandates upon the City.

These policies will be reviewed annually and updated as needed as part of the new budget adoption process.

The budgeted funds for the City include:

Governmental Funds:

1. **General Fund** which accounts for all financial resources except those required to be accounted for in another fund, and include basic governmental services, such as Police, Fire and Administration functions among others.
2. **Special Revenue Funds** which account for revenues that are restricted or committed for specified purposes other than debt service and capital projects. The City currently budgets five (8) Special Revenue Funds that include Hotel Motel, Parks, Library, Cemetery, Economic Development, Vehicle Replacement, Equipment Replacement, and Dispatch.
3. **Debt Service Fund** which is used to account for the payment of general long-term debt principal and interest.

4. **Capital Projects Funds** which are used to account for the acquisition or construction of major capital projects other than those financed by enterprise activities.

Proprietary Funds:

1. **Enterprise Funds** include the City's "business-type" activities including all the City's utility funds including a capital recovery fund, vehicle replacement, and equipment replacement.
2. **Utility Construction Funds** are used to account for the acquisition or construction of major system capital projects financed by utility revenue bonds designated for specific improvements to the utility systems.

Permanent Fund:

1. **Cemetery Trust Fund** is used to account for resources legally held in trust to provide for upkeep of the cemetery. This fund is restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs that is, for the benefit of the City or its citizens. This fund meets the criteria of a permanent trust fund and thus has been reported as governmental activity in the statement of net position.

Blended Component Unit:

1. **Boerne Public Facility Corporation Fund** is used to account for the activity of the Boerne Public Facility Corporation (BPFC), a blended component unit of the City. The BPFC is a nonprofit public corporation organized exclusively for the purpose of assisting the City in financing, refinancing, or providing public facilities within the City.

II. BASIS OF ACCOUNTING AND OF BUDGETING

The City accounts and budgets for all **Governmental Funds** using the modified accrual basis of accounting. This basis means that revenue is recognized in the accounting period in which it becomes available and measurable, while expenditures are recognized in the accounting period in which they are incurred. Because the appropriated budget is used as the basis for control and comparison of budgeted and actual amounts, the basis for preparing the budget is the same as the basis of accounting. Exceptions to the modified accrual basis of accounting include:

- Grants, in accordance with GASB 33 are considered revenue when eligibility requirements are met or resources are received (whichever is first);, and
- Principal and interest on long-term debt, which are recognized when paid.

The City's **Proprietary Funds**, which include the enterprise funds, are accounted and budgeted using the full-accrual basis of accounting. Under this method, revenues are recognized when they are earned and measurable, while expenses are recognized when they are incurred regardless of timing or related cash flows. The basis for preparing the budget is the same as the basis of accounting except for principal payments on long-term debt and capital outlay expense which are treated as budgeted expenses.

III. OPERATING BUDGET

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The "operating budget" is the City's annual financial operating plan. The annual budget includes all of the operating departments of the general fund, proprietary funds, debt service funds, special revenue funds, and capital improvements funds of the City.

- A. **Preparation** – The City of Boerne Home Rule Charter ("Charter") (Section 6.02) requires that "the City Manager submit a proposed budget containing a complete financial plan for each fiscal year. Such a budget shall be submitted to the City Council not more than one hundred twenty (120) days but not less than sixty (60) days prior to the beginning of each fiscal year."

The Budget will contain the following basic segments for review and evaluation:

- (a) A brief budget message which shall outline the proposed financial policies of the City for the fiscal year, shall set forth the reasons for any major changes in expenditure and revenue items from the previous fiscal year, and shall explain any major change in financial policy;
- (b) Revenue summary;
- (c) Departmental expenditures summary;
- (d) Departmental budgets;
- (e) Schedule of outstanding bonded debt;
- (f) Schedule of capital outlays by department;
- (g) Review of property valuations;
- (h) An analysis of tax rates;
- (i) Tax levies and collections by year for the last three (3) fiscal years;
- (j) A provision for financing the current Capital Improvement plan.

The proposed budget submitted to City Council will compare revenues and expenditures for at least the last complete fiscal year, the estimated total amount of each item for the current fiscal year, and the proposed total amounts for the ensuing fiscal year.

The budget review process will include City Council participation in the development of each segment through various budget workshops and will allow for citizen participation in the process through a public hearing on the proposed budget. Required notice of the hearing will be made in accordance with Local Government Code Section 102.

A copy of the proposed budget will be filed with the City Secretary and will also be available on the City's website.

- B. **Amendment before adoption** - After the public hearing, the City Council may adopt the budget with or without amendments. In amending the proposed budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service, provided that no amendment to the proposed budget shall increase expenditures to an amount greater than the estimated income (including the use of available Fund Balance).
- C. **Adoption** - The City Council will adopt the proposed budget on or before the deadline established under Local Government Code Section 102. If it fails to adopt the proposed budget by this date, the amounts appropriated for operations for the current fiscal year will be deemed adopted for the ensuing fiscal year on a month-to-month basis, with all items in it pro-rated accordingly, until such time as the City Council adopts a budget for the ensuing fiscal year. Adoption of the budget will constitute appropriations of the amounts specified therein as expenditures from the funds indicated and will constitute a levy of the property tax therein proposed.
- D. **Balanced Budget** -
The Charter (Section 6.05) requires that the total of proposed expenditures shall not exceed the total estimated income. The City's goal is to balance the operating budget with current revenues, whereby, current revenues would match and fund on-going expenditures/expenses. The City considers the budget balanced when total expenditures/expenses are equal to total revenues. However, the budget is also balanced in situations where total expenditures/expenses are less than total revenues, which is technically a surplus. There are also instances when the City might plan to spend excess fund balances accumulated from previous years (while maintaining established reserves) on one-time or non-routine expenditures. The City considers the budget to be balanced in this case also, provided the funding from previous years is available, and a plan is in place to not build ongoing expenditures/expenses into this type of funding. This type of balanced budget is especially prevalent when capital projects are budgeted using proceeds from the issuance of bonds.

<p>Scenario One: Revenues = Expenditures Scenario Two: Revenues > Expenditures Scenario Three: Revenues + Appropriated Fund Balances = Expenditures</p>

- E. **Planning** - The budget process will be coordinated so that major policy issues are identified prior to the budget approval date. This will allow City Council adequate time for consideration of appropriate decisions and analysis of the financial impacts.
- F. **Reporting** - Summary financial reports will be presented to the City Council on a quarterly basis. These reports will be in an appropriate format to enable the City Council to understand the overall budget and the City's financial status. These reports will also give the current status of revenues and expenditures to-date compared with the corresponding budgets for each fund.
- G. **Control and Accountability** – Each department director, appointed by the City Manager, will be responsible for the goals and objectives adopted as part of the budget and for monitoring their individual departmental budget for compliance with spending limitations. The Finance Director and the City Manager may transfer funds within the operations and maintenance or capital line items of a departmental budget category without City Council approval. All other transfers of appropriation or budget amendments that alter the original adopted budgets at the fund level require City Manager and City Council approval as outlined in the following section.
- H. **Budget Amendments** – The City's Charter (Section 6.04) provides a method to amend the adopted budget for supplemental appropriations and emergency appropriations. The City Council may authorize supplemental appropriations for the year if the City Manager certifies that there are available revenues in excess of those estimated in the budget. In addition, in order to meet a public emergency affecting life, health, property or the public peace, the City Council may make emergency appropriations to the adopted budget. To the extent that there are no available unappropriated revenues to meet such emergency situations, the City Council may, by such ordinance, authorize the issuance of emergency notes, which may be renewed as necessary. In the event of a budgeted revenue shortfall, contingency procedures are further defined in Section VI.
- I. **Contingency Appropriations** – The budget may include contingency appropriations within designated operating departmental budgets. These funds are used to offset expenditures for unexpected maintenance or other unanticipated expenses that might occur during the year.
- J. **Lapse of Appropriations** – The Charter (Section 6.06) provides a method to address budget appropriations that have not been expended or encumbered before the end of the fiscal year. The Charter states that every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three (3) years pass without any disbursement from or encumbrance of the appropriation.

IV. REVENUE MANAGEMENT

A. **Characteristics** – The City will strive for the following optimum characteristics in its revenue system:

1. **Simplicity** – The City, where possible and without sacrificing accuracy, will strive to keep the revenue system simple in order to reduce compliance costs for the taxpayer or service recipient.
2. **Certainty** – A knowledge and understanding of revenue sources increases the reliability of the revenue system. The City will understand its revenue sources and enact consistent collection policies to provide assurances that the revenue base will materialize according to budget.
3. **Fund Balance**– The City shall make every effort to maintain fund balance in its revenue system; i.e., the City should seek to minimize or eliminate all forms of subsidization between entities, funds, services, utilities, and customer classes, and ensure an on-going return on investment for the City.
4. **Revenue adequacy** - The City should require that there be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to the cost of services, willingness to pay, and ability to pay.
5. **Realistic and conservative estimates** – Revenues will be estimated realistically, and conservatively, taking into account the volatile nature of various revenue sources.
6. **Administration** – The benefits of a revenue source should exceed the cost of levying and collecting that revenue.
7. **Diversification and stability** – A diversified revenue system with a stable source of income shall be maintained. This will help avoid instabilities in two major revenue sources due to factors such as fluctuations in the economy and variations in the weather.

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

1. **Cost/Benefit of incentives for economic development** – The City will use due diligence in the analysis of any incentives that are used to encourage development. A cost/benefit (fiscal impact) analysis will be performed as part of the evaluation.
2. **Non-recurring revenues** – One-time or non-recurring revenues should not be used to finance current ongoing operations. Non-recurring revenues should be used only for non-recurring expenditures and not for budget balancing purposes.
3. **Property tax revenues** – All real and business personal property located within the City will be valued at 100% of the fair market value for any given year based

on the current appraisal supplied by the Kendall Appraisal District. A conservative approach will be taken to estimate the budgeted collection rate taking into consideration historical data and the current economic climate. For budgeting purposes, the City will forecast the proposed property tax rate using the effective maintenance & operations (M&O) rate plus the interest and sinking (I&S) rate needed to fund tax supported debt service. Any increase to the M&O rate will be evaluated and determined by the City Council.

4. Interest Income – Interest income earned from investments will be distributed to the funds in accordance with the fund balance from which the monies were provided to be invested.
5. User-based fees and service charges – For services associated with a user fee or charge, the direct or indirect costs of that service will be offset by a fee where possible. The City will review fees and charges no less than once every year to ensure that fees provide adequate coverage for the cost of the services. The City Council will determine how much of the cost of a service should be recovered by fees and charges.
6. Enterprise fund rates – The City Council will serve as the governing body for the Utilities that make up the City’s Utility Funds. The City Council will review and adopt utility rates as needed to generate revenues required to fully cover operating expenses, meet the legal requirements of all applicable bond covenants, and to provide for an adequate level of working capital and fund balance reserve. Utility rates will be reviewed annually as part of the budget process. An external rate study will be conducted on a regular basis (to be determined by City Council) to review rate methodology and to ensure revenues will meet future needs.

Additionally, enterprise activity rates will include transfers to and credits from other City funds as follows:

- a) General and administrative charges – Administrative costs should be charged for general overhead services such as administration, finance, legal, information technology services, and other costs as appropriate. These charges will be determined through an indirect cost allocation following accepted practices and procedures and will be reviewed annually during the City’s budget process.
 - b) Payment for return on investment – The intent of this charge is to provide a benefit to the citizens of the City for the ownership of the various utility operations they own.
 - c) Street rental fee - This fee will be assessed to each utility based on a percentage of sales revenues in lieu of franchise fees.
7. Grant revenues – All potential grants will be reviewed for any matching requirements and on-going long term maintenance and operations expense

and must be approved by the City Council and addressed in the adopted budget or amendments to the budget. Operational requirements (on-going costs) set up as a result of an awarded grant should be discontinued once the term and conditions of the grant have been completed unless City Council approves continuance of the program and related expenses.

8. Revenue monitoring – Revenues will be regularly compared to budgeted revenues as they are received and variances will be investigated, and any abnormalities will be addressed in the quarterly report to the City Council.
9. Use of excess fund balance - Any inclusion of previous years' excess fund balance in the adopted budget will be intended for use for one-time or non-recurring expenses or projects.
10. Revenue reserve requirements – In the budget process, current excess fund balances for each fund carried-over from previous years will be reviewed and compared to the City's desired level of available operating revenue reserves. The desired level of available operating revenue reserves is equivalent to six (6) months of operating expenditures. This desired level will also be reviewed during the budget process to ensure adequate reserves are available to cover unforeseen temporary down-turns in revenue streams. The City considers a reserve balance of less than three (3) months of operating expenditures to be inadequate. See Section XIII C. for reserve balance policy.

V. EXPENDITURE POLICIES

- A. **Appropriations** – The point of budget control is at the department level budget for all funds. The Charter (Section 6.04) provides that any transfer of appropriation between funds must be approved by the City Council and that the City Manager is authorized to transfer appropriations between categories within the same department and fund.
- B. **Purchasing** – The City Council has formally approved a separate Procurement Policy for the City of Boerne which is more restrictive than the legal requirements under State Law. This policy is reviewed and updated as needed by the Finance Department and approved by the City Council. All City purchases of goods or services will be made in accordance with the City's current Procurement Policy and in compliance with State law.
- C. **Prompt payment** – All invoices approved for payment by the proper City authorities shall be paid within thirty (30) calendar days of receipt of goods or services or the invoice date, whichever is later, in accordance with State law. The City will take advantage of all purchase discounts and early payment savings where possible.
- D. **Risk Management** – The City will pursue every opportunity to provide for the Public's and City employees' safety and to manage its risks. The goal shall be to

minimize the risk of loss of resources through liability claims with an emphasis on safety programs.

VI. BUDGET CONTINGENCY PLAN

The Charter Section 6.04C refers to the actions to be taken by the City Manager in event that available revenues will be insufficient to meet appropriations during the fiscal year. This policy is designed to establish general guidelines for managing revenue shortfalls resulting from local and national economic down-turns that adversely affect the City's revenue streams.

- A. **Immediate action** – Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset the projected shortfall with a reduction in current expenses. The City Manager may:
- a) Freeze all new hires and filling of vacant positions except those deemed to be absolutely necessary for public safety;
 - b) Review and delay all planned remaining capital expenditures not funded by bond proceeds;
 - c) Delay all “non-essential” spending or equipment replacement purchases.
- B. **Further action** – If the above actions are insufficient to offset the revenue deficit and the shortfall continues to increase, the City Manager will further reduce operating expenses to balance the variance. Any remaining service level reductions, including workforce reductions, will be reviewed and addressed by the City Council.

VII. CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET

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

- A. **Preparation** - The City annually reviews and updates a five-year Capital Improvement Program (CIP) schedule as part of the operating budget adoption process. The plan is adjusted annually as needed, and year one is adopted as the current year capital budget. The capital budget will include all capital projects, capital resources, and estimated operational impacts.
- Needed capital improvements are identified through system models, repair and maintenance records and growth demands.
 - Economic development projects that have capital infrastructure needs must be reviewed and approved for funding by the City Manager or his designee.
 - A team approach will be used to prioritize CIP projects, whereby City staff from all affected operational areas will provide input and ideas relating to each project and its effect on operations.

- Citizen involvement and participation may be solicited in formulating the capital budget through meetings, public hearings and other forums.
 - Capital infrastructure necessary to meet the requirements of the City's Master Plan will be identified separately with the CIP plan, so that additional or alternative funding can be developed if necessary.
- B. **Control** - All capital project expenditures must be appropriated in the capital budget. The availability of resources must be identified and then reviewed by the Finance Department and approved by the City Manager before any CIP document is presented to the City Council for approval.
- C. **Financing programs** - Where applicable, assessments, impact fees, pro-rata charges, or other fees should be used to fund capital projects which have a primary benefit to specific identifiable property owners.
- 1) Recognizing that long-term debt is usually a more expensive financing method, alternative financing sources will be explored before debt is considered. When long-term debt is determined to be the financing source, it will be used to acquire major assets. The type of assets acquired will determine the average life of the debt issued.
 - 2) Short-term financing including capital leasing and other tax-supported obligations can be used to fund vehicles, computers and other operating equipment, provided the impact to the tax rate is minimal. Caution should be used in replacing assets with short-term, tax-supported obligations due to the repetitive nature of the replacements.

VIII. CAPITAL MAINTENANCE AND REPLACEMENT

The City recognizes that deferred maintenance increases future capital costs. Therefore, a portion of all individual funds with capital asset infrastructure should be budgeted each year to maintain the quality within each system.

- A. **Infrastructure maintenance** – On-going maintenance and major repair costs are included as capital expense within the departmental operating budgets. These costs are generally considered system repairs and are not capitalized for accounting purposes. They include such items as street seal coat, water line repairs and other general system maintenance.
- B. **Other funds** – The City currently uses regular maintenance and replacement in order to maximize use of its operational assets and to ensure that repair costs do not become overly burdensome on what are considered relatively short-term assets. In this way, suitable funds are available for the replacement of these assets without the need to issue debt.
1. **Vehicle and Equipment maintenance and replacement funds** - The City has a major investment in its fleet of cars, trucks, tractors, and other similar equipment. The City anticipates having to replace the existing equipment as

necessary and budgets to that end each year. Vehicle and equipment maintenance is also funded in this manner. Vehicles and equipment will be replaced when it is cost effective to do so. Vehicles and equipment purchased will be suitable for their purpose but not exceed the necessary features and capabilities required to meet the day to day requirements of the vehicle/equipment. When an existing vehicle is replaced by a new vehicle, every effort should be made to:

- a. Utilize the proceeds of the sale of the vehicle toward the purchase of future vehicles or equipment, or;
- b. Utilize the outgoing vehicle somewhere else in the City fleet as long as its condition is suitable for the new purpose.

2. **Information technology maintenance and replacement fund**- It is the current policy of the City to plan and fund the maintenance and replacement of its computer network and other technology systems. Equipment of this type typically is covered by warranty for five (5) years. As this is the case, the City will budget for replacement of approximately 20% of the equipment in place each year if funds are available. However, if a department such as Police, Finance or Cash Collections has any technology that is no longer under warranty, it is considered to be at end of life and must be replaced to stay in compliance with Federal and State policies such as the Criminal Justice Information Security Policy and the Payment Card Industry Security Policy. If it is determined by the IT Director to be beneficial, older computers can fill a need within another area in the City and if so, each one is used as needed beyond the five year cycle.
3. **Facilities maintenance fund** – Facilities are also an area of major investment on the part of the City. Due to the rich heritage of buildings in the City, it is not surprising that several of the main City facilities are historic buildings and many years old. For this reason, the City has established an on-going maintenance program, which includes major repairs, equipment upgrades, and contracts for maintaining City facilities. By maintaining these facilities on a regular basis, the City is able to be a proud contributor to preserving some of the City’s colorful past.

IX. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- A. **Accounting** - The City is solely responsible for the recording and reporting of its financial affairs, both internally and externally. The Finance Director is the City’s Chief Financial Officer and is responsible for establishing the structure for the City’s Chart of Accounts and for assuring that procedures are in place to properly record financial transactions, pay all of the City’s bills on a timely basis, keep revenues and expenditures realistic and equitable to all the citizens of the City, and to report the financial position of the City at any given time.

- B. **Auditing** - In accordance with the Charter, an independent audit of the City's financial statements will be performed every year. The auditor will be retained by City Council and will be directly accountable to the City Council.
- C. **External Reporting** - In conjunction with the completion and acceptance of the annual audit by the City's auditors, the Finance department shall prepare a written Annual Comprehensive Financial Report (ACFR) with all reasonable efforts to be made to present the ACFR to the City Council within 180 calendar days of the City's fiscal year end. The ACFR shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and shall also be presented annually to the Government Finance Officers Association (GFOA) for evaluation and consideration for the GFOA Certificate of Achievement in Financial Reporting.
- D. **Internal reporting** - The Finance department will prepare internal financial reports for presentation to and review by the City Council on a quarterly basis. Reports must be timely, accurate, and sufficient to plan, monitor and control the City's financial affairs.

X. ASSET MANAGEMENT

- A. **Cash management and investments** – The City Council has formally approved a separate Investment Policy for the City of Boerne that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local Government Code. This policy is reviewed and updated annually by the Finance Department and approved by the City Council and as it applies to all financial assets held by the City.
- B. **Capital Assets** - The Finance department is responsible for ensuring that capital assets are reasonably safeguarded, properly accounted for, reported and capitalized in accordance with GAAP, and prudently insured against loss.
1. **Capitalization criteria** – For the purposes of budgeting and accounting classification, the following criteria apply to assets to be capitalized:
- The asset must be owned by the City.
 - The asset must be tangible.
 - The expected useful life of the asset must be longer than three (3) years or must extend the life of an existing asset by more than three (3) years.
 - The original or improved cost of the asset must be greater than \$5,000.
 - Useful life will be established based on available sources such as the Internal Revenue Service, or other acceptable sources that are in accordance with GAAP.
 - On-going repairs and general maintenance will not be capitalized.
 - Assets not meeting the above criteria will be expensed in the period in which they were purchased or added.

2. **New purchases** – All costs associated with bringing the asset into working order will be capitalized as part of the asset cost. This will include start-up costs, engineering or consultant-type fees that are incurred once the decision to purchase the asset is made. The cost of land acquired should include all related costs associated with its purchase.
3. **Improvements and replacement** – Improvements will be capitalized when they extend the original life of an asset or when they make the asset more valuable than it was originally. The replacement of asset components will normally be expensed unless they are of a significant nature and meet all of the capitalization criteria.
4. **Contributed capital** – Infrastructure assets received from developers or as a result of annexation will be recorded as capital contributions when they are received at fair market value. Assets received from developers in the form of cash contributions will be accounted for separately from infrastructure assets for purposes of cash-flow reporting.
5. **Distribution systems** – All costs associated with public domain assets, such as streets and utility distribution lines will be capitalized in accordance with the capitalization policy. Costs should include engineering, construction and other related costs including right-of-way acquisition.
6. **Reporting and inventory** – The Finance Department will maintain the permanent records of the City's capital assets, including description, cost, department of responsibility, date of acquisition, depreciation and expected useful life. Periodic, random sampling will be performed to inventory capital assets assigned to a department. Responsibility for safeguarding the City's capital assets lies with the department that has been assigned that asset. When an asset leaves a department's responsibility due to disposition, sale or transfer, the assigned department is responsible to report the change in status or location to the Finance Department. All assets will be inventoried using a system specific to each capital asset and recorded in the permanent records of capital assets.
7. **Intangible Assets** – right-of-way easements are considered intangible assets and are recorded at fair market value based on the date purchased or the most recent appraisal (if donated).
8. **Lease Assets** – the City leases machinery and equipment. Leases are approved by City Council, and recorded as assets amortized over the life of the lease in accordance with GASB Statement No. 97 *Leases*.
9. **Subscription-based Information Technology Arrangements (SBITA)** are contracts between a government entity and another party (such as an IT

Vendor) that grants the right to use IT software for a period of time in an exchange or exchange-like transaction. SBITA's are amortized over the life of the arrangement and are intangible in nature in accordance with GASB Statement No. 96, Subscription Based Information Technology Arrangements

XI. DEBT MANAGEMENT

The City recognizes the primary purpose of capital facilities is to provide services to the community. Using debt financing to meet the capital needs of the City must be evaluated according to efficiency and fund balance. Efficiency must be evaluated to determine the highest rate of return for a given investment of resources. Allocation of debt is resolved by determining who should pay for the cost of capital improvements. In meeting demand for additional services, the City will strive to balance the needs between debt financing and "pay as you go" methods. The City realizes that failure to meet the demands of growth may inhibit its continued economic viability, but also realizes that too much debt may have detrimental effects on the City's long-range financial condition. The City will issue debt only for the purpose of acquiring or constructing capital assets for the general benefit of its citizens and to allow it to fulfill its various purposes as a city.

- A. **Usage of debt** - Long-term debt financing will be considered for non-continuous capital improvements of which future citizens will be benefited. Alternatives for financing will be explored prior to any debt issuances and include, but are not limited to:
- Grants;
 - Reserve funds;
 - Current revenues;
 - Contributions from developers and others;
 - Leases; and
 - Impact fees.

When the City utilizes long-term financing, it will ensure that the debt is adequately financed by conservatively projecting revenue sources that will be used to pay the debt. It will not finance the improvement over a period greater than the useful life of the improvement and it will determine that the cost benefit of the improvement including interest costs is positive to the City.

The City may utilize the benefits of short-term debt financing for purchasing operating equipment provided the debt doesn't extend past the useful life of the asset and the potential impact to the tax rate is within policy guidelines.

- B. **Types of debt** -

1. **General Obligation Bonds (GO's)** - General Obligation (or limited tax) Bonds must be authorized by a vote of the citizens of Boerne. They are used only to fund capital assets of the general government and are not to be used to fund

operating needs of the City. The full faith and credit of the City as well as the City's ad valorem taxing authority back GO's. Conditions for issuance of GO debt include:

- A significant impact will occur on the tax rate due to the contemplated project;
 - A project is controversial, even if it is routine in nature;
 - A project that resides outside the normal bounds of projects the City has typically undertaken.
2. **Revenue Bonds** - Revenue bonds will be issued to provide for the capital needs of any activities where the capital requirements are necessary for the continuation or expansion of a service. The improved activity shall produce a revenue stream to fund the debt service requirements of the necessary improvement to provide service expansion. Revenue bonds are issued and repaid by the revenue derived from the sales of the utility service or expansion. The average life of the obligation should not exceed the useful life of the asset(s) to be funded by the bond issue and will generally be limited to thirty (30) years or less.
3. **Certificates of Obligation (CO's)** - Certificates of obligation may be used to fund capital requirements that are not otherwise covered either by general obligation or revenue bonds. Debt service for CO's may be either from general revenues (tax-supported) or supported by a specific revenue stream(s), or a combination of both. Typically, the City may issue CO's when the following conditions are met:
- The proposed debt will have minimal impact on future effective property tax rates;
 - The projects to be funded are within the normal bounds of City capital requirements, such as for roads, parks, various infrastructure and City facilities; and
 - The average life of the obligation does not exceed the useful life of the asset(s) to be funded by the issue.
4. **Tax Notes** - The City may issue tax notes in anticipation of tax collections, grant proceeds, bond proceeds or any other lawful purpose. These tax notes are of a short-term, usually not more than seven (7) years and are intended to boost cash flow in anticipation of future receipts of funds. The asset(s) to be purchased with tax notes may at times be later incorporated into an issuance of a GO or CO on a similar or related issue.
- C. **Method of Sale** - The City will use a competitive bidding process in the sale of bonds unless conditions in the bond market or the nature of the issue warrant a negotiated bid. In such situations, the City will publicly present the reasons for

the negotiated sale. The City will rely on the recommendation of the financial advisor in the selection of the underwriter or direct purchaser.

- D. **Disclosure** - Full disclosure of operating costs along with capital costs will be made to the bond rating agencies and other users of financial information. The City staff, with the assistance of the City's financial advisors and bond counsel, will prepare the necessary materials for presentation to the rating agencies and will aid in the production of the offering documents. The City Manager is responsible for the accuracy of all financial information released.
- E. **Federal Requirements** - The City will maintain procedures to comply with arbitrage rebates and other Federal requirements of debt issuance.
- F. **Debt Structuring** - The City will issue bonds with an average life of no more than twenty-five (25) years, not to exceed the useful lives of the assets acquired. The structure should approximate level debt service unless operational matters dictate otherwise. Market factors, such as the effects of tax-exempt designations, the cost of early redemption options and the like, will be given consideration during the structuring of long-term debt instruments.
- G. **Debt Coverage Ratio** - Debt coverage ratio refers to the number of times the current combined debt service requirements or payments would be covered by the current operating revenues net of on-going operating expenses of the City's combined utilities (Electric, Water, Wastewater, and Gas). The City will maintain a minimum debt service coverage ratio of at least 1.25 times for these utilities as a whole unless otherwise dictated by the bond covenants.
- H. **Bond Reimbursement Resolutions** - The City may utilize bond reimbursements as a tool to manage its debt issues, due to arbitrage requirements and project timing. In doing so, the City uses its capital reserve "cash" to delay bond issues until such time when bond issuance is favorable and most beneficial to the City.

The City Council may authorize a bond reimbursement resolution for General Capital projects that have a direct impact on the City's ad valorem tax rate when the bonds will be issued within the term of the existing City Council. The City Council may also authorize revenue bond reimbursements for approved utility and other self-supporting capital projects within legislative limits. The total outstanding bond reimbursements may not exceed the total amount of the City's reserve funds.

XII. OTHER FUNDING ALTERNATIVES:

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

- A. **Grants** - All potential grants will be examined for any matching requirements and the source of those requirements identified. A grant funding worksheet,

reviewed by the Finance Department, that clearly identifies funding sources, outcomes and other relevant information will be presented and approved by the City Manager prior to any grant application being submitted. The information identified will be included as a factor in determining inclusion into the budget. It must be understood that any resulting operation requirements of the grant should be discontinued once the term and conditions of the project for which the grant was awarded has been terminated or completed.

- B. **Use of reserve funds** – The City may authorize the use of reserve funds to potentially delay or eliminate a proposed bond issue. This may occur due to higher than anticipated fund balances in prior years, thus eliminating or reducing the need for debt proceeds, or postpone a bond issue until market conditions are more beneficial or because timing of the related capital improvements does not correspond with the planned bond issue. Reserve funds used in this manner are replenished upon issuance of the proposed debt.
- C. **Developer contributions** – The City will require developers who negatively impact the City’s utility capital plans to offset those negative impacts. These policies are further defined within the City’s Utility Rules and Regulations on line extensions and other development regulations.
- D. **Leases** – The City may authorize the use of lease financing for certain operating equipment when it is determined that the cost benefit of such an arrangement is advantageous to the City.
- E. **Impact fees** – The City will impose impact fees as allowable under state law for both water and wastewater services. These fees will be calculated in accordance with applicable statute(s) and reviewed and updated at least every five (5) years. All fees collected will fund projects identified within the Fee study and as required by state laws.

XIII. FUND BALANCE/NET POSITION POLICY, FINANCIAL CONDITIONS, RESERVES, AND STABILITY

- A. **Fund Balance Policy (Revised for GASB 54)** – The purpose of this policy is to establish a key element of the financial stability of the City of Boerne by setting guidelines and parameters for fund balance of the various funds used by the City. Unassigned fund balance is an important measure of economic stability and it is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances. Advantages of a fund balance policy are as follows:
 - Enhances the quality of decisions by imposing order and discipline
 - Promotes consistency and continuity in decision making
 - Demonstrates a commitment to long term financial planning objectives.

GASB 54 Background – In February 2009, The Governmental Accounting Standards Board (GASB) issued GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. The statement substantially changes how fund balances are categorized. It clarifies/modifies how some of the governmental funds are presented and classified.

Non-spendable	Not available for spending, either now or in the future, because of their form (e.g., debt retirement, inventory, prepaids)	
Restricted	Constraints on spending that are legally enforceable by outside parties.	
Unrestricted	Committed	Constraints on spending that the government imposes upon itself by highest-level formal action prior to the close of the period.
	Assigned	Resources intended for spending for a purpose set by the governing body itself or by some person or body delegated to exercise such authority in accordance with policy established by the City Council.
	Unassigned	Residual (general fund only)

B. Net Position Policy (Revised for GASB 63) – The purpose of this policy is to establish a key element of the financial stability of the City of Boerne by setting guidelines and parameters for net position of the various proprietary funds used by the City. Unrestricted net position is an important measure of economic stability and it is essential that the City maintain adequate levels of unrestricted net position to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances.

GASB 63 Background – In June 2011, The Governmental Accounting Standards Board (GASB) issued GASB 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The statement incorporated the terminology of deferred outflows/inflows of resources and updated the calculation of net position for proprietary funds.

C. Definitions

Fund Balance – The fund equity of a governmental fund for which an accounting distinction is made between the portions that are spendable and non-spendable. Fund balance is classified into five categories:

- 1) **Non-spendable fund balance** – includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain in-tact such as the principal of an endowment.
- 2) **Restricted fund balance** – includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. Examples include impact fees and bond proceeds.
- 3) **Committed fund balance** – includes the portion of net resources upon which the Council has imposed limitations on use. Amounts that can be used only for the specific purposes determined by a *formal action* of the council. Commitments may be changed or lifted only by the Council taking the same *formal action* that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements.
- 4) **Assigned fund balance** – includes the portion of net resources for which an *intended* use has been established by the City Council or the City Official authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.
- 5) **Unassigned fund balance** – includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification.

Net Position - The difference between a business-type activities (i.e. proprietary, enterprise, utilities) assets, deferred outflows, deferred inflows and liabilities of proprietary funds. Net position is classified into three categories:

- 1) **Net Investment in Capital Assets** – This component of net position is the difference between assets, deferred outflows, deferred inflows and liabilities of proprietary funds that consists of capital assets (both tangible and intangible). The calculation is detailed and done in accordance with GFOA's requirements.
- 2) **Restricted**– This component of net position is the difference between assets, deferred outflows, deferred inflows and liabilities of proprietary funds that consists

of assets with constraints placed on their use by externally imposed by creditors, grantors, contributors or laws/regulations of other governments or imposed by law through enabling legislation or constitutional provisions.

- 3) **Unrestricted**– this component of net position is the difference between the assets, deferred outflows, deferred inflows and liabilities of business type activities not reported as net investment in capital assets or restricted net position. Operating reserves are included herein as the reserves are determined by the government and thus, not externally restricted.

D. Policy

Committed Fund Balance

The Council is the City's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council at a City Council meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period (i.e. the Council may approve the calculation or formula for determining the amount to be committed).

Assigned Fund Balance

The City Council authorizes the City Manager as the City Official responsible for the assignment of fund balance to a specific purpose as approved by this fund balance policy.

Unassigned Fund Balance and Unrestricted Net Position

The unassigned fund balance and unrestricted net position for all funds of the City will be maintained at a level sufficient to provide the required resources to meet operating cost needs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustment to changes resulting from fluctuations of revenue sources.

General Fund –It is the goal of the City of Boerne to maintain an unassigned fund balance in the General Fund equivalent to six (6) months of operating expenditures. The City considers a balance of less than three (3) months of operating expenditures to be inadequate and will take action as described in this policy to increase the unassigned fund balance to maintain the required minimums.

Special Revenue Funds – The fund balances of the Special revenue funds should have a minimum of three (3) months or 25 % of annual budgeted operating expenditures in reserve

Debt Service Funds – Revenues within this fund are by nature stable and based on property tax revenues. Balances are maintained to meet contingencies

and to make certain that the next year's debt service payments may be met in a timely manner. The fund balance should not fall below the one month or 1/12 annual debt service requirements, in accordance with IRS guidelines.

Utility Funds – It is the goal of the City of Boerne to maintain unrestricted net position in the Utility Funds equivalent to six (6) months of operating expenses. Although the goal is for each enterprise (utility) fund to maintain the minimum level of reserve by enterprise fund, the reserve requirement can be met when all utility funds are considered as a whole. The City considers a balance of less than three (3) months of operating expenses to be inadequate and will take action as described in this policy to increase the net position to maintain the required minimums.

- E. **Replenishment of Minimum Fund Balance/Net Position Reserves** – If unassigned fund balance/unrestricted net position unintentionally falls below the required minimum or if it is anticipated that at the completion of any fiscal year the projected unassigned fund balance/net position will be less than the minimum requirement, the City Manager shall prepare and submit a plan to restore the minimum required level as soon as it is feasible to do so. The plan shall detail the steps necessary for the replenishment of fund balance/net position as well as an estimated timeline for achieving such. These steps may include, but are not limited to, identifying new, nonrecurring, or alternative sources of revenue; increasing existing revenues, charges and/or fees; use of year end surpluses; and/or enacting cost saving measures such as holding capital purchases, reducing departmental operating budgets, freezing vacant positions, and/or reducing the workforce. The replenishment of fund balance/net position to the minimum level shall be accomplished within a three-year period. If restoration of the reserve cannot be accomplished within such a period without severe hardship to the City, then the Council shall establish an extended time line for attaining the minimum balance.

Reserve requirements will be reviewed and recalculated as part of the annual budget process.

F. **Funds in Excess of the Minimum *Unassigned Fund Balance and Unrestricted Net Position***

Funds in excess of the minimum reserve requirements shall, by default, be applied in the following manner unless otherwise directed by action of the City Council:

1. **First**, to statutorily restricted, assigned, and non-spendable amounts, including encumbrances;
2. **Second**, to meet the City's minimum operating reserve requirement as established in the Fiscal and Budget Policy, based on the subsequent fiscal year's adopted budget;
3. **Third**, to assignments for future capital or special project purposes in accordance with the subsequent fiscal year's adopted budget and Capital Improvement Program (CIP); and
4. **Finally**, any residual balances shall be transferred to the Governmental Capital Fund (for governmental funds) or the respective Capital Fund of each utility.

This policy shall apply to the General Fund and Utility Funds, and shall not apply to Special Revenue Funds that are restricted by law or dedicated revenue sources.

G. **Order of Expenditure of Funds** – When multiple categories of fund balance or net position are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will first spend the most restricted funds/net position before moving down to the next most restrictive category with available funds.

H. **Appropriation of Unassigned Fund Balance** – Appropriation from the minimum unassigned fund balance shall require the approval of the City Council and shall be utilized only for one-time expenditures, such as capital purchases, and not for ongoing operating expenditures unless a viable revenue plan designed to sustain the expenditure is simultaneously adopted.

The Council may appropriate unassigned fund balances for emergency purposes, as deemed necessary, even if such use decreases the fund balance below the established minimum.

I. **Monitoring and Reporting** – The City Manager, Assistant City Manager, and Finance Director shall be responsible for monitoring and reporting the City's reserve balances. The City Manager is directed to make recommendations to the Council on the use of reserve funds as an element of the annual operating budget submission. The City Manager, Assistant City Manager, and Finance Director will prepare a report documenting the status of the fund balances and present to the Council with the presentation of the Comprehensive Annual Financial Report, in conjunction with the development of the annual budget and from time to time throughout the fiscal year as needs may arise.

J. **Operational Coverage** – The City's goal is to maintain operations coverage of 100%, such that operating revenues will be at least equal to or exceed current

operating expenditures. Certain one-time capital expenses may be covered using excess fund balance operating reserves.

- K. **Liabilities and Receivables** – Procedures will be followed to maximize vendor discounts and reduce any penalties from creditors. Accounts receivable procedures will target collection at a maximum of thirty (30) days of service. Receivable aging past one hundred twenty (120) days will be sent to a collection agency unless internal collection procedures are determined to be more effective. The Finance Director is authorized to write-off non-collectible, non-utility accounts that are delinquent for more than one hundred eighty (180) days. Utility accounts that are delinquent more than one hundred eighty (180) days will also be written-off provided normal delinquency procedures have been followed in attempting to collect the delinquencies. Efforts to collect written off accounts will continue taking into consideration the cost vs. benefits of further collection efforts.
- L. **Capital Project funds** – Every effort will be made for all monies within the Capital project funds to be expended within thirty-six (36) months and no longer than 60 months of receipt. The idle fund balance will be invested and the income generated will be used by the project to offset increases in construction or other costs associated with the project. Capital project funds are intended to be expended totally, with any unexpected excess to be transferred to the Debt Service fund to service project-related debt.
- M. **Investment of Reserve funds** – Investment of reserve funds that are required by bond covenants will be invested in accordance with the City's Investment Policy.

XIV. INTERNAL CONTROLS

- A. **Written procedures** – Wherever possible, written procedures will be established and maintained by the Finance Director for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.
- B. **Internal Audit Program** – An internal audit program will be maintained by the Finance Director to ensure compliance with City policies and procedures and to prevent the potential for fraud.
 - 1. **Departmental audits** – Departmental processes will be reviewed on an on-going basis to ensure dual control of City assets and to identify the opportunity for fraud potential, as well as, to ensure that departmental internal procedures are documented and updated as needed.
 - 2. **Employee or transaction reviews** – Programs to be audited include petty cash, city credit card accounts, time entry, and travel expense. Discrepancies will be identified and remedied immediately. The Director of the department will be

notified of the situation and in cases of serious infractions, the City Manager will also be notified.

- C. **Department Directors responsibility** - Each department Director is solely responsible for ensuring that good internal controls are followed throughout his/her department. All Finance directives must be implemented and any recommendations resulting from either an internal audit or from the outside independent audit should be reviewed and addressed by the department Director as quickly as possible.

XV. STAFFING

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

- A. **Adequate staffing** - Staffing levels will be adequate for the fiscal functions of the City to operate effectively. Additional staffing requests will be presented in conjunction with the annual budgeting process. Unforeseen vacancies for existing positions will be filled at the direction of the City Manager.
- B. **Cost of Living Adjustments (COLA)** – In order to sustain employee compensation levels within the competitive job market, the City may fund an annual COLA for all regular employees. The COLA will be based on the Employment Cost Index (ECI) one (1) year percentage change for the period ending June 30th, as found on the Bureau of Labor Statistics website. This proposed COLA will be presented each year during the budget process for City Council review and approval.
- C. **Pay for Performance (MERIT)** – The City Council may fund a merit bonus/incentive program to aid in retaining quality employees and to reward those employees for productivity and job performance. This program will be funded annually if approved by City Council with available resources. This program will be based on performance during the review period. The City Manager will determine a “City-wide pool” amount or percentage to be used to fund the program if approved by the City Council.
- D. **Training & Credentials** – The City will support the continuing education efforts of the staff in areas where additional certifications may be earned or work related courses will lead to additional or improved services to the citizens of the City. It is understood that staff will be expected to pass on any information or teaching garnered from City sponsored seminars, conferences and related education efforts and share with fellow employees. The City will also support efforts and involvements which result in meeting standards and receiving exemplary recitations on behalf of the City or of its personnel.


Year	Compensation
1925	Ordinance 25-01 approved 5/26/1925 Creating Compensation for City Officers - \$25.00 Mayor/Council
1977	Minutes - Compensation "abolished"
1980	Minutes - 1/21/80 council consensus that council fees be set at \$25 per council for the first two meetings in the month and \$40 for the combined council and board of directors meetings.
1981	Minutes - 8/17/81 Councilman Sims suggested that Mayor Howell receive the same salary as Judge \$395/month - no council salaries discussed
1981	Payroll register - 12/23/81 \$50 council/mayor salary
1982	Payroll register - Mayor Howell received a Christmas Bonus \$50. Unable to located any checks for council
1982	Check register 12/15/82 end of year Mayor Howell \$3600.09. Unable to locate any checks for council
1983	9/30/83 Payroll report - only Mayor Art Howell received a paycheck (salary not stipend) \$3600.09/yr. Council not listed on report
1992	Detail Report \$90 a month council
1995	6/30/95 Quarterly Report - Howell \$900. Council not listed on report
1995	7/19/95 Payroll report - Mayor Art Howell gross salary \$2700.00. Council not listed on report
1997	Resolution 97-R18 creating policy, payments made to mayor and council members constitutes a reimbursement for expenses and not compensation or salary and will be determined in budget.
2001 - 2004	Detail Report 11/14/2001 - \$90 a month council. Mayor Heath did not get stipend
2004-2006	Mayor \$200, Council \$150
2007	Mayor Pro-Tem \$175 (maybe error), Mayor \$200, Council \$150
2008 - present	Mayor \$200, Council \$150

Mayor / Council Salary Survey					
City	Population	Mayor	Mayor Pro Tem	Council	Misc Info
Brady	5,500	\$100 / mo	\$60 / mo	\$50 / mo	
Alpine	5,809	\$125 / mo		\$100 / mo	\$3,000 a month discretionary fund each member
Pflugerville	65,191	0	0	0	no salary only reimbursements
Granite Shoals	5,324	0	0	0	
San Benito	25,158	\$40,000 yr		\$25,000 yr	
Livingston	5,841	\$5.00 per mtg		\$1.00 per mtg	
Bee Cave	8,548	\$50.00 per mtg		\$50.00 per mtg	
Kerrville	25,167	\$25 per mtg attended		\$25 per mtg attended	expense reimbursement
Bertram	2,409	\$1000 / mo		\$100 / mo	must attend one regular monthly meeting
Horseshoe Bay	5,224	0		0	
Burnet	6,965	0	0	0	
Blanco	12,418	\$300 / mo		\$100 / mo	
Junction	2,519	\$10 / meeting		\$5 / meeting	
Denton	142,000	\$1,000		\$750	
Weatherford	42,752	\$100/mo		\$50/mo	add'l \$25 per month for serving on utility board + expenses
Brenham	19,142	\$550/mo		\$450/mo	
Seguin	40,375	\$16,500/year + \$600.08 phone allowance + \$2,819.96 vehicle allowance		\$10,100/yr	

Schertz	43,970	\$9,000 first term \$11,000 2nd term, \$13,000 3rd term, subsequent terms \$15,000		\$9,000 first term, \$11,000 2nd term, \$13,000 3rd term, subsequent terms \$15,000	
Pecos	13,000	\$40 per regular meeting / \$20 special meeting		\$40 per regular meeting / \$20 special meeting	Expense reimbursements. Mayor only also receives a car allowance
West University Place	14,975	\$100 per day per meeting + \$700 annual stipend		\$100 per day per meeting	If there are multiple meetings a day, only receives \$100.
Flower Mound	81,270	\$300 / mo		\$200/mo	
		\$4,800 / yr	\$2,400 / yr		
Alton	22,907	\$9,600 Expense Allowance	\$4800 Expense Allowance	\$2,400 / yr \$4800 expense allowance	
Liberty Hill	11,984	\$18,000 / yr		\$12,000 / yr	
Live Oak	7,200	\$200 / mo		\$150 / mo	



AGENDA ITEM SUMMARY

	<h2>AGENDA ITEM SUMMARY</h2>
Agenda Date	September 23, 2025
Requested Action	DISCUSSION AND DIRECTION 2025 UDC AMENDMENTS RELATING TO RECENTLY PASSED LEGISLATION. <i>(This item is being presented for discussion only. No action will be taken)</i>
Contact Person	Nathan Crane, AICP Planning Director ncrane@boerne-tx.gov (830) 248-1521
Background Information	<p>BACKGROUND:</p> <p>Staff will present the proposed 2025 UDC Amendments. These amendments primarily focus on compliance with recently adopted legislation. Topics include but are not limited to plat review process, plat exemptions, meeting notice requirements, water conservation, and impervious cover.</p> <p>MOTIONS FOR CONSIDERATION:</p> <p>A motion is not needed. This item is being presented for discussion only.</p>
Strategic Alignment	B2 – Advancing Master Plan Recommendations B3 – Providing streamlined and efficient review process.
Financial Considerations	N/A
Citizen Input/Board Review	N/A
Legal Review	N/A
Alternative Options	N/A
Supporting Documents	None