

City of Burnet, Texas

Report to City Council

April 14, 2026



Audit Scope and Results

Responsibilities

Management is responsible for the preparation and presentation of the annual comprehensive financial report (ACFR).

Our responsibility is to conduct an audit of those financial statements in accordance with generally accepted auditing standards, and express opinions on those financial statements based on our audit.



Audit Scope and Results

Management's Discussions and Analysis Basic Financial Statements

- Government-wide financial statements
- Fund financial statements
 - Governmental funds
 - Proprietary funds
- Notes to Financial Statements

Required Supplementary Information

- Pension and OPEB-related schedules

Supplementary Information

- Combining nonmajor governmental funds financial statements, budgetary comparison schedules, and comparative statements for the Burnet Economic Development Corporation.



Audit Scope and Results

As a result of our audit procedures, in our opinion,...

...the financial statements do present fairly, in all material respects, the financial position... as of September 30, 2025, and the changes in financial position and cash flows... for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Net Position

Government-Wide Financial Statements

	Governmental Activities	Business-Type Activities	Total
Net position, beginning of year	\$ 47,895,636	23,879,541	71,775,177
Change in net position	2,592,315	6,021,912	8,614,227
Net position, end of year	\$ 50,487,951	29,901,453	80,389,404



Compliance with Budget

General Fund – Budgetary Basis

	Final Budget	Actual	Variance
Revenues	\$ 12,694,158	13,259,006	564,848
Expenditures	(15,649,052)	(14,950,001)	699,051
Excess Expenditures over Revenues	(2,954,894)	(1,690,995)	1,263,899
Transfers in	3,713,577	3,757,503	43,926
Transfers out	(299,335)	(5,965,627)	(5,666,292)
Net change in fund balance	\$ 459,348	(3,899,119)	(4,358,467)



Fund Balance

General Fund

Fund balance, beginning of year	\$ 11,066,901
Net change in fund balance	(3,899,119)
Fund balance, end of year	\$ 7,167,782

Nonspendable	\$ 34,606
Unassigned	7,133,176
Fund balance	\$ 7,167,782

(Unassigned fund balance equals 124 days
of 2025 operating expenditures and transfers out)



Operating Results - *Electric Fund*

	2025	2024
Operating revenue	\$ 11,900,437	11,195,759
Operating expense	(8,229,941)	(7,449,534)
Operating income	3,670,496	3,746,225
Nonoperating revenue (expense)	47,831	38,059
Capital contributions	688,123	-
Transfers in	48,205	30,000
Transfers out	(2,398,805)	(2,623,899)
Change in net position	\$ 2,055,850	1,190,385



Operating Results – *Water & Sewer Fund*

	2025	2024
Operating revenue	\$ 5,471,050	4,902,786
Operating expense	(4,267,833)	(3,759,176)
Operating income	1,203,217	1,143,610
Nonoperating revenue (expense)	(36,622)	(14,255)
Capital contributions	3,435,729	167,275
Transfers in	190,000	75,000
Transfers out	(1,137,993)	(1,383,593)
Change in net position	\$ 3,654,331	(11,963)



Operating Results – *Golf Course*

	2025	2024
Operating revenue	\$ 3,141,130	2,756,552
Operating expense	(2,737,761)	(2,491,373)
Operating income	403,369	265,179
Nonoperating revenue (expense)	41,510	50,546
Transfers in	411,917	248,466
Transfers out	(545,065)	(447,969)
Change in net position	\$ 311,731	116,222



Compliance and Internal Control at the Financial Statement Level

Considered internal controls to design audit procedures, but not to express an opinion on the effectiveness of controls.

No material weaknesses identified.



Compliance Audit – Federal Awards

Considered internal controls over compliance to design audit procedures, but not to express an opinion on the effectiveness of controls.

No material weaknesses in controls over compliance identified.



Compliance Audit – Federal Awards

As a result of our audit procedures, in our opinion,...

...the City complied, in all material respects, with the compliance requirements that could have a direct and material effect on its major federal program for the year ended September 30, 2025.



Questions ?