



Comprehensive Annual Financial Report For Fiscal Year Ending September 30, 2019

CITY OF BASTROP, TEXAS



Official Issuing Report:
Tracy Waldron, CGFO, Chief Financial Officer

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CITY OF BASTROP, TEXAS

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CITY OF BASTROP, TEXAS

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INTRODUCTORY SECTION

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**City of Bastrop
1311 Chestnut Street
PO Box 427
Bastrop, Texas 78602**



February 24, 2020

Honorable Mayor, and City Council,
and the Citizens of the City of Bastrop, Texas

The City of Bastrop, Texas (the “City”) Finance Department respectfully submits the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2019. Provided herein is a complete set of financial statements in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The purpose of this report is to provide council, management, staff, the public, and other interested parties with detailed information regarding the City’s financial condition. State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2019.

This report consists of management’s representations concerning the finances of the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reports in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City’s financial activities have been included.

To provide a reasonable basis for making the representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the City financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

The City’s financial records have been audited by Belt Harris Pechacek, LLLP Certified Public Accountants as required by the City Charter and Financial Management Policies adopted by City Council. This CAFR has been prepared based upon those audited records. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2019 are free of material misstatement. This independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

Belt Harris Pechacek, LLLP Certified Public Accountants have stated that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bastrop, Texas, for the fiscal year ended September 30, 2019. The independent auditors' report is located at the front of the financial section. Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF BASTROP

The City of Bastrop is nestled on the Colorado River and located at the junction of Texas Highways 71, 21 and 95, just 30 minutes from Austin; 90 minutes from San Antonio; and less than 2 hours from Houston. It currently occupies 11 square miles and serves a population of approximately 9,420. The City of Bastrop serves as the county seat of Bastrop County. The City has developed into a commercial center which daily serves up to an estimated 25,000 businesspersons, shoppers, and visitors.

Bastrop, Texas is known as the most historic small town in Texas. This frontier settlement was founded by Stephen F. Austin in 1832 and incorporated in 1837. The City is the second-oldest incorporated town in Texas and was considered an alternate capital of the Republic. The City is situated along El Camino Real National Historic Trail and boasts more than 130 renovated historic homes and sites designated on the *National Register of Historic Places* by the Texas Historical Commission.

The City operates under a council-manager form of government. The City Council is comprised of a Mayor and five council members. All members are elected at large on a staggered and non-partisan basis. They are responsible to enact local legislation, provide policy, and annually adopt the operating budget. They appoint the City Manager, City Attorney, Judge of the Municipal Court, and members of various boards and commissions. The City Manager, under the oversight of the City Council, is responsible for the proper administration of the operations of the City.

The City provides a full range of municipal services including general government, public safety, public works, parks and recreation, planning and development, code enforcement, animal services, and water, sewer and electric utilities. Sanitation services are provided by the City but are privately contracted.

The Bastrop Economic Development Corporation (BEDC) is included in the financial statements as a discrete component unit. Its purpose is to aid, promote, and further economic development within the City. The BEDC is funded with sales tax revenues and is discussed more fully in the notes to the financial statements.

The annual budget of the City serves as the foundation for its financial plan and control. The budget is proposed by the City Manager and adopted by the City Council in accordance with policies and procedures established by the City Charter, ordinances, and state law. The budget process begins each year with the development of priority issues established by City Council at their City Council Retreat. Departments submit their annual departmental budget requests to the

City Manager for review. A proposed budget is prepared for presentation to the City Council. The City Council reviews the budget in subsequent work sessions and a formal budget is prepared and made available to the public for review. Prior to official adoption of the budget by Council, any required public hearings on the proposed budget are held to allow for public input and any required notices are published in the City's newspaper.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The City of Bastrop is identified as the county seat for Bastrop County. With this designation comes commercial growth not typically seen for a population of approximately 9,420 residents. Major industries located within the government's boundaries, or close proximity, include small industries, retail stores, several financial institutions, restaurants, and insurance companies. The school district has significant economic presence, employing in total more than 1,400 teachers, professionals, and support staff.

Although unemployment rates have reduced nationwide over the last two years, the City of Bastrop continues to experience unemployment rates consistently lower than national averages. The unemployment rate in Bastrop was 2.9% for September 2019.

Due to its healthy local economy, the City of Bastrop has a general obligation credit rating of AA from Standard and Poor's as of August 2018 and AA- for Utility System Revenue Bonds. Over the past ten years, the City has experienced significant economic growth and investment. Commercial development was active in 2014 as evidenced by the addition of Academy Sports store, Chick-fil-a, Southside BBQ restaurant, renovation and expansion of the HEB grocery store, and an additional retail strip center. This growth continued in 2015 with a new strip center added in Burleson Crossing including three additional retail stores (Hobby Lobby, Five Below, Ulta) and the new strip center by Walmart (Fred Loya Insurance, The UPS store, Papa John's). In 2016, another strip center in Burleson Crossing was completed (Garcia's Restaurant, Wing Stop, etc.) and another strip center by Walmart (Mama Fu's, Sally's Beauty Supply, etc.). In 2016, the City approved final plats for Pecan Park to start residential construction, adding much needed homes. The City issued 77 building permits with a permit value of \$16,142,863 in FY16. In 2017, Pecan Park continued to expand with several additional residential sections opening Spring Street Dental, Lost Pines Art Center, and Pacific Dental all opened for business. The City issued 117 building permits with a permit value of \$17,782,113. This increased even more in 2018, with 164 permits being issued at a permit value of \$17,531,410. These permits included two new apartment complexes with approximately 325 units. In 2019, 212 building permits were issued at a permit value of \$27,086,375. Residential continued to grow with the opening of the Hunter's Crossing apartment complex, offering 182 new living units. Piney Creek Bend and Pecan Park continued to construct additional single-family housing. The City welcomed the following commercial businesses: Rapid Express Car Wash, Bastrop Premier Emergency Room, Burger King, and Denny's.

Our sound financial position is apparent even with the growth pressures because of our conservative budgeting practices, as evidenced by healthy fund balance numbers. The City experienced growth in assessed valuation of property taxes and collection of sales taxes from fiscal year 2011 through 2019 as identified in the following chart. Existing assessed valuations have continued to represent a slight increase. This increase could be attributable to the build out

of Hunter’s Crossing subdivision and an increase in assessed values of current properties including new commercial growth over the past several years. The sales tax revenue for FY 2017 was slightly below budget and did not reflect the higher % increase the City had been experiencing in previous years. The City consistently shows an increase in sales tax revenue even when other areas of the state do not.

Fiscal Year	Ad Valorem Taxes	%	General Fund	%
	Certified Assessed Valuation	Change	Sales Tax Receipts	Change
2011	\$ 607,077,994	7.00%	\$ 2,722,333	4.26%
2012	\$ 627,256,816	3.32%	\$ 3,194,452	17.34%
2013	\$ 635,808,461	1.36%	\$ 3,322,116	3.99%
2014	\$ 670,721,248	5.49%	\$ 3,544,649	6.70%
2015	\$ 737,922,965	10.02%	\$ 4,016,828	13.3%
2016	\$ 782,928,050	6.09%	\$ 4,313,718	7.39%
2017	\$ 825,822,058	5.47%	\$ 4,437,843	2.87%
2018	\$ 863,072,067	4.51%	\$ 4,828,513	8.80%
2019	\$ 897,823,408	4.03%	\$ 5,087,945	5.37%

Long-term Financial Planning

The City Council approved a budget that held fund balance at 25% for Fiscal Year 2019. This is right at our 25% reserve required by the Financial Management Policy.

The overriding goal of the Financial Management Policy and Comprehensive Fund Balance Policy are to enable the City to achieve a long-term stable and positive financial condition while conducting its operations consistent with the Council-Manager form of government established in the City Charter. The scope of the policies spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash management, expenditure control, and debt management.

Recognizing that debt is usually a more expensive financing method, alternative financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives that equal or exceed the average life of the debt issue. The exceptions to this requirement are the traditional costs of marketing and issuing the debt, capitalized labor for design and construction of capital projects, and small component parts which are attached to major equipment purchases. Debt payments are structured to provide that capital assets funded by debt have a longer life than the debt associated with those assets. Regarding general obligation debt, the City has followed a policy of structuring new debt issue payment schedules to maintain declining debt payment structures to keep tax increases at a minimum.

Relevant Financial Policies

The City has adopted a comprehensive set of financial policies. Annually or as needed, the City Council approves their financial policies and extensive review and revisions are provided to City Council and the City Manager from the Finance Department. Each year the City Council approves the Investment Policy, which is intended to protect City assets by identifying investment objectives, addressing the issues of investment risks versus rewards, and providing the framework for the establishment of controls, limitations, and responsibilities of City employees in the performance of their fiduciary responsibilities. In FY 2019, the City approved a revised Purchasing Policy with the intent to maintain a cost-effective purchasing system

conforming to good management practices. The establishment and maintenance of a good purchasing system is possible only through cooperative effort. This policy reaffirms the City of Bastrop's commitment to strengthen purchasing and property controls to reasonably assure that assets are received and retained in the custody of the City of Bastrop.

Major Initiatives

There was one issuance of debt in FY2019. The Limited Tax Note 2019 in the amount of \$465,000 was issued on September 26, 2019. The proceeds from the sale of the Bonds will be used for the purpose of funding the Gills Branch drainage study and phase I design.

Awards and Acknowledgements

The Governmental Finance Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended September 30, 2018. This was the seventh consecutive year that the City achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

A certificate of achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Government Treasurers' Organization of Texas awarded the City with a Certification of Investment Policy for developing an investment policy that meets the requirements of the Public Funds Investment Act and the standards for prudent public investing established by the Government Treasurers' Organization of Texas. This certificate is for a two-year period ending March 31, 2021.

The State Comptroller of Public Accounts awarded the City the Debt Obligations Star for transparency on the City's website. This certificate is valid for a period of one year.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the City Manager, Mayor, and the Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

Tracy Waldron

Tracy Waldron
Chief Financial Officer

CITY OF BASTROP, TEXAS

ORGANIZATIONAL CHART

September 30, 2019



Chart Legend

Functional Responsibility

CITY OF BASTROP, TEXAS
*CERTIFICATE OF ACHIEVEMENT FOR
EXCELLENCE IN FINANCIAL REPORTING*



Government Finance Officers Association

**Certificate of
Achievement for
Excellence in
Financial
Reporting**

Presented to

**City of Bastrop
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Merrill

Executive Director/CEO

CITY OF BASTROP, TEXAS

PRINCIPAL OFFICIALS

September 30, 2019

City Officials	Elective Position
Connie Schroder	Mayor
Lyle Nelson	Mayor Pro-Tem, Council Member , Place 3
Wille Lewis "Bill" Peterson	Council Member, Place 1
Drusilla Rogers	Council Member, Place 2
Bill Ennis	Council Member, Place 4
Dock Jackson	Council Member, Place 5

Key Staff	Position
Lynda Humble	City Manager (through January 2020)
Trey Job	Acting City Manager (January 2020)/Director Public Works
James Altgelt	Assistant City Manager/Police Chief
Trey Job	Assistant City Manager/Director Public Works
Ann Franklin	City Secretary
Kim Walters	Court Administrator
Tracy Waldron	Chief Financial Officer

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bastrop, Texas (the "City") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedules of changes in net pension and total other postemployment benefits liability and related ratios, and schedule of contributions, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining statements and schedules, and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
February 24, 2020

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

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CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2019

The Statement of Activities presents information showing how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows – the accrual method rather than modified accrual that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities divide the City's financials into two classes of activities:

1. *Governmental Activities* – Most of the City's basic services are reported here including general government, public safety (police and fire protection), community services, and economic development. Interest payments on the City's debt are also reported here. Property tax, sales tax, hotel/motel tax, and franchise fees, finance most of these activities.
2. *Business-Type Activities* – Services involving a fee for those services are reported here. These services include the City's water and wastewater services, and electrical utility.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate the Bastrop Economic Development Corporation (BEDC) which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The public improvement districts (PID), although also legally separate, function for all practical purposes as departments of the City and, therefore, have been included as an integral part of the primary government.

The government-wide statements include not only the City but also a discrete component unit, the Bastrop Economic Development Corporation (BEDC). Although legally separate, BEDC is financially accountable to the City

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the City. They are usually segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance related legal reporting requirements. The three categories of City funds are governmental, proprietary and fiduciary.

Governmental Funds

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

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

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2019

The City maintains 14 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and the hotel/motel tax fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report

The City adopts an annual appropriated budget for its general fund, debt service fund, and the Hotel/motel tax fund. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

Proprietary Funds

The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater system, electrical utility, and community impact fees. The proprietary fund financial statements provide separate information for the water and wastewater, and electrical utility. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

The City also uses an internal service fund to account for its vehicle and equipment replacement. The internal service fund had been included within governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows by \$61,967,475 as of September 30, 2019. The largest portion of the City's net position, 63 percent, reflects its investment in capital assets (e.g., land, building, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2019

assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

The following table provides a summary Statement of Net Position is as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 18,651,042	\$ 18,337,445	\$ 14,145,293	\$ 14,378,086	\$ 32,796,335	\$ 32,715,531
Note receivable	3,257,645	3,438,987	300,000	360,000	3,557,645	3,798,987
Capital assets, net	36,660,119	35,154,317	38,196,577	33,172,359	74,856,696	68,326,676
Total Assets	58,568,806	56,930,749	52,641,870	47,910,445	111,210,676	104,841,194
Deferred outflows	2,061,685	1,481,099	329,760	176,927	2,391,445	1,658,026
Liabilities due within one year	3,080,617	1,090,919	2,990,381	1,221,121	6,070,998	2,312,040
Long-term liabilities	26,438,016	28,459,382	19,071,152	18,578,900	45,509,168	47,038,282
Total Liabilities	29,518,633	29,550,301	22,061,533	19,800,021	51,580,166	49,350,322
Deferred outflows	-	359,126	54,480	155,696	54,480	514,822
Net Position:						
Net investment in capital assets	19,816,206	19,769,501	18,773,085	16,812,087	38,589,291	36,581,588
Restricted	4,626,827	4,343,291	1,572,344	2,732,351	6,199,171	7,075,642
Unrestricted	6,668,824	4,389,629	10,510,188	8,587,217	17,179,012	12,976,846
Total Net Position	\$ 31,111,857	\$ 28,502,421	\$ 30,855,617	\$ 28,131,655	\$ 61,967,474	\$ 56,634,076

A portion of the City's net position, \$6,199,177, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position, \$17,179,012, or 28 percent may be used to meet the City's ongoing obligation to citizens and creditors.

Net capital assets compared to the prior year increased due to the construction and acquisition of new capital assets in excess of current year depreciation expense. Liabilities due within one year increased \$3,613,650 due to normal operating fluctuations related to the timing of payments. Long-term liabilities decreased by \$1,500,917.

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2019

Statement of Activities

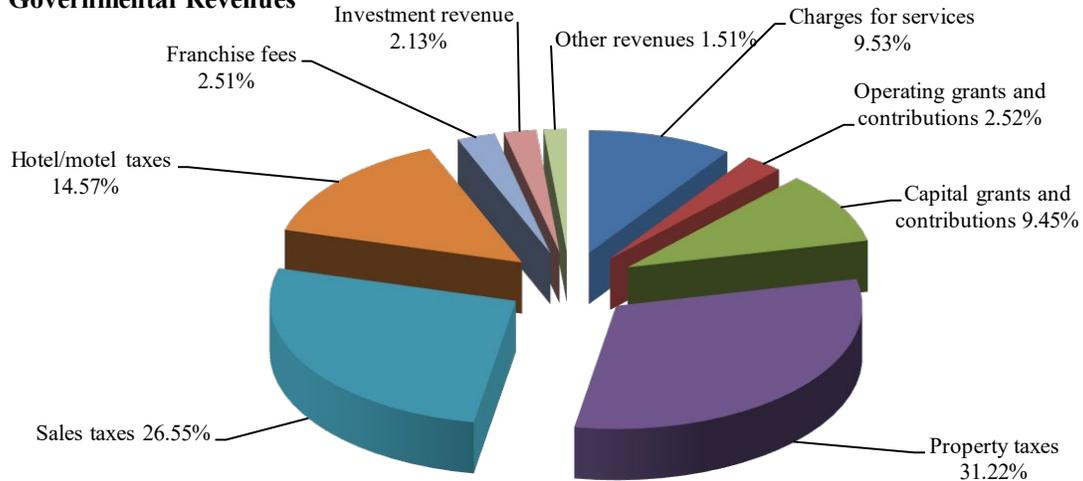
The following table provides a summary of the City's changes in net position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for services	\$ 1,850,398	\$ 2,064,461	\$ 13,423,160	\$ 13,024,175	\$ 15,273,558	\$ 15,088,636
Operating grants and contributions	490,013	150,396	-	-	490,013	150,396
Capital grants and contributions	1,835,482	1,306,839	1,779,620	90,214	3,615,102	1,397,053
General revenues:						
Property taxes	6,061,380	5,758,745	-	-	6,061,380	5,758,745
Sales taxes	5,155,893	4,815,099	-	-	5,155,893	4,815,099
Hotel/motel taxes	2,829,049	2,844,403	-	-	2,829,049	2,844,403
Franchise fees	486,716	462,968	-	-	486,716	462,968
Investment revenue	414,108	190,986	291,046	204,426	705,154	395,412
Other revenues	293,716	208,906	-	335,789	293,716	544,695
Total Revenues	<u>19,416,755</u>	<u>17,802,803</u>	<u>15,493,826</u>	<u>13,654,604</u>	<u>34,910,581</u>	<u>31,457,407</u>
Expenses						
General government	6,020,455	5,042,504	-	-	6,020,455	5,042,504
Public safety	4,706,904	3,995,531	-	-	4,706,904	3,995,531
Development services	1,360,305	919,670	-	-	1,360,305	919,670
Community services	1,852,431	2,015,727	-	-	1,852,431	2,015,727
Economic development	3,212,115	3,910,783	-	-	3,212,115	3,910,783
Interest and fiscal agent fees	911,431	853,401	-	-	911,431	853,401
Water and wastewater	-	-	5,356,350	4,747,676	5,356,350	4,747,676
Bastrop power and light	-	-	6,138,706	6,351,799	6,138,706	6,351,799
Community impact fee	-	-	18,484	-	18,484	-
Total Expenses	<u>18,063,642</u>	<u>16,737,616</u>	<u>11,513,540</u>	<u>11,099,475</u>	<u>29,577,182</u>	<u>27,837,091</u>
Increase in Net Position Before Transfers	1,353,113	1,065,187	3,980,286	2,555,129	5,333,399	3,620,316
Transfers in (out)	1,256,323	1,042,299	(1,256,323)	(1,042,299)	-	-
Change in Net Position	2,609,436	2,107,486	2,723,963	1,512,830	5,333,399	3,620,316
Beginning net position	28,502,421	26,394,935	28,131,655	26,618,825	56,634,076	53,013,760
Ending Net Position	<u>\$ 31,111,857</u>	<u>\$ 28,502,421</u>	<u>\$ 30,855,618</u>	<u>\$ 28,131,655</u>	<u>\$ 61,967,475</u>	<u>\$ 56,634,076</u>

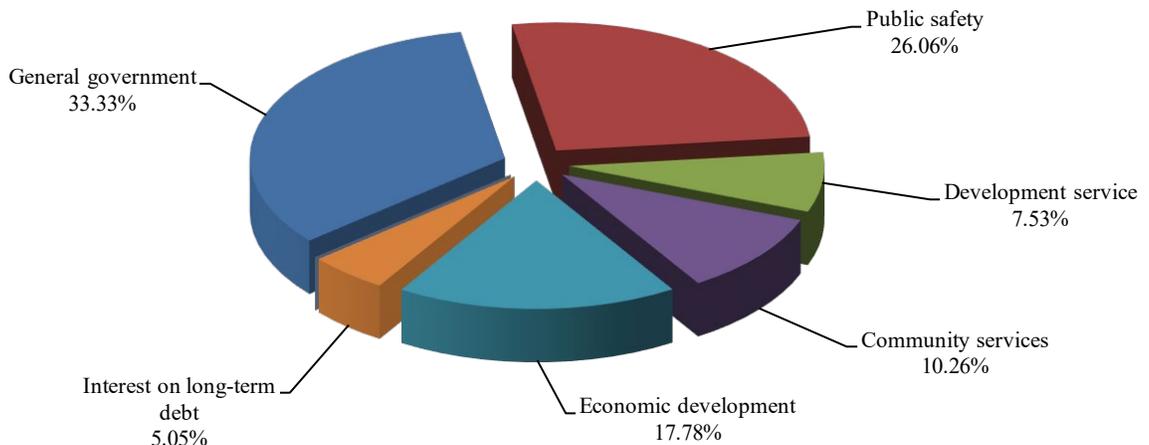
CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2019

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

Governmental Revenues



Governmental Expenses



For the year ended September 30, 2019, revenues from governmental activities totaled \$19,416,754, which is an increase of \$1,613,951 from last year. This is primarily due to additional grants and contributions, as well as an increase in property tax revenues from an increase in the appraised values of properties within the City and an increase in sales tax revenues from improved sales within the City.

For the year ended September 30, 2019, expenses for governmental activities totaled \$18,063,642. Overall governmental expenses increased by \$1,326,026 due largely to increase in the pension and postemployment retirement liabilities and related changes in deferred items.

Business-type activities' change in net position was \$3,980,286 before transfers out of \$1,256,323. Revenues increased \$1,839,222 compared to the prior year due to a increase in capital grants and contributions. In comparison, expenses increased by only \$414,065.

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2019

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

The City's governmental funds reflect a combined fund balance of \$15,110,295. Of this, \$492,693 is nonspendable, \$11,501,339 is restricted for various purposes, and \$44,617 is assigned for various projects. The remaining balance of \$3,071,646 is unassigned in the general fund.

There was a net increase in the combined fund balance of \$43,330 compared to the prior year, due mainly to increases in property tax revenues and sales tax revenues. Expenditures increased compared to prior year mainly due to an increase in personnel costs, economic development projects, and capital expenditures.

The general fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was \$3,071,646, while total fund balance reached \$3,180,690. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total fund expenditures. Fund balance represents 26 percent of total general fund expenditures. The general fund demonstrated an overall decrease of \$709,052.

The debt service fund has a total fund balance of \$258,520, all of which is restricted for the payment of debt service. The net decrease in fund balance during the year was \$56,878. The hotel/motel tax fund's fund balance increased \$243,011 to \$3,849,730.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

There had been a planned decrease in budgeted fund balance in the amount of \$1,456,664 in the general fund. However, the net change in fund balance decreased by \$709,052 resulting in a positive variance of \$747,612 from budgeted as amended over actual. Actual general fund revenues were more than amended budgeted revenues by \$258,438 during 2019. The City realized more revenues than anticipated mostly from sales taxes, while licenses and permits lagged behind expectations. Actual expenditures were less than budgeted amounts by \$1,207,610 for the fiscal year.

CAPITAL ASSETS

At the end of the current fiscal year, the City's governmental and business-type activities had invested \$74,856,696 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net increase of \$1,494,498. More detailed information about the City's capital assets is presented in note III. C. to the financial statements.

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2019

LONG-TERM DEBT

At the end of the current fiscal year, the City had total notes, bonds, and certificates of obligation outstanding related to its governmental activities of \$23,232,117 and business-type activities of \$18,840,106. More detailed information about the City's long-term liabilities is presented in note III. D. to the financial statements.

Current underlying ratings on debt issues are as follows:

<u>Fitch</u>	
Long-term Issuer Default Rating	AA-
Combination Tax and Revenue CO	AA-
General Obligation	AA-
Limited Tax Refunding	AA-
<u>Standard and Poor's</u>	
Revenue Bonds	AA-
General Obligation	AA

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City experiences steady commercial growth as it is identified within Bastrop County as the county seat and its desirable location between Houston and Austin. The City's population is about 9,159 within the City limits; however, it is estimated the City's retail market services in excess of 198,000 visitors. Due to its healthy local economy, the City has maintained a credit rating of AA from S&P Global Ratings at our last bond issue in August 2018. The annual operating budget for fiscal year 2020 reflects a variety of community issues, planning initiatives, economic development opportunities, and street and drainage projects. The Council held budget and planning sessions to provide an opportunity for the City Council to pass along their input and guidance in developing the FY 2020 budget. The City adopted a fiscally responsible balance budget on September 24, 2019.

Total General Fund revenue for fiscal year 2020 is \$11,459,620. The fiscal year 2020 General Fund's major revenue source for the City is sales tax at a budgeted \$5,084,400. Ad valorem tax revenue (property taxes) is a close second with an annual budget of \$3,850,795. The sales tax and ad valorem taxes comprise 73% of the revenues received by the General Fund for operations. The General Fund (M&O) tax rate of \$0.3691/\$100 and the Debt Service Fund (I&S) tax rate of \$0.1949/\$100 combine to establish the City's overall property tax rate of \$0.564 per \$100. The City has maintained this constant tax rate for the fifth year in a row. The debt service payments for FY 2020 are \$2,095,838 or 34.56 percent of the overall tax rate necessary to generate funds to service the bonded indebtedness of the City of Bastrop. Property taxes of \$3,850,795 support the General Fund operations of the City, which represents 65.44 percent of the revenue collection. The FY 2020 budget will provide for the 25% required fund balance at year-end as required by the Financial Management policy adopted by City Council.

Water and Wastewater Fund operations for FY 2020 has budgeted revenue of \$6,211,564, which expenses are budgeted at \$5,267,239. This budget is transferring \$900,000 in excess fund balance to the Capital Fund leaving the fund balance at 35% required by the Financial Management policy adopted by City Council.

Electric Fund revenues consist of the sale of electricity to the City's customers within its service area, fees assessed for extension services, and pole attachment fee. Total budgeted expenses for the Electric Fund for the purchase of electricity and operations of the department is \$7,702,248.

The Comprehensive Plan that was adopted by City Council in FY 2017 was used to set budgetary priorities. The plan gives the City Council long range goals that will ensure progress towards improving the community and

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2019

maintaining the quality of life Bastrop residents have come to expect. The City is committed to the delivery of excellent service today and we are prepared to effectively deliver the same service tomorrow.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Tracy Waldron, CGFO, Chief Financial Officer, P.O. Box 427, Bastrop, Texas 78602.

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CITY OF BASTROP, TEXAS

STATEMENT OF NET POSITION

September 30, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BEDC
Assets				
Cash and equity in pooled cash and invest.	\$ 16,256,494	\$ 8,667,979	\$ 24,924,473	\$ 5,385,896
Receivables, net of allowances	2,009,803	1,188,513	3,198,316	432,831
Internal balances	(567,912)	567,912	-	-
Due from BEDC	99,059	-	99,059	-
Due from other governments	744,554	-	744,554	-
Prepays and other assets	96,976	-	96,976	15,794
Inventory	12,068	347,112	359,180	-
Restricted assets:				
Temporarily restricted cash and cash equiv.	-	3,373,777	3,373,777	-
	18,651,042	14,145,293	32,796,335	5,834,521
Note receivable	3,257,645	300,000	3,557,645	-
Capital assets:				
Nondepreciable capital assets	5,757,164	8,441,116	14,198,280	2,856,790
Depreciable capital assets, net	30,902,955	29,755,461	60,658,416	505,506
	36,660,119	38,196,577	74,856,696	3,362,296
Total Assets	58,568,806	52,641,870	111,210,676	9,196,817
Deferred Outflows of Resources				
Deferred outflows - pension	1,305,529	329,667	1,635,196	54,321
Deferred outflows - OPEB health/supplemental	357	93	450	202
Deferred loss on refunding	755,799	-	755,799	-
Total Deferred Outflows of Resources	2,061,685	329,760	2,391,445	54,336
Liabilities				
Accounts payable and accrued liabilities	956,919	1,572,881	2,529,800	204,030
Unearned revenue	-	-	-	13,800
Accrued bond interest	103,962	-	103,962	-
Due to primary government	-	-	-	99,059
Noncurrent liabilities:				
Portion due within one year:				
Compensated absences	126,671	28,197	154,868	6,687
Bonds and notes payable	1,893,065	1,389,303	3,282,368	313,968
Portion due in more than one year:				
Compensated absences	126,671	28,196	154,867	5,340
Bonds and notes payable (net)	22,316,512	18,034,189	40,350,701	4,231,450
Net pension liability	3,224,585	814,267	4,038,852	134,170
OPEB liability - health	551,354	139,226	690,580	22,941
OPEB liability - supplemental death	218,894	55,274	274,168	9,107
Total Liabilities	29,518,633	22,061,533	51,580,166	5,040,552
Deferred Inflows of Resources				
Deferred gain on refunding	-	54,480	54,480	-
Total Deferred Inflows of Resources	-	54,480	54,480	-
Net Position				
Net investment in capital assets	19,816,206	18,773,085	38,589,291	1,817,296
Restricted for:				
Nonexpendable Perpetual care Cemetery	383,649	-	383,649	-
Expendable:				
Cemetery	102,111	-	102,111	-
Debt service	258,520	1,572,344	1,830,864	108,127
Economic development	3,849,730	-	3,849,730	9,332
PEG fees	32,817	-	32,817	-
Capital projects	-	-	-	-
Unrestricted	6,668,824	10,510,188	17,179,012	2,275,846
Total Net Position	\$ 31,111,857	\$ 30,855,617	\$ 61,967,474	\$ 4,210,601

See Notes to Financial Statements.

CITY OF BASTROP, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 6,020,455	\$ 571,920	\$ -	\$ 1,835,482
Public safety	4,706,904	332,825	490,013	-
Development services	1,360,305	565,692	-	-
Community services	1,852,431	94,444	-	-
Economic development	3,212,115	285,517	-	-
Interest and fiscal agent fees	911,431	-	-	-
Total Governmental Activities	18,063,642	1,850,398	490,013	1,835,482
Business-Type Activities				
Water and wastewater	5,356,350	5,578,457	-	1,779,620
Bastrop power and light	6,138,706	7,448,104	-	-
Community impact fee	18,484	396,599	-	-
Total Business-Type Activities	11,513,540	13,423,160	-	1,779,620
Total Primary Government	\$ 29,577,182	\$ 15,273,558	\$ 490,013	\$ 3,615,102
Component Unit				
BEDC	\$ 1,767,570	\$ -	\$ -	\$ -

General Revenues:

- Property taxes
- Sales taxes
- Hotel/motel taxes
- Franchise fees
- Investment revenue
- Other revenues
- Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning net position

Ending Net Position

See Notes to Financial Statements.

Net Revenue (Expense) and Changes in Net Position			Component
Primary Government			Unit
Governmental	Business-Type	Total	BEDC
Activities	Activities		
\$ (3,613,053)	\$ -	\$ (3,613,053)	\$ -
(3,884,066)	-	(3,884,066)	-
(794,613)	-	(794,613)	-
(1,757,987)	-	(1,757,987)	-
(2,926,598)	-	(2,926,598)	-
(911,431)	-	(911,431)	-
<u>(13,887,749)</u>	<u>-</u>	<u>(13,887,749)</u>	<u>-</u>
-	2,001,727	2,001,727	-
-	1,309,398	1,309,398	-
-	378,115	378,115	-
<u>-</u>	<u>3,689,240</u>	<u>3,689,240</u>	<u>-</u>
<u>(13,887,749)</u>	<u>3,689,240</u>	<u>(10,198,509)</u>	<u>-</u>
-	-	-	(1,767,570)
6,061,380	-	6,061,380	-
5,155,893	-	5,155,893	2,543,591
2,829,049	-	2,829,049	-
486,716	-	486,716	-
414,108	291,045	705,153	134,914
293,716	-	293,716	244,212
1,256,323	(1,256,323)	-	-
<u>16,497,185</u>	<u>(965,278)</u>	<u>15,531,907</u>	<u>2,922,717</u>
2,609,436	2,723,962	5,333,398	1,155,147
<u>28,502,421</u>	<u>28,131,655</u>	<u>56,634,076</u>	<u>3,055,454</u>
<u>\$ 31,111,857</u>	<u>\$ 30,855,617</u>	<u>\$ 61,967,474</u>	<u>\$ 4,210,601</u>

CITY OF BASTROP, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2019

	General	Debt Service	Hotel/Motel Tax	Nonmajor Governmental
<u>Assets</u>				
Cash and equity in pooled cash and investments	\$ 3,034,999	\$ 268,465	\$ 3,751,717	\$ 7,825,870
Receivables, net	1,379,347	128,858	248,495	253,103
Due from other funds	92,275	-	-	-
Due from component unit	99,059	-	-	-
Due from other governments	744,554	-	-	-
Prepaid items	96,976	-	-	-
Inventory	12,068	-	-	-
Total Assets	\$ 5,459,278	\$ 397,323	\$ 4,000,212	\$ 8,078,973
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 737,735	\$ 9,945	\$ 90,489	\$ 81,178
Due to other funds	-	-	-	92,275
Due to others	-	-	37,573	-
Advances from other funds	567,912	-	-	-
Total Liabilities	1,305,647	9,945	128,062	173,453
<u>Deferred Inflows of Resources</u>				
Unavailable revenue	972,941	128,858	22,420	84,165
	972,941	128,858	22,420	84,165
<u>Fund Balances</u>				
Nonspendable:				
Inventories	12,068	-	-	-
Prepaid items	96,976	-	-	-
Perpetual care	-	-	-	383,649
Restricted for:				
Debt service	-	258,520	-	-
Cemetery	-	-	-	102,111
Traffic safety	-	-	-	648,296
PEG fees	-	-	-	32,817
Economic development	-	-	3,849,730	-
Capital projects	-	-	-	6,609,865
Assigned to:				
Special projects	-	-	-	44,617
Unassigned	3,071,646	-	-	-
Total Fund Balances	3,180,690	258,520	3,849,730	7,821,355
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,459,278	\$ 397,323	\$ 4,000,212	\$ 8,078,973

See Notes to Financial Statements.

Total

\$ 14,881,051
2,009,803
92,275
99,059
744,554
96,976
12,068
\$ 17,935,786

\$ 919,347
92,275
37,573
567,912
1,617,107

1,208,384
1,208,384

12,068
96,976
383,649

258,520
102,111
648,296
32,817
3,849,730
6,609,865

44,617
3,071,646
15,110,295

\$ 17,935,786

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CITY OF BASTROP, TEXAS
RECONCILIATION OF THE GOVERNMENTAL
FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
September 30, 2019

Total fund balances - total governmental funds	\$ 15,110,295
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.	
Capital assets, nondepreciable	5,757,164
Capital assets, net depreciable	30,902,955
Less capital assets in internal service fund	(1,176,600)
Long-term receivables related to economic development are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
	3,257,645
Long-term liabilities and deferred outflows and deferred inflows related to the net pension and other postemployment benefits (OPEB) liability are not recognized in the governmental funds.	
Net pension liability	(3,224,585)
OPEB liability - health	(551,354)
OPEB liability - supplemental death	(218,894)
Deferred outflows - Pension	1,305,529
Deferred outflows - OPEB health	357
Deferred outflows - OPEB supplemental death	-
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	
	1,208,384
Internal service funds are used by management to charge the costs of certain capital assets and maintenance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	
	2,552,043
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Accrued interest payable	(103,962)
Compensated absences	(253,342)
Bonds payable (net of deferred charges)	(24,209,577)
Deferred loss on refunding	755,799
Net Position of Governmental Activities	\$ 31,111,857

See Notes to Financial Statements.

CITY OF BASTROP, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2019

	<u>General</u>	<u>Debt Service</u>	<u>Hotel/Motel Tax</u>	<u>Nonmajor Governmental</u>
Revenues				
Property taxes	\$ 3,589,932	\$ 1,873,267	\$ -	\$ 576,162
Sales taxes	5,155,893	-	-	-
Hotel/motel taxes	-	-	2,829,049	-
Franchise fees	464,316	-	-	22,400
Licenses and permits	562,612	-	3,080	-
Fines and forfeitures	316,781	-	-	16,044
Charges for services	571,920	-	285,517	94,444
Intergovernmental	136,947	-	66,554	286,512
Investment revenue	103,728	22,725	80,250	173,967
Other revenue	67,261	247,619	1,642	41,834
Total Revenues	<u>10,969,390</u>	<u>2,143,611</u>	<u>3,266,092</u>	<u>1,211,363</u>
Expenditures				
Current:				
General government	5,427,869	-	-	-
Public safety	4,127,825	-	-	23,149
Development services	1,017,859	-	-	209,026
Community services	1,496,646	-	-	139,609
Economic development	-	-	2,933,449	-
Capital outlay	388,764	-	-	509,749
Debt service:				
Principal	-	1,803,503	-	-
Interest and fiscal agent fees	-	913,172	-	-
Bond issuance costs	-	-	-	23,330
Total Expenditures	<u>12,458,963</u>	<u>2,716,675</u>	<u>2,933,449</u>	<u>904,863</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,489,573)</u>	<u>(573,064)</u>	<u>332,643</u>	<u>306,500</u>
Other Financing Sources (Uses)				
Issuance of long-term debt	-	-	-	465,000
Transfers in	1,024,575	516,186	426,554	1,106,107
Transfers (out)	(244,054)	-	(516,186)	(1,311,358)
Total Other Financing Sources (Uses)	<u>780,521</u>	<u>516,186</u>	<u>(89,632)</u>	<u>259,749</u>
Net Change in Fund Balances	<u>(709,052)</u>	<u>(56,878)</u>	<u>243,011</u>	<u>566,249</u>
Beginning fund balances	3,889,742	315,398	3,606,719	7,255,106
Ending Fund Balances	<u>\$ 3,180,690</u>	<u>\$ 258,520</u>	<u>\$ 3,849,730</u>	<u>\$ 7,821,355</u>

See Notes to Financial Statements.

Total

\$ 6,039,361
5,155,893
2,829,049
486,716
565,692
332,825
951,881
490,013
380,670
358,356

17,590,456

5,427,869
4,150,974
1,226,885
1,636,255
2,933,449
898,513

1,803,503
913,172
23,330

19,013,950

(1,423,494)

465,000
3,073,422
(2,071,598)

1,466,824

43,330

15,066,965

\$ 15,110,295

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CITY OF BASTROP, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2018

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

Net changes in fund balances - total governmental funds	\$	43,330
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay		2,733,995
Depreciation expense		(1,383,612)
<p>The issuance of long-term debt (e.g., bonds and certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Net Position.</p>		
Principal payments		1,803,503
Debt proceeds		(465,000)
Amortization of deferred amounts		(79,334)
Premiums on issuance of refunding bonds		141,357
Compensated absences		(33,754)
Deferred outflows - pensions		1,031,579
Deferred outflows - OPEB health		7,375
Deferred outflows - Supplemental death		(19,908)
Net pension liability		(1,312,882)
OPEB liability - health		(129,133)
OPEB liability - supplemental death		(2,460)
Revenue in the Statement of Activities that does not provide current financial resources is not reported as revenue in the funds.		22,019
Revenue that provide current financial resources only and not reported on Statement of Changes in Net Position.		
Note receivable principal received.		(181,342)
Internal service funds are used by management to charge the costs of certain capital assets and maintenance to individual funds. The net revenue (expense) is reported with governmental activities.		433,703
Change in Net Position of Governmental Activities	\$	<u>2,609,436</u>

See Notes to Financial Statements.

CITY OF BASTROP, TEXAS
STATEMENT OF NET POSITION (Page 1 of 2)
PROPRIETARY FUNDS
September 30, 2019

	Business-Type Activities			Total
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fee	
Assets				
Current assets				
Cash and equity in pooled cash and investments	\$ 3,976,198	\$ 3,569,922	\$ 1,121,859	\$ 8,667,979
Accounts receivable (net of allowance for uncollectibles)	553,442	635,071	-	1,188,513
Advances to other funds	-	567,912	-	567,912
Inventory	181,801	165,311	-	347,112
Restricted cash and equity in pooled cash and investments	3,373,777	-	-	3,373,777
Total Current Assets	8,085,218	4,938,216	1,121,859	14,145,293
Noncurrent assets				
Note receivable	300,000	-	-	300,000
Capital assets:				
Nondepreciable	8,387,044	54,072	-	8,441,116
Depreciable	25,088,239	4,667,222	-	29,755,461
Total Capital Assets (Net)	33,475,283	4,721,294	-	38,196,577
Total Noncurrent Assets	33,775,283	4,721,294	-	38,496,577
Total Assets	41,860,501	9,659,510	1,121,859	52,641,870
Deferred Outflows of Resources				
Deferred outflows - pensions	198,822	130,845	-	329,667
Deferred outflows - OPEB health/supplemental	56	37	-	93
Total Deferred Outflows of Resources	198,878	130,882	-	329,760

**Governmental
Activities**

**Internal
Service**

\$ 1,375,443

-

-

-

-

1,375,443

-

-

1,176,600

1,176,600

1,176,600

2,552,043

-

-

-

CITY OF BASTROP, TEXAS
STATEMENT OF NET POSITION (Page 2 of 2)
PROPRIETARY FUNDS
September 30, 2019

	Business-Type Activities			Total
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fee	
Liabilities and Net Position				
Current Liabilities				
Accounts payable and accrued liabilities	\$ 1,062,640	\$ 508,041	\$ 2,200	\$ 1,572,881
Bonds payable - current	1,284,963	104,340	-	1,389,303
Total Current Liabilities	2,347,603	612,381	2,200	2,962,184
Noncurrent liabilities				
Compensated absences	24,138	32,255	-	56,393
Bonds payable, net of deferred charges	16,424,564	1,609,625	-	18,034,189
Net pension liability	491,083	323,184	-	814,267
OPEB liability health	83,967	55,259	-	139,226
OPEB liability life TMRS	33,336	21,938	-	55,274
Total Noncurrent Liabilities	17,057,088	2,042,261	-	19,099,349
Total Liabilities	19,404,691	2,654,642	2,200	22,061,533
Deferred Inflows of Resources				
Deferred gain on refunding	54,480	-	-	54,480
Total Deferred Inflows of Resources	54,480	-	-	54,480
Net Position				
Net investment in capital assets	15,765,756	3,007,329	-	18,773,085
Restricted for:				
Capital improvements	1,572,344	-	-	1,572,344
Unrestricted	5,262,108	4,128,421	1,119,659	10,510,188
Total Net Position	\$ 22,600,208	\$ 7,135,750	\$ 1,119,659	\$ 30,855,617

See Notes to Financial Statements.

**Governmental
Activities**

**Internal
Service**

\$ -

-

-

-

-

-

-

-

-

-

-

-

-

-

-

2,552,043

2,552,043

\$ 2,552,043

CITY OF BASTROP, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2019

	Business-Type Activities			Total
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fee	
<u>Operating Revenues</u>				
Charges for services	\$ 5,567,023	\$ 6,966,218	\$ 396,599	\$ 12,929,840
Other revenue	11,434	481,886	-	493,320
Total Operating Revenues	5,578,457	7,448,104	396,599	13,423,160
<u>Operating Expenses</u>				
Personnel services	1,355,549	682,062	-	2,037,611
Supplies and maintenance	2,222,452	474,200	-	2,696,652
Service and other	306,222	4,729,456	18,484	5,054,162
Depreciation	888,253	202,542	-	1,090,795
Total Operating Expenses	4,772,476	6,088,260	18,484	10,879,220
Operating Income	805,981	1,359,844	378,115	2,543,940
<u>Nonoperating Revenues (Expenses)</u>				
(Loss) on sale of capital assets	-	-	-	-
Investment revenue	160,255	93,389	37,401	291,045
Interest and fiscal agent fees	(583,874)	(50,446)	-	(634,320)
Total Nonoperating Revenues (Expenses)	(423,619)	42,943	37,401	(343,275)
Income Before Transfers	382,362	1,402,787	415,516	2,200,665
<u>Contributions and Transfers</u>				
Capital contribution	1,779,620	-	-	1,779,620
Transfers in	1,023,237	-	-	1,023,237
Transfers (out)	-	(1,535,647)	(743,913)	(2,279,560)
Total Contribution and Transfers	2,802,857	(1,535,647)	(743,913)	523,297
Change in Net Position	3,185,219	(132,860)	(328,397)	2,723,962
Beginning net position	19,414,989	7,268,610	1,448,056	28,131,655
Ending Net Position	\$ 22,600,208	\$ 7,135,750	\$ 1,119,659	\$ 30,855,617

See Notes to Financial Statements.

**Governmental
Activities**

**Internal
Service**

\$ 311,563

-

311,563

-

-

-

168,552

168,552

143,011

2,754

33,438

-

36,192

179,203

-

254,500

-

254,500

433,703

2,118,340

\$ 2,552,043

CITY OF BASTROP, TEXAS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 1 of 2)

For the Year Ended September 30, 2019

	Business-Type Activities			Total
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fee	
<u>Cash Flows from Operating Activities</u>				
Receipts from customers and users	\$ 5,456,836	\$ 7,387,915	\$ 396,599	\$ 13,241,350
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(1,929,957)	(5,837,598)	(28,734)	(7,796,289)
Payments to employees	(1,375,346)	(684,997)	-	(2,060,343)
Net Cash Provided (Used) by Operating Activities	2,151,533	865,320	367,865	3,384,718
<u>Cash Flows from Noncapital Financing Activities</u>				
Transfers from other funds	1,023,237	-	-	1,023,237
Transfer to other funds	-	(1,535,647)	(743,913)	(2,279,560)
Net Cash Provided (Used) by Noncapital Financing Activities	1,023,237	(1,535,647)	(743,913)	(1,256,323)
<u>Cash Flows from Capital and Related Financing Activities</u>				
Acquisition and construction of capital assets	(4,035,835)	(299,558)	-	(4,335,393)
Proceeds from issuance of bonds	2,900,000	-	-	2,900,000
Interest and fiscal agent fees paid	(583,874)	(50,446)	-	(634,320)
Principal paid on capital debt	(1,112,006)	(109,559)	-	(1,221,565)
Proceeds from the sale of capital assets	-	-	-	-
Proceeds from note receivable	60,000	-	-	60,000
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,771,715)	(459,563)	-	(3,231,278)
<u>Cash Flows from Investing Activities</u>				
Interest on investments	160,255	93,389	37,401	291,045
Net Cash Provided by Investing Activities	160,255	93,389	37,401	291,045
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	563,310	(1,036,501)	(338,647)	(811,838)
Beginning cash and equity in pooled cash and investments	6,786,665	4,606,423	1,460,506	12,853,594
Ending Cash and Equity in Pooled Cash and Investments	\$ 7,349,975	\$ 3,569,922	\$ 1,121,859	\$ 12,041,756
Ending Cash and Equity in Pooled Cash and Investments:				
Unrestricted cash and equity in pooled cash and investments	\$ 3,976,198	\$ 3,569,922	\$ 1,121,859	\$ 8,667,979
Restricted cash and equity in pooled cash and investments	3,373,777	-	-	3,373,777
	\$ 7,349,975	\$ 3,569,922	\$ 1,121,859	\$ 12,041,756

See Notes to Financial Statements.

**Governmental
Activities**

**Internal
Service**

\$ -
311,563
-
-

311,563

254,500
-

254,500

(323,970)
-
-
-
2,754
-

(321,216)

33,438

33,438

278,285

1,097,158

\$ 1,375,443

\$ 1,375,443

-

\$ 1,375,443

CITY OF BASTROP, TEXAS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 2 of 2)

For the Year Ended September 30, 2019

	Business-Type Activities			
	Water and Wastewater	Bastrop Power & Light	Nonmajor	Total
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 805,981	\$ 1,359,844	\$ 378,115	\$ 2,543,940
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	888,253	202,542	-	1,090,795
Changes in Operating Assets and Liabilities:				
(Increase) Decrease in Assets:				
Accounts receivable	(121,621)	(60,189)	-	(181,810)
Advances from funds	-	(422,998)	-	(422,998)
Inventories	8,136	17,627	-	25,763
Deferred outflows of resources	(91,960)	(60,873)	-	(152,833)
Increase (Decrease) in Liabilities:				
Accounts payable and accrued liabilities	590,581	(228,571)	(10,250)	351,760
Compensated absences	(2,066)	415	-	(1,651)
Deferred inflows of resources	(61,410)	(39,806)	-	(101,216)
Net pension liability	182,995	120,382	-	303,377
OPEB liability health	49,087	32,299	-	81,386
OPEB liability supplemental death	(96,443)	(55,352)	-	(151,795)
	<u>\$ 2,151,533</u>	<u>\$ 865,320</u>	<u>\$ 367,865</u>	<u>\$ 3,384,718</u>
Net Cash Provided by Operating Activities				
	<u>\$ 2,151,533</u>	<u>\$ 865,320</u>	<u>\$ 367,865</u>	<u>\$ 3,384,718</u>
Noncash Investing, Capital, and Financing Activities:				
Capital contribution	<u>\$ 1,779,620</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Financial Statements.

**Governmental
Activities**

**Internal
Service**

\$ 143,011

168,552

-
-
-
-
-
-
-
-
-
-

\$ 311,563

\$ -

CITY OF BASTROP, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2019

	<u>Agency</u>
<u>Assets</u>	
Current assets	
Cash and equity in pooled cash and investments	\$ 340,625
Total Assets	<u>340,625</u>
<u>Liabilities</u>	
Due to others	\$ 340,625
Total Liability	<u><u>\$ 340,625</u></u>

See Notes to Financial Statements.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Bastrop, Texas (the “City”) was incorporated on December 18, 1837 and adopted the “Home Rule Charter” on May 7, 2002, pursuant to the laws of the State of Texas, which provide for a Council-Manager form of government.

The City Council is the principal legislative body of the City. With few exceptions, all powers of the City are vested in an elective Council, which enacts legislation, adopts budgets, determines policies, and appoints the City Attorney and the Municipal Court Judge. The Council also appoints the City Manager, who executes the laws and administers the government of the City. The City Manager is responsible for the appointment and removal of department directors and employees, supervision and control of all City departments, and preparation of the annual budget.

The City provides the following services: public safety, street maintenance, sanitation services, recreation programs, municipal court, community development, public improvements, water, sewer and electrical services, and general administrative services.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City’s financial reporting entity.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Unit

The Hunters Crossing Local Government Corporation (the “corporation”) was established to administer the service plan of the Hunters Crossing Public Improvement District (“PID”). The PID was established on September 11, 2001 by resolution of the Bastrop City Council. That resolution was later amended on November 11, 2003. The purpose for creation of the PID was to provide for the construction of certain public improvements and a mechanism for the payment of the costs of such construction and the costs of such improvements through the levy of assessments against owners of respective parcels in the PID. The assessment and bond issuance authorizations are approved by the City’s Council and the City is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The entity is reported as a blended component unit of the City. Separate financial statements for Hunter’s Crossing Local Government Corporation can be obtained from the City of Bastrop Finance Department.

Discretely Presented Component Unit

The Bastrop Economic Development Corporation (“BEDC”) was established in 1995, after the citizens of the City voted to pass a one-half cent sales tax dedicated to economic development.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

BEDC's primary purpose is to assist in bringing meaningful and rewarding employment opportunities to citizens in the area through funding assistance provided to businesses to relocate or expand in Bastrop. A separate governing board oversees BEDC, which is appointed by the Bastrop City Council, and consists of individuals from the community and related governmental entities in the area. City of Bastrop employees also manage the operations of BEDC. BEDC has been reported as a discretely presented component unit because the governing board is not identical to the governing body of the City, BEDC does not solely serve the City, and the City has the ability to impose its will on BEDC. Separate financial statements for BEDC can be obtained from the City's Finance Department.

No other entities, organizations, or functions have been included as part of the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

C. Basis of Presentation – Government-Wide Financial Statements

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and wastewater functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

D. Basis of Presentation – Fund Financial Statements

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

The City reports the following governmental funds:

The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales taxes, hotel/motel tax and franchise fees. Expenditures include general government; public safety; community services; development services, and economic development. The general fund is always considered a major fund for reporting purposes.

The *debt service fund* is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of the City. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

The *special revenue funds* are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. All of the special revenue funds are considered nonmajor funds for reporting purposes, with the exception of the hotel/motel tax fund, which is considered a major fund.

The *capital projects funds* are used to account for the expenditures of resources accumulated from grants, sale of bonds, and related interest earnings for capital improvement projects. All of the capital projects funds are considered a nonmajor fund for reporting purposes.

Permanent funds are governmental funds that are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs. The Fairview Cemetery fund is considered a nonmajor fund for reporting purposes. The City is permanent trustee for the perpetual care trust fund that is used to support the maintenance, repair, and care of all places in the cemetery. Net appreciation on investments can be spent for this purpose as authorized by the Council. The City classifies the amount that can be authorized for expenditure by the Council as restricted expendable net position, and the policy for authorizing and spending investment income is the total-return policy.

The City reports the following enterprise funds:

The *enterprise funds* are used to account for the operations that provide water and wastewater services and electrical utility services. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges.

The *water/wastewater fund* is utilized to account for the financial activities related to the provision of water and wastewater services to residents of the government.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

The *Bastrop power & light fund* is utilized to account for the financial activities related to the provision of electricity services to residents of the government.

Additionally, the City reports the following fund type:

Internal service funds account for services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The vehicle and equipment replacement fund is used for the replacement of vehicles and equipment.

The *Fiduciary fund* accounts for the receipt, temporary investment, and remittance of funds held in a fiduciary capacity for others.

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

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

E. Measurement Focus and Basis of Accounting

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

The government-wide, proprietary and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

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

1. Cash and Cash Equivalents

The City maintains pooled cash and investment accounts. Each fund whose monies are deposited in the pooled cash and investment accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at the previous month end. Amounts on deposit in interest bearing accounts and other investments are displayed on the combined balance sheet as “cash and equity in pooled cash and investments.”

2. Investments

Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Money market funds, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations and commercial paper that have a remaining maturity of one year or less upon acquisition, are reported at amortized cost. Investments in nonparticipating interest earning contracts, such as certificates of deposit, are reported at cost.

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

- Obligations of the U.S. or State of Texas or their agencies and instruments.
- Money market mutual funds that meet certain criteria
- Statewide investment pools
- Certificates of deposit that meet certain criteria

3. Inventories and Prepaid Items

Inventories are recorded in the general and enterprise funds, and are stated at cost using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The consumption method is used to recognize expenditures.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Certain proceeds of bonds, as well as other resources set aside for specific purposes, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants or contractual agreements. Restricted assets of the enterprise fund are restricted by bond covenants for repayment of debt and to finance construction projects.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of four years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings	20 to 50 years
Improvements	4 to 50 years
Equipment	4 to 10 years
Water and sewer system	20 to 30 years
Infrastructure	40 to 50 years

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

CITY OF BASTROP, TEXAS
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Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the City's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

At the fund level, the City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

7. Compensated Employee Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and compensatory time. The estimated amount of compensation for services provided that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations. Accumulated sick leave lapses when employees leave the employment of the government and, upon separation from service, no obligation exists.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with the interest earned in the debt service fund.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

9. Pensions

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

10. Other Postemployment Benefits

Supplemental Death Benefit. The City participates in a single-employer, unfunded, defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDFB). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Benefit payments and refunds are due and payable in accordance with the benefit terms. Information about the City's total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense is provided by TMRS from reports prepared by their consulting actuary.

Retiree Health Insurance. For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the City for benefits due and payable that are not reimbursed by plan assets. Information regarding the City's total OPEB liability is obtained from a report prepared by a consulting actuary.

11. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

12. Fund Balance Flow Assumptions

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

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

13. Fund Balance Policies

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

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

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

By resolution, the Council has also authorized the City Manager and/or Finance Director as the officials authorized to assign fund balance to a specific purpose as approved by the City's fund balance policy. Assignments of fund balance by the City Manager and Finance Director do not require formal action by the City Council.

The City strives to maintain an unassigned fund balance of not less than 25 percent of the budgeted operational expenditures in all City funds, with the exception of proprietary funds, which the target is 35 percent. The purpose of the unassigned balance is to alleviate significant unanticipated budget shortfalls and to ensure the orderly provisions of services to citizens. Should unassigned fund balance fall below the goal or have a deficiency, the City will seek to reduce expenditures prior to increasing revenues to replenish fund balance within a reasonable timeframe.

14. Estimates

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

CITY OF BASTROP, TEXAS
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G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

The City levies its taxes on October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. Taxes are delinquent if not paid by February 1st of the following calendar year. Delinquent taxes are subject to both penalty and interest charges plus 15% delinquent collection fees for attorney costs.

3. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and internal service fund are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds and internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except the capital projects funds, which adopt project length budgets. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the charter in the approved budget is the department level. The City Manager may transfer appropriations within a department without seeking the approval of City Council. Appropriations lapse at the end of the year, excluding capital project budgets. Supplemental budget appropriations were made for the year ended September 30, 2019.

Encumbrances represent the estimated amount of expenditures ultimately to result when unperformed contracts (in progress at year end) are completed. Such encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the City to invest its funds under a written investment policy (the “Investment Policy”) that primarily emphasizes safety of principal, availability of liquidity to meet the City’s obligations and market rate of return. The Investment Policy defines what constitutes the legal list of investments allowed under the policy, which excludes certain investment instruments allowed under Chapter 2256 of the Texas Government Code. The City’s deposits and investments are invested pursuant to the Investment Policy. The Investment Policy includes a list of authorized investment instruments and a maximum allowable stated maturity of any individual investment. In addition, it includes an “Investment Strategy” that specifically addresses limitations on instruments, diversification, and maturity scheduling. In compliance with the Public Funds Investments Act, the City has adopted a deposit and investment policy. That policy addresses the following risks:

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

Credit risk. The City’s policy requires that investment pools must be rated no lower than ‘AAA’ or ‘AAA-m’. Bankers’ acceptances must be issued in the United States and carry a rating of ‘A1’/‘P1’ as provided by two of the top nationally recognized rating agencies. As of September 30, 2019, the City’s investments in TexPool and TexSTAR were rated ‘AAAm’ by Standard & Poor’s. All other investments are guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency. More specifically, the U.S. agency securities held by the City as of September 30, 2019, consist of a variety of bonds and discount notes issued by the Federal Home Loan Bank, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation. These investments were rated not less than ‘AAA’ by both Moody’s and Standard & Poor’s.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of September 30, 2019, bank balances were entirely secured by FDIC insurance and pledged securities.

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

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with

CITY OF BASTROP, TEXAS
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TexPool. The advisory board members review the investment policy and management fee structure. Standard & Poor's rated TexPool "AAAm". As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, TexPool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium, or national state of emergency that affects TexPool's liquidity.

TexasTerm

The Texas Term Local Government Investment ("TexasTerm") is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexasTerm was created in 1981 by contract among its participating governmental units and is governed by a board of directors. PFM Fund Distributors and PFM Asset Management (PFM) act as co-administrators, providing investment management services, participant services, and marketing, respectively. PFM provides custodial, transfer agency, fund accounting, and depository services.

Texas CLASS

The Texas Cooperative Liquid Assets Securities System Trust – Texas (CLASS) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the "Agreement"), among certain Texas governmental entities investing in CLASS (the "Participants"), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. CLASS is not SEC registered and is not subject to regulation by the State of Texas. Under the Agreement, however, CLASS is administered and supervised by a seven-member board of trustees (the "Board"), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of CLASS. Separate financial statements for CLASS may be obtained from CLASS' website at www.texasclass.com.

The City categorizes its fair value measurements within a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
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Level 3 inputs are unobservable inputs for an asset or liability. 40

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Details regarding investment by type are as follows:

<u>Investment Type</u>	<u>Reported Value</u>	<u>Weighted Average Maturity Years</u>	<u>Fair Value Measurement Using</u>	<u>% of Total</u>	<u>Rating</u>
CITY					
Certificates of Deposit	\$ 11,499,066	1.06	n/a	41%	AA+
Money Market	1,465,062	0.00	n/a	5%	AA+
U.S. Bonds	2,275,917	1.14	Level 2	8%	AA+
TexPool	560,801	0.09	n/a	2%	AAAm
Texas CLASS	5,939,195	0.14	n/a	21%	AAAm
TexasTerm	6,149,778	0.16	n/a	22%	AAAm
	<u>\$ 27,889,819</u>	0.56		<u>100%</u>	
BEDC					
Money Market	\$ 140,411	0.00	n/a	21%	AA+
TexPool	255,605	0.09	n/a	38%	AAAm
Texas CLASS	281,952	0.14	n/a	42%	AAAm
	<u>\$ 677,968</u>	0.23		<u>100%</u>	

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
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B. Receivables

The following comprise receivable balances at year end:

Governmental Funds - receivables

	General	Debt Service	Hotel/Motel Tax	Nonmajor	Total
Property taxes	\$ 170,880	\$ 135,640	\$ -	\$ -	\$ 306,520
Sales taxes	832,874	-	-	-	832,874
Hotel/motel tax	-	-	248,495	-	248,495
Other receivables	318,082	-	-	253,103	571,185
Court fines and fees	660,535	-	-	-	660,535
Less allowance	(603,024)	(6,782)	-	-	(609,806)
	<u>\$ 1,379,347</u>	<u>\$ 128,858</u>	<u>\$ 248,495</u>	<u>\$ 253,103</u>	<u>\$ 2,009,803</u>

Proprietary Funds - receivables

	Water and Sewer	Power & Light	Total Enterprise Funds
Accounts receivable	\$ 558,507	\$ 654,992	\$ 1,213,499
Less allowance	(5,065)	(19,921)	(24,986)
	<u>\$ 553,442</u>	<u>\$ 635,071</u>	<u>\$ 1,188,513</u>

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

C. Capital Assets

A summary of changes in capital assets for the year end is as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	(Decreases)/ Reclassifications	
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 4,865,264	\$ 375,619	\$ (26,100)	\$ 5,214,783
Construction in progress	24,875	542,382	(24,876)	542,381
Total capital assets not being depreciated	4,890,139	918,001	(50,976)	5,757,164
Other capital assets:				
Buildings	15,332,127	-	-	15,332,127
Improvements other than buildings	22,021,616	1,734,324	-	23,755,940
Machinery and equipment	7,678,471	522,780	(66,163)	8,135,088
Total other capital assets	45,032,214	2,257,104	(66,163)	47,223,155
Less accumulated depreciation for:				
Buildings	(4,136,291)	(350,163)	-	(4,486,454)
Improvements other than buildings	(5,915,984)	(678,840)	-	(6,594,824)
Machinery and equipment	(4,704,457)	(600,157)	65,692	(5,238,922)
Total accumulated depreciation	(14,756,732)	(1,629,160)	65,692	(16,320,200)
Other capital assets, net	30,275,482	627,944	(471)	30,902,955
Governmental Activities Capital Assets, Net	\$ 35,165,621	\$ 1,545,945	\$ (51,447)	36,660,119
			Plus unspent bond proceeds	6,609,865
			Less net deferred charge on refunding	755,799
			Less associated debt	(24,209,577)
			Net Investment in Capital Assets	\$ 19,816,206

Depreciation was charged to governmental functions as follows:

General government	\$ 518,342
Public safety	398,260
Development services	106,729
Community services	156,574
Economic development	280,702
Internal service fund	168,553
Total Governmental Activities Depreciation Expense	\$ 1,629,160

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
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The following is a summary of changes in capital assets for business-type activities for the year end:

	Beginning Balance	Increases	(Decreases)/ Reclassifications	Ending Balance
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,541,614	\$ 350	\$ -	\$ 1,541,964
Water rights	2,933,620	1,000,000	-	3,933,620
Construction in progress	2,423,448	2,576,125	(2,034,041)	2,965,532
Total capital assets not being depreciated	6,898,682	3,576,475	(2,034,041)	8,441,116
Other capital assets:				
Machinery and equipment	2,721,642	248,605	-	2,970,247
Buildings	498,366	-	-	498,366
Infrastructure	36,690,160	4,323,973	-	41,014,133
Total other capital assets	39,910,168	4,572,578	-	44,482,746
Less accumulated depreciation for:				
Machinery and equipment	(1,868,964)	(195,192)	-	(2,064,156)
Buildings	(208,175)	(21,249)	-	(229,424)
Infrastructure	(11,559,354)	(874,354)	3	(12,433,705)
Total accumulated depreciation	(13,636,493)	(1,090,795)	3	(14,727,285)
Other capital assets, net	26,273,675	3,481,783	3	29,755,461
Business-Type Activities Capital Assets, Net	\$ 33,172,357	\$ 7,058,258	\$ (2,034,038)	38,196,577
			Less associated debt	(19,423,492)
			Net Investment in Capital Assets	\$ 18,773,085

Depreciation was charged to business-type functions as follows:

Water and wastewater	\$ 888,253
Power and light	202,542
Total Business-Type Activities Depreciation Expense	\$ 1,090,795

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
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The following is a summary of changes in capital assets for BEDC activities for the year end:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>(Decreases)/ Reclassifications</u>	<u>Ending Balance</u>
BEDC:				
Capital assets not being depreciated:				
Land	\$ 844,672	\$ -	\$ -	\$ 844,672
Construction in progress	591,906	1,420,212	-	2,012,118
Total capital assets not being depreciated	<u>1,436,578</u>	<u>1,420,212</u>	<u>-</u>	<u>2,856,790</u>
Other capital assets:				
Machinery and equipment	8,300	-	-	8,300
Buildings	845,595	-	-	845,595
Total other capital assets	<u>853,895</u>	<u>-</u>	<u>-</u>	<u>853,895</u>
Less accumulated depreciation for:				
Machinery and equipment	(5,257)	(1,660)	-	(6,917)
Buildings	(325,340)	(16,132)	-	(341,472)
Total accumulated depreciation	<u>(330,597)</u>	<u>(17,792)</u>	<u>-</u>	<u>(348,389)</u>
Other capital assets, net	523,298	(17,792)	-	505,506
BEDC Capital Assets, Net	<u>\$ 1,959,876</u>	<u>\$ 1,402,420</u>	<u>\$ -</u>	<u>3,362,296</u>
			Less associated debt	(1,545,000)
			Net Investment in Capital Assets	<u>\$ 1,817,296</u>

D. Long-Term Debt

The City issues general obligation bonds, certificates of obligation, and tax and revenue bonds to provide funds for the acquisition and construction of major capital facilities and improvement projects. Long-term debt of this nature has been issued for both governmental and business-type activities. These debt instruments are direct obligations and pledge the full faith and credit of the City. General obligation bonds and certificates of obligation generally are issued with repayment scheduled to occur as equal amounts of principal maturing each year with maturities that range from 3 to 30 years.

The City issues maintenance tax notes or obtains regular notes payable financing arrangements from banks to provide funds for the acquisition of equipment or minor capital projects. Tax notes and regular notes payable are direct obligations and pledge the full faith and credit of the government. These debt instructions are generally repaid in equal installments of principal and interest over a period of 3 to 10 years.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
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The following is a summary of changes in the City's governmental activities and business type activities and BEDC's total long-term liabilities for the year end:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Bonds, notes and other payables:					
General obligation bonds	\$ 11,480,719	\$ -	\$ (1,172,000)	\$ 10,308,719	* \$ 1,556,691
Certificates of obligation	12,832,674	465,000	(631,503)	12,666,171	* 314,006
Notes Payable	294,179	-	(36,952)	257,227	* 22,368
	<u>24,607,572</u>	<u>465,000</u>	<u>(1,840,455)</u>	<u>23,232,117</u>	<u>1,893,065</u>
Deferred amounts:					
For issuance discounts/premiums	1,081,865	-	(104,405)	977,460	*
Other liabilities:					
Compensated absences	219,587	346,558	(312,803)	253,342	126,671
Total Governmental Activities	<u>\$ 25,909,024</u>	<u>\$ 811,558</u>	<u>\$ (2,257,663)</u>	<u>\$ 24,462,919</u>	<u>\$ 2,019,736</u>
				<u>\$ 22,443,183</u>	
					<u>\$ 24,209,577</u>
*Debt associated with governmental activities capital assets					
				<u>\$ 22,443,183</u>	
					<u>\$ 24,209,577</u>
*Debt associated with governmental activities capital assets					
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Business-Type Activities:					
Bonds, notes and other payables:					
General obligation bonds	\$ 2,734,277	\$ -	\$ (252,197)	\$ 2,482,080	* \$ 266,729
Certificates of obligation	14,127,326	-	(769,300)	13,358,026	* 797,574
Revenue bonds	-	1,900,000	-	1,900,000	* 65,000
Note payable	360,000	1,000,000	(260,000)	1,100,000	* 260,000
	<u>17,221,603</u>	<u>2,900,000</u>	<u>(1,281,497)</u>	<u>18,840,106</u>	<u>1,389,303</u>
Deferred amounts:					
For issuance discounts/premiums	523,454	100,522	(40,590)	583,386	*
	<u>16,698,149</u>	<u>2,799,478</u>	<u>(1,240,907)</u>	<u>18,256,720</u>	<u>1,389,303</u>
Other liabilities:					
Compensated absences	58,044	62,338	(63,989)	56,393	28,197
Total Business-Type Activities	<u>\$ 16,756,193</u>	<u>\$ 2,861,816</u>	<u>\$ (1,304,896)</u>	<u>\$ 18,313,113</u>	<u>\$ 1,417,500</u>
				<u>\$ 16,867,417</u>	
					<u>\$ 18,256,720</u>
*Debt associated with business-type activities capital assets					
				<u>\$ 16,867,417</u>	
					<u>\$ 18,256,720</u>
*Debt associated with business-type activities capital assets					
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
BEDC					
General obligation bonds	\$ 1,360,000	\$ -	\$ (115,000)	\$ 1,245,000	* \$ 125,000
Note payable	372,500	-	(72,500)	300,000	* 60,000
Note to City	3,125,692	-	(125,274)	3,000,418	128,968
	<u>4,858,192</u>	<u>-</u>	<u>(312,774)</u>	<u>4,545,418</u>	<u>313,968</u>
Other liabilities:					
Compensated absences	16,321	16,471	(20,765)	12,027	6,687
BEDC Activities	<u>\$ 4,874,513</u>	<u>\$ 16,471</u>	<u>\$ (333,539)</u>	<u>\$ 4,557,445</u>	<u>\$ 320,655</u>
				<u>\$ 4,231,450</u>	
					<u>\$ 1,545,000</u>
*Debt associated with business-type activities capital assets					
				<u>\$ 4,231,450</u>	
					<u>\$ 1,545,000</u>
*Debt associated with business-type activities capital assets					

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

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

Description	Interest Rate Payable	Amount Original Issue	Balance
<u>Governmental Activities:</u>			
BONDS PAYABLE			
Gen. Oblig. Bonds, Series 2005	3.67%	\$ 2,445,000	\$ 960,000
Gen. Oblig. Bonds, Series 2006	4.24%	345,000	160,000
Certificates of Oblig., Series 2006 (31.4%)	4.19%	227,650	72,220
Gen. Oblig. Bonds, Series 2007	4.08%	1,220,000	630,000
Certificates of Obligation, Series 2007 (11.42%)	4.04%	264,944	136,469
Combination Tax & Rev., Cert. of Oblig, Series 2010 (83.1%)	3.50-4.25%	6,149,400	1,026,285
Limited Tax Refunding Bonds (GO), Series 2010 (9.37%)	2.0-4.0%	239,872	97,916
Gen. Oblig. Refunding Bonds, Series 2011	2.0-4.0%	4,260,000	990,000
Gen. Oblig. Ref. & Improvement Bonds, Series 2012	2.0 - 3.0%	2,015,000	1,140,000
Combination Tax & Rev., Cert. of Oblig., Series 2013 (67.2%)	3.0 - 4.25%	7,392,000	6,462,000
GO Refunding., Series 2014 (74.53%)	2.0 - 4.0%	1,695,558	2,115,000
GO Refunding., Series 2016 (58%)	2.0 - 4.0%	1,440,000	1,215,000
GO Refunding., Series 2017 (83%)	2.0 - 4.0%	3,745,000	3,085,000
Combination Tax & Rev., Cert. of Oblig., Series 2018	3.75 - 4.0%	4,605,000	4,420,000
Limited Tax Note, Series 2019		465,000	465,000
TOTAL BONDS PAYABLE			<u>22,974,890</u>
NOTES PAYABLE			
Note Payable - Texas Capital Fund - Art Foundry	0.00%	447,351	257,227
TOTAL GOVERNMENTAL ACTIVITIES			<u>\$ 23,232,117</u>
<u>Business-Type Activities:</u>			
BONDS PAYABLE			
Certificates of Oblig., Series 2006 (68.6%)	4.19%	497,350	\$ 157,780
Certificates of Oblig., Series 2007 (88.58%)	4.04%	2,055,056	1,058,531
Limited Tax Refunding Bonds, Series 2010 (90.63%)	2.0-4.0%	2,320,128	947,081
Combination Tax & Rev., Cert. of Oblig., Series 2012	2.0 - 4.0%	4,200,000	3,155,000
Combination Tax & Rev., Cert. of Oblig., Series 2013 (32.8%)	3.0 - 4.25%	3,608,000	3,153,000
Combination Tax & Rev., Cert. of Oblig., Series 2014 (85.5%)	2.0 - 3.5%	5,985,000	4,809,375
GO Refunding., Series 2016 (42%)	2.0-4.0%	1,085,000	925,000
Utility System Revenue Bond, Series 2019	2.0-4.0%	1,900,000	1,900,000
Combination Tax & Rev., Cert. of Oblig, Series 2010 (16.9%)	3.50-4.25%	1,250,600	208,715
Combination Tax & Rev., Cert. of Oblig., Series 2014 (14.5%)	2.0 - 3.5%	1,015,000	815,624
GO Refunding., Series 2017 (12.7%)	2.0 - 3.5%	610,000	610,000
TOTAL BONDS PAYABLE			<u>17,740,106</u>
NOTES PAYABLE			
Notes Payable - Ingram Note	0.00%	600,000	300,000
Notes Payable-XS Ranch Water Co.	0.00%	1,000,000	800,000
TOTAL NOTES PAYABLE			<u>1,100,000</u>
TOTAL BUSINESS-TYPE ACTIVITIES			<u>\$ 18,840,106</u>
<u>BEDC:</u>			
BONDS PAYABLE			
Sales Tax and Revenue Ref. Bonds, Series 2006	4.61%	\$ 2,005,000	\$ 55,000
Sales Tax and Revenue Bonds, Series 2018	3.39%	1,250,000	1,190,000
TOTAL BONDS PAYABLE			<u>1,245,000</u>
NOTES PAYABLE			
Notes Payable - City of Bastrop	0.00%	600,000	300,000
OTHER NOTE TO CITY			
Due to City of Bastrop - 13.88% Cert. of Oblig., Series 2010	0.00%		171,418
Due to City of Bastrop - 24.2% Cert. of Oblig., Series 2013	0.00%		2,329,000
Due to City of Bastrop - 13.4% GO Refunding., Series 2017	0.00%		500,000
TOTAL BONDS PAYABLE			<u>3,000,418</u>
TOTAL BEDC			<u>\$ 4,545,418</u>

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

The annual requirements to amortize bond and notes outstanding at year end were as follows:

Governmental Activities:

Fiscal year	Bonds			Notes			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 1,870,697	\$ 856,036	\$ 2,726,733	\$ 22,368	\$ -	\$ 22,368	\$ 1,893,065	\$ 856,036	\$ 2,683,187
2021	1,979,752	790,122	2,769,874	22,368	-	22,368	2,002,120	790,122	2,718,303
2022	2,112,035	716,183	2,828,218	22,368	-	22,368	2,134,403	716,183	2,850,586
2023	1,972,694	637,363	2,610,057	22,368	-	22,368	1,995,062	637,363	2,632,425
2024	1,862,203	566,101	2,428,304	22,368	-	22,368	1,884,571	566,101	2,450,672
2025-2029	7,625,509	1,900,121	9,525,630	111,838	-	111,838	7,737,347	1,900,121	9,637,468
2030-2034	4,502,000	616,499	5,118,499	33,551	-	33,551	4,535,551	616,499	5,152,050
2035-2039	1,050,000	98,013	1,148,013	-	-	-	1,050,000	98,013	1,148,013
	<u>\$ 22,974,890</u>	<u>\$ 6,180,439</u>	<u>\$ 29,155,329</u>	<u>\$ 257,227</u>	<u>\$ -</u>	<u>\$ 257,227</u>	<u>\$ 23,232,117</u>	<u>\$ 6,180,439</u>	<u>\$ 29,272,703</u>

Business-type Activities:

Fiscal year	Bonds			Notes			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 1,129,302	\$ 598,174	\$ 1,727,476	\$ 260,000	\$ -	\$ 260,000	\$ 1,389,302	\$ 598,174	\$ 1,953,058
2021	1,165,248	563,756	1,729,004	260,000	-	260,000	1,425,248	563,756	1,952,081
2022	1,267,965	526,833	1,794,798	260,000	-	260,000	1,527,965	526,833	2,054,798
2023	1,312,305	486,062	1,798,367	260,000	-	260,000	1,572,305	486,062	2,058,367
2024	1,352,795	443,842	1,796,637	60,000	-	60,000	1,412,795	443,842	1,856,637
2025-2029	6,094,491	1,579,050	7,673,541	-	-	-	6,094,491	1,579,050	7,673,541
2030-2034	4,793,000	574,305	5,367,305	-	-	-	4,793,000	574,305	5,367,305
2035-2039	625,000	57,750	682,750	-	-	-	625,000	57,750	682,750
	<u>\$ 17,740,106</u>	<u>\$ 4,829,771</u>	<u>\$ 22,569,877</u>	<u>\$ 1,100,000</u>	<u>\$ -</u>	<u>\$ 1,100,000</u>	<u>\$ 18,840,106</u>	<u>\$ 4,829,771</u>	<u>\$ 23,598,536</u>

EDC:

Fiscal year	Bonds			Notes			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 125,000	\$ 43,421	\$ 168,421	\$ 188,968	\$ 117,580	\$ 306,548	\$ 313,968	\$ 161,001	\$ 464,607
2021	70,000	37,968	107,968	197,990	112,671	310,661	267,990	150,639	410,958
2022	70,000	35,595	105,595	246,460	107,373	353,833	316,460	142,968	459,428
2023	75,000	33,222	108,222	250,000	100,149	350,149	325,000	133,371	458,371
2024	75,000	30,680	105,680	259,000	93,849	352,849	334,000	124,529	458,529
2025-2029	430,000	112,379	542,379	1,237,000	344,504	1,581,504	1,667,000	456,883	2,123,883
2030-2034	400,000	34,409	434,409	921,000	97,501	1,018,501	1,321,000	131,910	1,452,910
	<u>\$ 1,245,000</u>	<u>\$ 327,674</u>	<u>\$ 1,572,674</u>	<u>\$ 3,300,418</u>	<u>\$ 973,627</u>	<u>\$ 4,274,045</u>	<u>\$ 4,545,418</u>	<u>\$ 1,301,301</u>	<u>\$ 5,828,686</u>

Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or are not performed correctly, a substantial liability to the City could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the rules and regulations of the IRS.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

E. Interfund Transactions

Amounts recorded as due to/from are considered to be temporary loans and will generally be repaid in more than one year.

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

<u>Transfer In</u>	<u>Transfer Out</u>	<u>In</u>	<u>Out</u>
General	Special project	\$ 349,000	\$ -
Special project	General	-	339,000
General	Power and light	453,825	-
Hotel and motel tax	Power and light	220,000	-
Special project	Power and light	-	683,825
Hotel and motel tax	General	206,554	206,554
Equipment replacement	General	37,500	37,500
Debt service	Hotel and motel tax	516,186	516,186
Street maintenance	Tax bond 2018	1,100,000	1,100,000
General	Library board	3,000	3,000
Fairview cemetery	Cemetery permanent	6,106	6,106
General	Power and light	557,750	557,750
Vehicle replacement	Power and light	100,000	100,000
Vehicle replacement	Water and wastewater	117,000	117,000
Revenue bond	Water and wastewater	1,911,207	1,911,207
Water and wastewater	Revenue bond	-	1,045,802
Water and wastewater	Grant	1,248,053	-
Water and wastewater	Grant	-	202,252
Water and wastewater	Community impact fee	-	95,081
Water and wastewater	Community impact fee	-	81,139
Debt service	Community impact fee	-	227,419
Debt service	Community impact fee	-	340,273
Water and wastewater	Impact	104,074	-
Water and wastewater	Impact	639,839	-
Water and wastewater	Power and light	194,072	194,072
		<u>\$ 7,764,166</u>	<u>\$ 7,764,166</u>

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City participates along with 2,617 other entities in the Texas Municipal League’s Intergovernmental Risk Pools (the “Pool”). The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

B. Contingent Liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

C. Construction and Other Significant Commitments

Commitments

Construction in progress and remaining commitments under related construction contracts for governmental activities projects at year end are as follows:

	Spent to Date	Remaining Commitment
<u>General Governmental activities:</u>		
City Hall Remodel-Construction	\$ 142,129	\$ 198,871
Elevated Storage Tank HWY 20	312,103	1,178,697
Ground Storage Tank HWY 20	59,518	1,082,583
Electric System Study Project #5	11,651	40,837
Electric System Study Project #11	10,350	19,972
WWTP#3 and Collector Lines - Engineering	1,560,861	4,498,468
XS Water Line & Water Plant-Engineering	526,077	303,923
	\$ 2,622,689	\$ 7,323,351
<u>BEDC</u>		
Downtown Loop Sidewalk	\$ 32,876	\$ 15,858
921 Main St. Building	188,220	1,611,780
	\$ 221,096	\$ 1,627,638

D. Pension Plan

Texas Municipal Retirement System

Plan Description

The City participates as one of 887 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by TMRS. TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the "TMRS Act") as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of TMRS with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained at www.tmr.com.

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

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee’s contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a partial lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75 percent of the member’s deposits and interest.

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

	2019	2018
Employee deposit rate	6.00%	6.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/25	60/5, 0/25
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees Covered by Benefit Terms

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	55
Inactive employees entitled to but not yet receiving benefits	58
Active employees	131
Total	244

Contributions

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

Employees for the City were required to contribute seven percent of their annual gross earnings during the fiscal year. The required contribution rates for the City were 11.43 percent and 11.37 percent in

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

calendar years 2018 and 2019, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2019 were \$895,993, which were equal to than the required contributions

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2018 and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The TPL in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

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

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and annuity purchase rate are based on the mortality experience investigation study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, TMRS adopted the EAN actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation, as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

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

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

Asset Class	Target Allocation	Long-Term Expected Net Real Rate of Return
Equities		
Large cap domestic	32%	5.72%
Small cap domestic	10%	5.96%
Developed international	21%	6.21%
Emerging markets	6%	7.18%
Master limited partnership	5%	7.61%
Fixed income		
Domestic	21%	1.61%
International	5%	1.81%
Cash	- %	- %
Total	100%	
Weighted average		4.97%

Discount Rate

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

Changes in the NPL

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Changes for the year:			
Service cost	\$ 1,049,555	\$ -	\$ 1,049,555
Interest	1,278,572	-	1,278,572
Change of benefit terms	-	-	-
Difference between expected and actual experience	95,980	-	95,980
Changes of assumptions	-	-	-
Contributions - employer	-	819,985	(819,985)
Contributions - employee	-	433,104	(433,104)
Net investment income	-	(485,318)	485,318
Benefit payments, including refunds of employee contributions	(567,072)	(567,072)	-
Administrative expense	-	(9,374)	9,374
Other changes	-	(490)	490
Net Changes	1,857,035	190,835	1,666,200
Balance at December 31, 2017	18,700,567	16,193,745	2,506,822
Balance at December 31, 2018	\$ 20,557,602	\$ 16,384,580	\$ 4,173,022

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

Sensitivity of the NPL to Changes in the Discount Rate

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's Net Pension Liability	\$ 7,181,886	\$ 4,038,852	\$ 1,494,985
BEDC's Net Pension Liability	238,581	134,170	49,663
Total Net Pension Liability	\$ 7,420,467	\$ 4,173,022	\$ 1,544,648

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmr.com.

Pension Expense and Deferred Outflows/Deferred Inflows of Resources Related to Pensions

For the fiscal year ended September 30, 2019, the City recognized pension expense of \$1,385,475.

At September 30, 2019, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 151,366
Changes in actuarial assumptions	5,485
Net difference between projected and actual investment earnings	838,040
Pension expense to be recognized	994,891
Contributions subsequent to the measurement date	694,625
Total	\$ 1,689,516

\$694,625 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30	Pension expense to be recongized
2020	\$ 343,546
2021	175,408
2022	151,927
2023	324,010
Total	\$ 994,891

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

E. Other Postemployment Benefits

1. TMRS – Supplemental Death Benefit

Plan Description

The City participates in a defined benefit OPEB plan administered by TMRS. TMRS administers the defined benefit group-term life insurance plan known as the SDBF. This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. Employers may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The member city contributes to the SDBF at a contractually required rate (based on the covered payroll of employee members) as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees’ entire careers. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. As such, the SDBF is considered to be a single-employer unfunded OPEB defined benefit plan with benefit payments treated as being equal to the employer’s yearly contributions for retirees.

The contributions to the SDBF are pooled for investment purposes with those of the Pension Trust Fund (PTF). The TMRS Act requires the PTF to allocate a five percent interest credit from investment income to the SDBF on an annual basis each December 31 based on the mean balance in the SDBF during the year.

Benefits

The death benefit for active employees provides a lump-sum payment approximately equal to the employee’s annual salary (calculated based on the employee’s actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an OPEB and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e., no assets are accumulated). Participation in the SDBF as of December 31, 2018 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	41
Inactive employees entitled to, but not yet receiving, benefits	17
Active employees	131
Total	189

Total OPEB Liability

The City’s total OPEB liability of \$501,662 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50% to 10.50% including inflation
Discount rate	3.71%*
Retirees' share of benefit-related costs	Zero
Administrative expenses	All administrative expenses are paid through the Pension Trust Fund and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates-service retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projects on a fully generational basis with scale BB.
Mortality rates-disabled retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. The rate are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

* The discount rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2018.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Changes for the year:	
Service cost	\$ 19,490
Interest	9,693
Difference between expected and actual experience	(6,885)
Changes of assumptions	(21,387)
Benefit payments*	(1,444)
	<u>Net Changes</u> (533)
Beginning balance	283,810
	<u>Ending Balance</u> \$ 283,277

* Membership counts for inactive employees currently receiving or entitled to but not yet receiving benefits will differ from GASB 68 as they include only those eligible for a SDBF benefit (i.e. excludes beneficiaries, non-

** Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

There were no changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (2.71%)	Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
City's portion	\$ 330,143	\$ 274,168	\$ 230,507
BEDC's portion	10,969	9,109	7,658
Total	\$ 341,112	\$ 283,277	\$ 238,165

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

For the year ended September 30, 2019, the City recognized OPEB expense of \$41,406. The City reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ -	\$ 2,599
Difference in expected and actual economic experience	-	5,653
Contributions subsequent to the measurement date	2,444	-
Total	\$ 2,444	\$ 8,252

\$2,444 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the of total OPEB liability for the fiscal year ending September 30, 2020.

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30	OPEB expense to be recognized
2020	\$ (890)
2021	(890)
2022	(890)
2023	(2,600)
2024	(2,982)
Thereafter	-
Total	\$ (8,252)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

2. Postemployment Healthcare Plan

Plan Description

The City offers its retired employees health insurance benefits through a single-employer defined benefit OPEB plan (the “Program”), under City policy. This plan is administered by the City and it has the authority to establish and amend the benefit terms and financing arrangements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Benefits and Contributions

Effective June 1, 2016, retirees who are at least 58 years old at retirement and have at least 25 or more years of service with the City are eligible for City paid health coverage until they reach 65 or become eligible for Medicare. The City pays the premium for the eligible retired members, otherwise the retired employee pays a premium. Dependents of the retired employee are not eligible for any City contribution but may be eligible to continue coverage under the City’s group health insurance plan in accordance with COBRA. Additionally, eligible retirees receive \$2,000 life insurance fully paid by the City. The City’s contributions to the Program for the year ended September 30, 2019 were \$16,887, which equal benefit payments for retirees. A separate, audited GAAP basis OPEB plan report is not available for this Program.

Participation in the Program as of December 31, 2018 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	3
Inactive employees entitled to, but not yet receiving, benefits	-
Active employees	120
Total	123

Actuarial Assumptions and Other Inputs

Significant methods and assumptions were as follows:

Inflation	2.50%
Salary increases	2.75% which includes inflation
Discount rate	3.58% per annum, which includes inflation
Healthcare cost trend rates	5.21% initial 2019 medical trend rate for pre-65 retirees decreasing to an ultimate rate of 3.81% in the year 2073
	Mortality rates were updated and are based upon the RP-2014h sex distinct mortality improvement table with generational mortality improvement scale MP-2018.

Projections of health benefits are based on the Program as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities.

A single discount rate of 3.58% was used to measure the total OPEB liability. This single discount rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was Fixed-income municipal bonds with 20 years to maturity that include only federally tax-

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of September 30, 2019.

Changes in the Total OPEB Liability

The City’s and BEDC’s total OPEB liability was measured as of September 30, 2018 and was determined by an actuarial valuation as of September 30, 2019.

		<u>Total OPEB Liability</u>
Changes for the year:		
Service cost	\$	26,899
Interest		25,690
Difference between expected and actual experience		-
Changes of assumptions		11,200
Benefit payments*		(16,887)
Net Changes		<u>46,902</u>
Beginning balance		666,620
Ending Balance	\$	<u><u>713,522</u></u>

* Membership counts for inactive employees currently receiving or entitled to but not yet receiving benefits will differ from GASB 68 as they include only those eligible for a SDBF benefit (i.e. excludes beneficiaries, non-vested terminations due to refund, etc.).

** Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Sensitivity of Total OPEB Liability to the Discount Rate

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the Program’s total OPEB liability, calculated using a discount rate of 3.58%, as well as what the Program’s total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	<u>Discount Rate Sensitivity</u>		
	<u>1% Decrease in Discount Rate (2.58%)</u>	<u>Discount Rate (3.58%)</u>	<u>1% Increase in Discount Rate (4.58%)</u>
City's portion	\$ 766,743	\$ 690,580	\$ 623,770
BEDC's portion	25,472	22,942	20,722
Total	<u><u>\$ 792,215</u></u>	<u><u>\$ 713,522</u></u>	<u><u>\$ 644,492</u></u>

Sensitivity of Total OPEB Liability to the Healthcare Costs Trend Rate Assumption

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the Program’s total OPEB liability, calculated using the assumed trend rates as well as what the Program’s total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

Healthcare Cost Trend Table

	1% Decrease in Discount Rate (4.21%)	Discount Rate (5.21%)	1% Increase in Discount Rate (6.21%)
City's portion	\$ 616,841	\$ 690,580	\$ 778,882
BEDC's portion	20,492	22,942	25,876
Total	\$ 637,333	\$ 713,522	\$ 804,758

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

For the year ended September 30, 2019, the City and BEDC recognized OPEB expense of \$37,429. The City and BEDC reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ 34,928	\$ -
Difference in expected and actual economic experience	-	28,657
Total	\$ 34,928	\$ 28,657

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30	OPEB expense to be recognized
2020	\$ 935
2021	935
2022	935
2023	935
2024	931
2025	1,599
Total	\$ 6,270

F. Deferred Compensation Plan

The City offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Plan's trust arrangements are established to protect deferred compensation amounts of employees under the Plan from any other use than intended under the Plan (eventual payment to employees deferring the compensation) in accordance with federal tax laws. Amounts of compensation deferred by employees under Plan provisions are disbursed monthly by the City to Nationwide, a third-party administrator. The third-party administrator handles all funds in the Plan and makes investment decisions and disburses funds to employees in accordance with Plan provisions.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2019

G. Tax Abatement - Economic Development Agreement

The City and BEDC enter into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax, and enhance the property tax base and economic vitality of the City. This program refunds property and sales taxes as authorized under Chapter 380 and 501 of the Texas Local Government Code.

In January 2012, BEDC entered into an agreement with a developer to rebate ½ cent of sales tax. Commitments made by the developer include providing a community kiosk, complying with building codes, and maintaining the property in good order and condition. The maximum amount to be rebated is \$700,000 over ten years. As of yearend, \$503,267 was rebated, including \$94,593 in the current fiscal year.

The City and BEDC entered into an agreement with a developer in August 2007 to rebate 1 ½ cents of sales tax. The City also agreed to rebate 50% of the incremental increase in property taxes since 2007. Commitments made by the developer include building a project based on guidelines in the agreement, complying with building codes, and maintaining the property in good order and condition. The maximum amount to be rebated by the City and BEDC is \$7,370,694 over fifteen years. As of yearend \$5,659,212 was rebated, including \$960,301 in the current fiscal year.

In April 2012, the City entered into an agreement with a developer to rebate 75% of sales tax and 75% of the incremental increase in property taxes since 2012. Commitments made by the developer include complying with building codes and maintaining the property in good order and condition. The maximum amount to be rebated by the City is \$250,000 over seven years. As of yearend, \$250,000 was rebated. The \$250,000 included a \$50,000 water line relocation cost provided by the City.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended September 30, 2019

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 3,533,514	\$ 3,533,514	\$ 3,589,932	\$ 56,418
Sales taxes	4,927,356	4,927,356	5,155,893	228,537
Franchise fees	447,000	447,000	464,316	17,316
Licenses and permits	707,500	707,500	562,612	(144,888)
Fines and forfeitures	333,000	333,000	316,781	(16,219)
Charges for services	544,936	544,936	571,920	26,984
Intergovernmental	72,878	72,878	136,947	64,069
Investment revenue	60,000	60,000	103,728	43,728
Other revenue	82,000	84,768	67,261	(17,507)
Total Revenues	10,708,184	10,710,952	10,969,390	258,438
Expenditures				
General government:				
Legislative	40,357	40,357	37,663	2,694
Organizational	110,748	677,603	658,093	19,510
City Manager	453,157	392,532	387,752	4,780
City Secretary	143,831	163,831	158,665	5,166
Finance	1,370,743	1,301,343	1,301,315	28
Human resources	192,030	208,030	201,508	6,522
Information technology	508,010	408,525	305,072	103,453
Public works	2,416,039	2,379,179	2,377,801	1,378
Total general government expenditures	5,234,915	5,571,400	5,427,869	143,531
Public safety:				
Police	3,376,471	3,270,721	3,153,413	117,308
Fire	614,114	631,732	631,529	203
Municipal court	343,248	343,248	342,883	365
Total public safety expenditures	4,333,833	4,245,701	4,127,825	117,876
Community services				
Library	764,955	671,955	660,534	11,421
Community services	1,003,604	1,018,851	836,112	182,739
	1,768,559	1,690,806	1,496,646	194,160
Development services	1,035,373	1,033,873	1,017,859	16,014
Capital outlay	771,407	929,355	388,764	540,591
Total Expenditures	13,144,087	13,471,135	12,458,963	1,012,172
(Deficiency) of Revenues				
(Under) Expenditures	(2,435,903)	(2,760,183)	(1,489,573)	1,270,610
Other Financing Sources (Uses)				
Transfers in	1,324,575	1,589,575	1,024,575	(565,000)
Transfers (out)	(345,586)	(286,056)	(244,054)	42,002
Total Other Financing Sources	978,989	1,303,519	780,521	(522,998)
Net Change in Fund Balance	\$ (1,456,914)	\$ (1,456,664)	(709,052)	\$ 747,612
Beginning fund balance			3,889,742	
Ending Fund Balance			\$ 3,180,690	

Notes to Required Supplementary Information:

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

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CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
HOTEL/MOTEL TAX FUND
For the Year Ended September 30, 2019

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Hotel/motel taxes	\$ 2,736,000	\$ 2,736,000	\$ 2,829,049	\$ 93,049
Licenses and permits	2,000	2,000	3,080	1,080
Intergovernmental	62,312	62,312	66,554	4,242
Charges for services	240,350	283,350	285,517	2,167
Investment revenue	44,500	44,500	80,250	35,750
Miscellaneous revenue	-	-	1,642	1,642
Total Revenues	<u>3,085,162</u>	<u>3,128,162</u>	<u>3,266,092</u>	<u>137,930</u>
Expenditures				
Current:				
Hotel tax expense	1,729,083	1,728,440	1,486,615	241,825
Multi-media	179,906	179,906	127,785	52,121
Special events	167,087	167,087	134,608	32,479
Hospitality and downtown	1,191,274	1,234,274	1,123,270	111,004
Art in Public Places	146,152	146,152	57,986	88,166
Rodeo arena	-	-	3,185	(3,185)
Total Expenditures	<u>3,413,502</u>	<u>3,455,859</u>	<u>2,933,449</u>	<u>522,410</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(328,340)</u>	<u>(327,697)</u>	<u>332,643</u>	<u>(384,480)</u>
Other Financing Sources (Uses)				
Transfers in	486,084	486,084	426,554	(59,530)
Transfers (out)	(516,186)	(516,186)	(516,186)	-
Total Other Financing (Uses)	<u>(30,102)</u>	<u>(30,102)</u>	<u>(89,632)</u>	<u>(59,530)</u>
Net Change in Fund Balance	<u>\$ (358,442)</u>	<u>\$ (357,799)</u>	<u>243,011</u>	<u>\$ 600,810</u>
Beginning fund balance			<u>3,606,719</u>	
Ending Fund Balance			<u>\$ 3,849,730</u>	

CITY OF BASTROP, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
For the Year Ended September 30, 2019

	Measurement Year*			
	2014	2015	2016	2017
Total Pension Liability				
Service cost	\$ 647,254	\$ 765,716	\$ 877,585	\$ 949,690
Interest (on the total pension liability)	906,043	992,085	1,065,490	1,162,037
Difference between expected and actual experience	19,757	93,002	(22,910)	151,268
Change of assumptions	-	134,544	-	-
Benefit payments, including refunds of employee contributions	(394,341)	(411,888)	(445,883)	(605,903)
Net Change in Total Pension Liability	<u>1,178,713</u>	<u>1,573,459</u>	<u>1,474,282</u>	<u>1,657,092</u>
Beginning total pension liability	<u>12,817,021</u>	<u>13,995,734</u>	<u>15,569,193</u>	<u>17,043,475</u>
Ending Total Pension Liability	<u>\$ 13,995,734</u>	<u>\$ 15,569,193</u>	<u>\$ 17,043,475</u>	<u>\$ 18,700,567</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 497,753	\$ 584,017	\$ 656,980	\$ 759,882
Contributions - employee	313,054	327,229	362,639	394,062
Net investment income	618,954	17,476	834,607	1,905,936
Benefit payments, including refunds of employee contributions	(394,341)	(411,888)	(445,883)	(605,903)
Administrative expense	(6,461)	(10,647)	(9,427)	(9,876)
Other	(531)	(526)	(508)	(501)
Net Change in Plan Fiduciary Net Position	<u>1,028,428</u>	<u>505,661</u>	<u>1,398,408</u>	<u>2,443,600</u>
Beginning plan fiduciary net position	<u>10,817,648</u>	<u>11,846,076</u>	<u>12,351,737</u>	<u>13,750,145</u>
Ending Plan Fiduciary Net Position	<u>\$ 11,846,076</u>	<u>\$ 12,351,737</u>	<u>\$ 13,750,145</u>	<u>\$ 16,193,745</u>
Net Pension Liability	<u>\$ 2,149,658</u>	<u>\$ 3,217,456</u>	<u>\$ 3,293,330</u>	<u>\$ 2,506,822</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.64%	79.33%	80.68%	86.59%
Covered Payroll	\$ 5,217,564	\$ 5,453,817	\$ 6,043,976	\$ 6,567,702
Net Pension Liability as a Percentage of Covered Payroll	41.20%	58.99%	54.49%	38.17%

*Only five years of information is currently available. The City will build this schedule over the next five-year period.

Measurement	
Year*	
2018	
\$	1,049,555
	1,278,572
	95,980
	-
	(567,072)
	<u>1,857,035</u>
	<u>18,700,567</u>
\$	<u><u>20,557,602</u></u>
\$	819,985
	433,104
	(485,318)
	(567,072)
	(9,375)
	(490)
	<u>190,834</u>
	<u>16,193,745</u>
\$	<u><u>16,384,579</u></u>
\$	<u><u>4,173,023</u></u>
	79.70%
\$	7,218,398
	57.81%

CITY OF BASTROP, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
POSTEMPLOYMENT HEALTH CARE PLAN
For the Year Ended September 30, 2019

	Measurement Year*	
	2018	2019
Total OPEB Liability		
Service cost	\$ 26,393	\$ 26,899
Interest (on the total OPEB liability)	24,601	25,690
Difference in expected and actual experience	(40,119)	-
Change of assumptions	35,460	11,200
Contributions - employer**	(16,887)	(16,887)
Net Change in Total OPEB Liability	29,448	46,902
Beginning total OPEB liability	637,172	666,620
Ending Total OPEB Liability	\$ 666,620	\$ 713,522
Covered Payroll	\$ 7,098,873	\$ 7,218,398
Total OPEB Liability as a Percentage of Covered Payroll	9.39%	9.88%

*Only two year of information is currently available. The City will build this schedule over the next eight-year period.

**Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Notes to Required Supplementary Information:

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Inflation	2.50%
Salary increases	3.50% to 10.50% including inflation
Discount rate	3.31%
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements under GASB Statement No. 68.
Mortality - service retirees	RP2000 Combined Mortality Table with Blue Collar Adjustments with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.
Mortality - disabled retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

Other Information:

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

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2018.

Change in assumptions is the annual change in the municipal bond index rate.

There were no benefit changes during the year.

CITY OF BASTROP, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TMRS - SUPPLEMENTAL DEATH
For the Year Ended September 30, 2019

	Measurement Year*	
	2017	2018
Total OPEB Liability		
Service cost	\$ 15,762	\$ 20,668
Interest (on the total OPEB liability)	9,226	18,568
Change of assumptions	23,298	47,344
Benefit payments	(1,314)	(4,351)
Net Change in Total OPEB Liability	<u>46,972</u>	<u>82,229</u>
Beginning total OPEB liability	<u>236,838</u>	<u>483,051</u>
Ending Total OPEB Liability	<u>\$ 283,810</u>	<u>\$ 565,280</u>
Covered Payroll	\$ 6,567,702	\$ 7,218,398
Total OPEB Liability as a Percentage of Covered Payroll	4.32%	7.83%

*Only two year of information is currently available. The City will build this schedule over the next eight-year period.

**Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Notes to Required Supplementary Information:

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Inflation	2.50%
Salary increases	3.50% to 10.50% including inflation
Discount rate	3.31%
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements under GASB Statement No. 68.
Mortality - service retirees	RP2000 Combined Mortality Table with Blue Collar Adjustments with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.
Mortality - disabled retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

Other Information:

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

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2017.

Change in assumptions is the annual change in the municipal bond index rate.

There were no benefit changes during the year.

CITY OF BASTROP, TEXAS
SCHEDULE OF CONTRIBUTIONS
PENSION - TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
For the Year Ended September 30, 2019

	Fiscal Year*			
	2014	2015	2016	2017
Actuarially determined contribution	\$ 494,007	\$ 551,472	\$ 668,216	\$ 723,434
Contributions in relation to the actuarially determined contribution	494,007	551,472	668,216	723,434
Contribution deficiency**	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 5,140,859	\$ 5,317,314	\$ 6,170,226	\$ 6,340,147
Contributions as a percentage of covered payroll	9.61%	10.37%	10.83%	11.41%

*Only six years of information is currently available. The City will build this schedule over the next four-year period.

**Contribution deficiencies are the result of the City contributing at the TMRS allowed phase-in rate.

Notes to Required Supplementary Information:

1. Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

2. Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28 years
Asset valuation method	10 year smoothed market; 15% soft corridor
Inflation	2.5%
Salary increases	3.50% to 10.50% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

3. Other Information:

There were no benefit changes during the year.

Fiscal Year	
2018	2019
\$ 811,103	\$ 895,993
811,103	895,993
<u>\$ -</u>	<u>\$ -</u>
<u>\$ 7,098,873</u>	<u>\$ 6,567,702</u>
11.43%	13.64%

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***COMBINING STATEMENTS
AND SCHEDULES***

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CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2019

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Property taxes	\$ 1,863,009	\$ 1,863,009	\$ 1,873,267	\$ 10,258
Investment revenue	10,850	10,850	22,725	11,875
Other revenue	247,619	247,619	247,619	-
Total Revenues	<u>2,121,478</u>	<u>2,121,478</u>	<u>2,143,611</u>	<u>22,133</u>
Expenditures				
Debt service:				
Principal	1,618,503	1,803,503	1,803,503	-
Interest and fiscal agent fees	769,700	913,138	913,172	(34)
Total Expenditures	<u>2,388,203</u>	<u>2,716,641</u>	<u>2,716,675</u>	<u>(34)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(266,725)</u>	<u>(595,163)</u>	<u>(573,064)</u>	<u>22,099</u>
Other Financing Sources (Uses)				
Transfers in	516,186	516,186	516,186	-
Total Other Financing Sources	<u>516,186</u>	<u>516,186</u>	<u>516,186</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 249,461</u>	<u>\$ (78,977)</u>	<u>(56,878)</u>	<u>\$ 22,099</u>
Beginning fund balance			<u>315,398</u>	
Ending Fund Balance			<u>\$ 258,520</u>	

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CITY OF BASTROP, TEXAS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted, committed, or assigned to expenditures for particular purposes.

Designated

This fund is used to account for the receipt and expenditure of funds restricted for a particular purpose by an outside entity.

Library Board

This fund is used to account for the application of any gifts and donations received for the benefit of the library.

Fairview Cemetery

This fund was established for the receipt and reimbursement of funds received for the benefit of City cemeteries.

Hunters Crossing PID

This fund is used to account for the general operating activities of the Hunters Crossing Public Improvement District, a blended component unit of the City.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for specific revenues that are legally restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Park Dedication

This fund is used to account for the receipt and disbursement of funds received for special improvement projects related to city parks and trails.

2019 Limited Tax Note

This fund is used to account for the receipt of bond funds received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

Combination Revenue Bond Series 2018

This fund is used to account for the receipt of bond funds received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

Combination Revenue Bond Series 2013

This fund is used to account for the receipt of bond funds received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

Street Maintenance

This fund is used to account for the receipt of monies designated for street maintenance

Grant

This fund is used to account for grants received related to capital projects and the application of the funds in accordance with stated requirements.

PERMANENT FUNDS

Permanent Funds are used to account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

Fairview Cemetery

This fund is used to account for an endowment whose earnings are restricted to expenditures for the benefit of Fairview

CITY OF BASTROP, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Page 1 of 2)
September 30, 2019

Special Revenue Funds

	<u>Designated</u>	<u>Library Board</u>	<u>Fairview Cemetery</u>	<u>Hunters Crossing PID</u>
<u>Assets</u>				
Cash and equity in pooled cash and investments	\$ 677,368	\$ 45,296	\$ 105,250	\$ 276,997
Receivables, net	4,887	-	-	154,318
Total Assets	\$ 682,255	\$ 45,296	\$ 105,250	\$ 431,315
<u>Liabilities</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,142	\$ 679	\$ 3,139	\$ 39,718
Due to other funds	-	-	-	-
Total Liabilities	1,142	679	3,139	39,718
<u>Deferred Inflows of Resources</u>				
Unavailable revenue	-	-	-	2,272
<u>Fund balance</u>				
Fund balances:				
Nonspendable:				
Cemetery perpetual care	-	-	-	-
Restricted:				
Cemetery	-	-	102,111	-
Traffic safety	648,296	-	-	-
PEG channels	32,817	-	-	-
Capital projects	-	-	-	389,325
Assigned to:				
Library	-	44,617	-	-
Total Fund Balances	681,113	44,617	102,111	389,325
Total Liabilities, Deferred inflows and Fund Balances	\$ 682,255	\$ 45,296	\$ 105,250	\$ 431,315

Capital Projects Funds

Park Dedication	2019 Limited Tax Note	Combination Revenue Bond Series 2018	Combination Revenue Bond Series 2013	Street Maintenance	Grant
\$ 110,632	\$ 441,670	\$ 3,496,583	\$ 1,249,915	\$ 1,038,510	\$ -
-	-	-	-	-	93,898
<u>\$ 110,632</u>	<u>\$ 441,670</u>	<u>\$ 3,496,583</u>	<u>\$ 1,249,915</u>	<u>\$ 1,038,510</u>	<u>\$ 93,898</u>
\$ 9	\$ -	\$ 6,100	\$ 27,615	\$ 1,153	\$ 1,623
-	-	-	-	-	92,275
<u>9</u>	<u>-</u>	<u>6,100</u>	<u>27,615</u>	<u>1,153</u>	<u>93,898</u>
81,893	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
28,730	441,670	3,490,483	1,222,300	1,037,357	-
-	-	-	-	-	-
<u>28,730</u>	<u>441,670</u>	<u>3,490,483</u>	<u>1,222,300</u>	<u>1,037,357</u>	<u>-</u>
<u>\$ 110,632</u>	<u>\$ 441,670</u>	<u>\$ 3,496,583</u>	<u>\$ 1,249,915</u>	<u>\$ 1,038,510</u>	<u>\$ 93,898</u>

CITY OF BASTROP, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Page 2 of 2)
September 30, 2019

	Permanent Fund	Total Nonmajor Governmental Funds
	Fairview Cemetery	
<u>Assets</u>		
Cash and equity in pooled cash and investments	\$ 383,649	\$ 7,825,870
Receivables, net	-	253,103
Total Assets	\$ 383,649	\$ 8,078,973
<u>Liabilities</u>		
Liabilities:		
Accounts payable and accrued liabilities	\$ -	\$ 81,178
Due to other funds	-	92,275
Total Liabilities	-	173,453
<u>Deferred inflows</u>		
Unavailable revenue	-	84,165
<u>Fund balance</u>		
Fund balances:		
Nonspendable:		
Cemetery Perpetual care	383,649	383,649
Restricted:		
Cemetery	-	102,111
Traffic safety	-	648,296
PEG Channels	-	32,817
Capital projects	-	6,609,865
Assigned to:		
Library	-	44,617
Total Fund Balances	383,649	7,821,355
Total Liabilities, Deferred inflows and Fund Balances	\$ 383,649	\$ 8,078,973

CITY OF BASTROP, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Page 1 of 2)
For the Year Ended September 30, 2019

Special Revenue Funds

	<u>Designated</u>	<u>Library Board</u>	<u>Fairview Cemetery</u>	<u>Hunters Crossing PID</u>
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ 576,162
Franchise fees	22,400	-	-	-
Fines and forfeitures	16,044	-	-	-
Charges for services	-	-	73,971	-
Intergovernmental	1,881	-	-	-
Investment revenue	15,358	909	4,642	5,888
Other revenue	12,315	29,519	-	-
Total Revenues	67,998	30,428	78,613	582,050
Expenditures				
Current:				
Public safety	23,149	-	-	-
Community services	1,756	13,436	76,871	-
Economic development	-	-	-	97,504
Capital outlay	53,448	-	117,901	-
Debt service:				
Bond issuance costs	-	-	-	-
Total Expenditures	78,353	13,436	194,772	97,504
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,355)	16,992	(116,159)	484,546
Other Financing Sources (Uses)				
Debt issued	-	-	-	-
Transfer in	-	-	6,107	-
Transfers (out)	-	(3,000)	-	-
Total Other Financing Sources (Uses)	-	(3,000)	6,107	-
Net Change in Fund Balances	(10,355)	13,992	(110,052)	484,546
Beginning fund balances	691,468	30,625	212,163	(95,221)
Ending Fund Balances	\$ 681,113	\$ 44,617	\$ 102,111	\$ 389,325

Capital Projects Funds

Park Dedication	2019 Limited Tax Note	Combination Revenue Bond Series 2018	Combination Revenue Bond Series 2013	Street Maintenance	Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
20,473	-	-	-	-	-
-	-	-	-	-	284,631
2,517	-	85,487	30,154	24,827	-
-	-	-	-	-	-
<u>22,990</u>	<u>-</u>	<u>85,487</u>	<u>30,154</u>	<u>24,827</u>	<u>284,631</u>
-	-	-	-	-	-
-	-	-	15,105	23,065	9,376
-	-	-	111,522	-	-
-	-	200,992	-	64,405	73,003
-	23,330	-	-	-	-
<u>-</u>	<u>23,330</u>	<u>200,992</u>	<u>126,627</u>	<u>87,470</u>	<u>82,379</u>
<u>22,990</u>	<u>(23,330)</u>	<u>(115,505)</u>	<u>(96,473)</u>	<u>(62,643)</u>	<u>202,252</u>
-	465,000	-	-	-	-
-	-	-	-	1,100,000	-
-	-	(1,100,000)	-	-	(202,252)
<u>-</u>	<u>465,000</u>	<u>(1,100,000)</u>	<u>-</u>	<u>1,100,000</u>	<u>(202,252)</u>
22,990	441,670	(1,215,505)	(96,473)	1,037,357	-
5,740	-	4,705,988	1,318,773	-	-
<u>\$ 28,730</u>	<u>\$ 441,670</u>	<u>\$ 3,490,483</u>	<u>\$ 1,222,300</u>	<u>\$ 1,037,357</u>	<u>\$ -</u>

CITY OF BASTROP, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Page 2 of 2)
For the Year Ended September 30, 2019

	Permanent Fund	Total Nonmajor Governmental Funds
	Cemetery	
<u>Revenues</u>		
Property taxes	\$ -	\$ 576,162
Franchise fees	-	22,400
Fines and forfeitures	-	16,044
Charges for services	-	94,444
Intergovernmental	-	286,512
Investment revenue	4,185	173,967
Other revenue	-	41,834
Total Revenues	4,185	1,211,363
<u>Expenditures</u>		
Current:		
Public safety	-	23,149
Community services	-	139,609
Economic development	-	209,026
Capital outlay	-	509,749
Debt service:		
Bond issuance costs	-	23,330
Total Expenditures	-	904,863
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,185	306,500
<u>Other Financing Sources (Uses)</u>		
Debt issued	-	465,000
Transfer in	-	1,106,107
Transfers (out)	(6,106)	(1,311,358)
Total Other Financing Sources (Uses)	(6,106)	259,749
Net Change in Fund Balances	(1,921)	566,249
Beginning fund balances	385,570	7,255,106
Ending Fund Balances	\$ 383,649	\$ 7,821,355

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STATISTICAL SECTION

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the government's overall financial health.

Contents	Table #'s
Financial Trends	1-5
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	6-12
<i>These schedules contain information to help the reader assess the government's two most significant local revenue sources, property and sales taxes.</i>	
Debt Capacity	13-16
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	17-18
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	19-21
Water and Wastewater Operating Information	22 - 27
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports from the relevant year.

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CITY OF BASTROP, TEXAS

NET POSITION BY COMPONENT

Last Ten Years

(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
Governmental Activities				
Net investment in capital assets	\$ (4,960,857)	\$ 5,875,370	\$ 10,566,114	\$ 11,429,156
Restricted	9,380,765	6,046,673	7,373,576	4,910,969
Unrestricted	(236,597)	(2,389,362)	(854,428)	2,499,071
Total Governmental Activities Net Position	\$ 4,183,311	\$ 9,532,681	\$ 17,085,262	\$ 18,839,196
Business-Type Activities				
Net investment in capital assets	\$ 19,320,722	\$ 16,135,372	\$ 13,211,924	\$ 11,738,002
Restricted	-	-	-	2,660,151
Unrestricted	6,658,219	5,594,939	7,391,011	5,210,587
Total Business-Type Activities Net Position	\$ 25,978,941	\$ 21,730,311	\$ 20,602,935	\$ 19,608,740
Primary Government				
Net investment in capital assets	\$ 14,359,865	\$ 22,010,742	\$ 23,778,038	\$ 23,167,158
Restricted	9,380,765	6,046,673	7,373,576	7,571,120
Unrestricted	6,421,622	3,205,577	6,536,583	7,709,658
Total Primary Government Net Position	\$ 30,162,252	\$ 31,262,992	\$ 37,688,197	\$ 38,447,936

TABLE 1

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 9,963,117	\$ 11,651,156	\$ 11,918,463	\$ 14,539,682	\$ 19,769,501	\$ 19,816,206
9,159,680	8,756,852	8,066,547	7,742,134	4,343,291	4,626,827
2,209,515	5,446,370	5,326,377	4,292,982	4,389,629	6,668,824
<u>\$ 21,332,312</u>	<u>\$ 25,854,378</u>	<u>\$ 25,311,387</u>	<u>\$ 26,574,798</u>	<u>\$ 28,502,421</u>	<u>\$ 31,111,857</u>
\$ 12,316,742	\$ 13,333,175	\$ 15,553,195	\$ 16,164,723	\$ 16,812,087	\$ 18,773,085
669,651	838,596	931,191	2,016,705	2,732,351	1,572,344
8,546,144	8,571,980	8,127,577	8,485,463	8,587,217	10,510,188
<u>\$ 21,532,537</u>	<u>\$ 22,743,751</u>	<u>\$ 24,611,963</u>	<u>\$ 26,666,891</u>	<u>\$ 28,131,655</u>	<u>\$ 30,855,617</u>
\$ 22,279,859	\$ 24,984,331	\$ 27,471,658	\$ 30,704,405	\$ 36,581,588	\$ 38,589,291
9,829,331	9,595,448	8,997,738	9,758,839	7,075,642	6,199,171
10,755,659	14,018,350	13,453,954	12,778,445	12,976,846	17,179,012
<u>\$ 42,864,849</u>	<u>\$ 48,598,129</u>	<u>\$ 49,923,350</u>	<u>\$ 53,241,689</u>	<u>\$ 56,634,076</u>	<u>\$ 61,967,474</u>

CITY OF BASTROP, TEXAS

CHANGES IN NET POSITION

Last Ten Years

(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
Expenses				
Governmental Activities				
General government	\$ 6,394,947	\$ 6,295,882	\$ 8,045,054	\$ 3,714,276
Public safety	2,464,313	2,648,635	2,792,144	3,784,611
Developmental services	-	-	-	-
Community development	1,773,439	1,997,802	1,983,502	3,071,077
Health	76,812	75,991	78,982	-
Economic development	-	-	-	2,865,227
Interest on long-term debt	986,607	1,403,348	1,065,553	680,369
Total Governmental Activities Expenses	11,696,118	12,421,658	13,965,235	14,115,560
Business-Type Activities				
Water and wastewater utilities	2,790,906	3,061,719	3,174,942	3,748,334
Electric utility	5,727,753	5,871,322	6,198,430	6,188,383
Other nonmajor	67,305	19,207	129,198	620,614
Total Business-Type Activities Expenses	8,585,964	8,952,248	9,502,570	10,557,331
Total Primary Government Expenses	\$ 20,282,082	\$ 21,373,906	\$ 23,467,805	\$ 24,672,891
Program Revenues				
Governmental Activities				
Charges for services				
General government	\$ 1,255,484	\$ 1,318,457	\$ 1,351,258	\$ 1,437,935
Public safety	256,551	275,307	230,014	1,067,556
Development services	-	-	-	-
Community services	-	65,615	69,011	293,186
Economic development	-	-	-	133,686
Operating grants and contributions	249,725	393,095	200,007	130,520
Capital grants and contributions	-	173,903	3,404,918	408,312
Total Governmental Activities Program Revenues	1,761,760	2,226,377	5,255,208	3,471,195
Business-Type Activities				
Charges for services				
Water and wastewater utilities	3,071,126	3,445,382	3,610,941	3,851,172
Electric utility	6,771,854	6,966,650	7,395,021	6,854,109
Other nonmajor	195,354	96,354	893,389	789,918
Capital grants and contributions	-	-	-	-
Total Business-Type Activities Program Revenues	10,038,334	10,508,386	11,899,351	11,495,199
Total Primary Government Program Revenues	\$ 11,800,094	\$ 12,734,763	\$ 17,154,559	\$ 14,966,394
Net Revenue/(Expense)				
Governmental activities	\$ (9,934,358)	\$ (10,195,281)	\$ (8,710,027)	\$ (10,644,365)
Business-type activities	1,452,370	1,556,138	2,396,781	937,868
Total Primary Government Net (Expense)	\$ (8,481,988)	\$ (8,639,143)	\$ (6,313,246)	\$ (9,706,497)

TABLE 2

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 2,823,226	\$ 3,000,666	\$ 4,461,447	\$ 4,790,876	\$ 5,042,504	\$ 6,020,455	
3,744,040	3,589,294	4,342,768	4,169,672	3,995,531	4,706,904	
-	711,905	923,089	692,326	919,670	1,360,305	
3,214,589	3,207,923	2,914,278	1,880,293	2,015,727	1,852,431	
-	-	-	-	-	-	
4,067,024	2,976,087	2,497,292	3,350,167	3,910,783	3,212,115	
1,008,265	1,030,527	926,159	807,460	853,401	911,431	
<u>14,857,144</u>	<u>14,516,402</u>	<u>16,065,033</u>	<u>15,690,794</u>	<u>16,737,616</u>	<u>18,063,641</u>	
3,694,129	3,882,671	3,960,331	4,487,471	4,747,676	5,356,350	
6,673,346	6,861,785	6,184,527	6,104,456	6,351,799	6,138,706	
683,574	47,028	36,186	5,324	-	18,484	
<u>11,051,049</u>	<u>10,791,484</u>	<u>10,181,044</u>	<u>10,597,251</u>	<u>11,099,475</u>	<u>11,513,540</u>	
<u>\$ 25,908,193</u>	<u>\$ 25,307,886</u>	<u>\$ 26,246,077</u>	<u>\$ 26,288,045</u>	<u>\$ 27,837,091</u>	<u>\$ 29,577,181</u>	
\$ 413,374	\$ 1,035,377	\$ 1,061,694	\$ 1,371,930	\$ 1,676,873	\$ 571,920	
925,131	932,848	266,292	31,697	95,706	332,825	
-	-	-	-	-	565,692	
86,472	36,480	66,705	87,616	125,125	94,444	
130,920	137,891	153,125	144,912	166,757	285,517	
390,712	428,497	278,349	237,019	150,396	490,013	
2,988,454	1,878,711	629,416	1,063,268	1,306,839	1,835,482	
<u>4,935,063</u>	<u>4,449,804</u>	<u>2,455,581</u>	<u>2,936,442</u>	<u>3,521,696</u>	<u>4,175,893</u>	
3,960,434	4,288,849	4,654,955	4,983,380	5,100,581	5,578,457	
7,304,225	7,415,588	6,446,305	6,903,151	7,171,253	7,448,104	
893,112	261,102	336,791	1,046,108	752,341	396,599	
600,000	47,889	-	12,032	90,214	1,779,620	
<u>12,757,771</u>	<u>12,013,428</u>	<u>11,438,051</u>	<u>12,944,671</u>	<u>13,114,389</u>	<u>15,202,780</u>	
<u>\$ 17,692,834</u>	<u>\$ 16,463,232</u>	<u>\$ 13,893,632</u>	<u>\$ 15,881,113</u>	<u>\$ 16,636,085</u>	<u>\$ 19,378,673</u>	
\$ (9,922,081)	\$ (10,066,598)	\$ (13,609,452)	\$ (12,754,352)	\$ (13,215,920)	\$ (13,887,748)	
1,706,722	1,221,944	1,257,007	2,347,420	2,014,914	3,689,240	
<u>\$ (8,215,359)</u>	<u>\$ (8,844,654)</u>	<u>\$ (12,352,445)</u>	<u>\$ (10,406,932)</u>	<u>\$ (11,201,006)</u>	<u>\$ (10,198,508)</u>	

CITY OF BASTROP, TEXAS
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
Last Ten Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes				
Property taxes	\$ 3,362,419	\$ 3,557,551	\$ 3,947,319	\$ 4,294,978
Sales taxes	2,606,584	2,722,333	3,194,452	3,352,264
Hotel taxes	2,172,473	2,512,219	2,568,635	2,501,546
Franchise fees	375,077	404,582	431,129	412,730
Investment earnings	76,892	31,639	86,562	20,427
Other revenue	707,979	453,537	964,919	331,954
Special item- resource	37,782	40,431	44,774	-
Special item (use)	4,065	3,179	7,344	(9,537)
Transfers in (out)	(2,401,089)	928,594	(1,201,295)	(2,469,672)
Total Governmental Activities	<u>6,942,182</u>	<u>10,654,065</u>	<u>10,043,839</u>	<u>8,434,690</u>
Business-Type Activities				
Miscellaneous revenue	-	-	3,353	98,600
Investment earnings	21,968	14,412	14,066	11,910
Special item- resource	-	-	-	-
Transfers in (out)	2,401,088	(928,594)	1,201,295	2,469,672
Total Business-Type Activities	<u>2,423,056</u>	<u>(914,182)</u>	<u>1,218,714</u>	<u>2,580,182</u>
Total Primary Government	<u>\$ 9,365,238</u>	<u>\$ 9,739,883</u>	<u>\$ 11,262,553</u>	<u>\$ 11,014,872</u>
Change in Net Position				
Governmental activities	\$ (2,992,176)	\$ 458,784	\$ 1,333,812	\$ (2,209,675)
Business-type activities	3,875,426	641,956	3,615,495	3,518,050
Total Primary Government	<u>\$ 883,250</u>	<u>\$ 1,100,740</u>	<u>\$ 4,949,307</u>	<u>\$ 1,308,375</u>

TABLE 3

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 4,619,684	\$ 4,806,931	\$ 5,671,902	\$ 5,374,085	\$ 5,758,745	\$ 6,061,380
3,538,097	4,021,662	4,325,273	4,430,848	4,815,099	5,155,893
2,737,816	2,850,062	2,777,935	2,686,099	2,844,403	2,829,049
454,377	486,694	495,709	464,908	462,968	486,716
18,787	19,380	74,232	131,122	190,986	414,108
64,532	46,176	79,626	99,754	208,906	293,716
-	3,330,054	-	-	-	-
-	-	-	-	-	-
439,179	500,248	(358,216)	748,152	1,042,299	1,256,323
<u>11,872,472</u>	<u>16,061,207</u>	<u>13,066,461</u>	<u>13,934,968</u>	<u>15,323,406</u>	<u>16,497,185</u>
52,672	150,808	181,324	153,534	335,789	
9,064	14,490	65,264	130,344	204,426	291,045
-	627,566	-	-	-	
(439,179)	(500,248)	358,216	(748,152)	(1,042,299)	(1,256,323)
<u>(377,443)</u>	<u>292,616</u>	<u>604,804</u>	<u>(464,274)</u>	<u>(502,084)</u>	<u>(965,278)</u>
<u>\$ 11,495,029</u>	<u>\$ 16,353,823</u>	<u>\$ 13,671,265</u>	<u>\$ 13,470,694</u>	<u>\$ 14,821,322</u>	<u>\$ 15,531,907</u>
\$ 1,950,391	\$ 5,994,609	\$ (542,991)	\$ 1,180,616	\$ 2,107,486	\$ 2,609,437
1,329,279	1,514,560	1,861,811	1,883,146	1,512,830	2,723,962
<u>\$ 3,279,670</u>	<u>\$ 7,509,169</u>	<u>\$ 1,318,820</u>	<u>\$ 3,063,762</u>	<u>\$ 3,620,316</u>	<u>\$ 5,333,399</u>

CITY OF BASTROP, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ 45,362
Assigned	-	-	-	-
Unassigned	2,515,443	2,059,480	3,294,416	3,530,544
Total General Fund	\$ 2,515,443	\$ 2,059,480	\$ 3,294,416	\$ 3,575,906
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted for:				
Capital projects	-	-	-	755,047
Debt service	-	-	-	707,322
Other restricted	9,380,765	5,926,375	7,269,212	-
Cemetery	-	-	-	607,655
Public improvement district	-	-	-	87,098
Traffic safety	-	-	-	639,090
Culture and recreation	-	-	-	114,949
Economic development	-	-	-	1,905,557
Committed for:				
Economic development	-	-	-	1,038,897
Arena	-	-	-	-
Unassigned	167,536	1,034,177	1,102,144	-
Total All Other Governmental Funds	\$ 9,548,301	\$ 6,960,552	\$ 8,371,356	\$ 5,855,615

TABLE 4

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 56,011	\$ 136,887	\$ 82,553	\$ 28,273	\$ 53,226	\$ 109,044
-	-	89,868	217,328	217,328	-
4,707,026	5,365,120	3,661,166	3,503,042	3,619,188	3,071,646
<u>\$ 4,763,037</u>	<u>\$ 5,502,007</u>	<u>\$ 3,833,587</u>	<u>\$ 3,748,643</u>	<u>\$ 3,889,742</u>	<u>\$ 3,180,690</u>
\$ 512	\$ 83,913	\$ 383,789	\$ 385,956	\$ 385,570	\$ 383,649
5,297,045	4,019,033	2,369,536	1,422,295	6,030,501	6,609,865
736,729	804,205	230,749	62,817	315,398	258,520
57,463	19,959	24,026	39,315	63,132	32,817
648,832	558,234	186,500	196,419	212,163	102,111
161,579	187,892	132,794	44,462	-	-
621,945	631,613	639,377	639,726	628,336	648,296
121,782	46,708	124,559	125,895	170,836	-
2,148,817	2,015,834	2,265,766	2,629,042	2,446,392	3,849,730
1,044,994	1,077,854	1,225,851	827,206	912,785	44,617
-	-	24,167	110,655	107,331	-
-	-	-	(4,564)	(95,221)	-
<u>\$ 10,839,698</u>	<u>\$ 9,445,245</u>	<u>\$ 7,607,114</u>	<u>\$ 6,479,224</u>	<u>\$ 11,177,223</u>	<u>\$ 11,929,605</u>

CITY OF BASTROP, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
Revenues				
Property taxes	\$ 3,668,631	\$ 3,859,531	\$ 4,266,992	\$ 4,243,734
Sales taxes	2,606,584	2,722,333	3,194,452	3,352,264
Hotel/motel taxes	1,970,512	2,247,985	2,276,444	2,501,546
Franchise fees	375,077	404,582	431,129	412,730
Licenses and permits	104,149	97,305	135,408	143,768
Fines and forfeitures	324,465	346,568	366,040	1,080,535
Charges for services	70,418	90,526	278,350	269,570
Intergovernmental	1,231,197	1,691,978	1,625,928	1,960,454
Investment earnings	76,854	31,640	26,315	20,427
Other revenue	667,249	394,975	2,124,631	197,675
Total Revenues	<u>11,095,136</u>	<u>11,887,423</u>	<u>14,725,689</u>	<u>14,182,703</u>
Expenditures				
General government	2,233,336	2,591,833	2,659,338	2,587,881
Public safety	2,196,265	2,433,848	2,776,805	3,218,590
Development services	3,035,287	2,430,328	2,818,297	614,744
Community service	555,892	609,360	650,615	2,456,957
Economic development	1,640,182	2,355,876	1,808,697	2,512,066
Capital outlay	2,155,806	3,470,556	2,577,411	424,088
Debt service:				
Principal	1,457,967	1,519,243	1,520,438	1,422,705
Interest and fees	1,002,209	1,474,101	1,162,345	721,877
Payments refunded				
bond escrow agent	-	-	-	-
Total Expenditures	<u>14,276,944</u>	<u>16,885,145</u>	<u>15,973,946</u>	<u>13,958,908</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	(3,181,808)	(4,997,722)	(1,248,257)	223,795
Other Financing Sources (Uses)				
Transfers in	1,127,753	2,657,927	2,673,323	2,426,820
Transfers out	(3,528,663)	(1,729,333)	(3,874,618)	(4,896,492)
Issuance of long-term debt	7,400,000	4,260,000	6,315,000	-
Premium on long-term debt	-	179,469	460,848	-
Other resources	37,782	40,431	44,774	-
Payments to refunded bond escrow agent	-	(4,300,560)	(1,732,675)	-
Insurance recoveries	-	-	-	-
Sales of capital assets	4,065	3,179	7,344	11,626
Total Other Financing Sources	<u>5,040,937</u>	<u>1,111,113</u>	<u>3,893,996</u>	<u>(2,458,046)</u>
Net Change in Fund Balances	<u>\$ 1,859,129</u>	<u>\$ (3,886,609)</u>	<u>\$ 2,645,739</u>	<u>\$ (2,234,251)</u>
Debt service as a percentage of noncapital expenditures	20.30%	22.31%	20.03%	15.84%

TABLE 5

		Fiscal Year									
		2014	2015	2016	2017	2018	2019				
\$	4,536,737	\$	4,741,831	\$	4,998,616	\$	5,266,699	\$	5,575,700	\$	6,039,361
	3,538,097		4,021,662		4,371,880		4,492,652		4,889,377		5,155,893
	2,737,816		2,850,062		2,777,935		2,686,099		2,844,403		2,829,049
	454,377		486,694		495,709		464,908		462,968		486,716
	153,841		213,904		187,729		247,174		752,653		565,692
	1,144,202		653,730		563,971		362,397		317,579		332,825
	263,304		709,339		745,419		754,803		894,306		951,881
	531,182		728,094		656,385		1,037,098		1,276,879		490,013
	18,788		19,380		70,100		119,133		174,339		380,670
	348,371		443,233		530,322		880,451		604,431		358,356
	<u>13,726,715</u>		<u>14,867,929</u>		<u>15,398,066</u>		<u>16,311,414</u>		<u>17,792,635</u>		<u>17,590,456</u>
	1,498,735		2,695,518		4,195,350		3,764,359		4,353,027		5,416,871
	3,424,029		3,349,118		3,558,802		3,698,141		3,904,198		4,161,972
	670,992		708,518		896,180		666,775		901,494		1,226,915
	2,370,344		2,464,526		2,096,550		1,673,443		1,884,502		1,636,255
	3,846,172		2,743,266		2,266,449		3,145,692		3,455,809		2,933,449
	2,304,424		1,700,223		1,180,847		2,281,828		1,734,806		898,513
	1,326,185		1,439,775		1,815,125		1,872,455		1,550,274		1,803,503
	1,111,724		1,068,183		973,859		947,412		920,471		913,172
	-		-		325,000		-		-		23,330
	<u>16,552,605</u>		<u>16,169,127</u>		<u>17,308,162</u>		<u>18,050,105</u>		<u>18,704,581</u>		<u>19,013,980</u>
	(2,825,890)		(1,301,198)		(1,910,096)		(1,738,691)		(911,946)		(1,423,524)
	2,387,025		2,856,260		2,554,732		1,976,999		2,168,734		3,073,422
	(1,947,846)		(2,356,012)		(4,182,948)		(1,341,347)		(1,263,935)		(2,071,568)
	7,392,000		1,695,558		1,440,000		3,135,000		4,605,000		465,000
	127,985		185,830		116,968		427,340		213,370		-
	475,000		-		-		-		-		-
	-		(1,819,234)		(1,505,285)		(3,692,139)		-		-
	-		-		51,757		20,000		27,499		-
	19,615		-		12,234		4		376		-
	<u>8,453,779</u>		<u>562,402</u>		<u>(1,512,542)</u>		<u>525,857</u>		<u>5,751,044</u>		<u>1,466,854</u>
\$	<u>5,627,889</u>	\$	<u>(738,796)</u>	\$	<u>(3,422,638)</u>	\$	<u>(1,212,834)</u>	\$	<u>4,839,098</u>	\$	<u>43,330</u>
	17.11%		17.33%		17.29%		17.88%		14.56%		15.13%

CITY OF BASTROP, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Real Property	\$ 683,627,607	\$ 749,216,172	\$ 779,056,911	\$ 792,557,307
Personal Property	83,978,203	82,203,043	81,672,766	89,185,540
Less: Tax Exempt Property	(117,951,584)	(135,123,943)	(146,849,465)	(147,350,585)
Less: Other (1)	(82,207,662)	(89,217,278)	(86,623,396)	(98,583,801)
Total Taxable Assessed Value (2)	<u>\$ 567,446,564</u>	<u>\$ 607,077,994</u>	<u>\$ 627,256,816</u>	<u>\$ 635,808,461</u>
Taxable Assessed Value as a Percentage of Estimated Actual Value	100.00%	100.00%	100.00%	100.00%
Estimated Actual Taxable Value	\$ 567,446,564	\$ 607,077,994	\$ 627,256,816	\$ 635,808,461
Total Direct Tax Rate	\$ 0.5540	\$ 0.0584	\$ 0.0584	\$ 0.0584

Source: Tax department and inspection records of the City.

(1) Other includes Homestead Cap Adjustment, Productivity Loss, Exemptions, 065 Freeze/Transfer and DP Freeze.

(2) Property is assessed at actual value, therefore, the assessed values are equal to actual value.

Tax rates are per \$100 of assessed value.

TABLE 6

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 816,067,208	\$ 863,574,836	\$ 929,201,260	\$ 976,858,517	\$ 1,026,626,754	\$ 1,102,079,762
101,281,545	110,674,924	121,017,621	127,021,941	133,469,154	130,498,163
(143,609,524)	(150,322,357)	(158,570,133)	(157,738,191)	(169,209,339)	(184,097,781)
(103,017,981)	(86,004,438)	(108,720,698)	(120,320,209)	(127,814,502)	(145,244,415)
<u>\$ 670,721,248</u>	<u>\$ 737,922,965</u>	<u>\$ 782,928,050</u>	<u>\$ 825,822,058</u>	<u>\$ 863,072,067</u>	<u>\$ 903,235,729</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$ 670,721,248	\$ 737,922,965	\$ 782,928,050	\$ 825,822,058	\$ 863,072,067	\$ 903,235,729
\$ 0.0584	\$ 0.5640	\$ 0.5640	\$ 0.5640	\$ 0.5640	\$ 0.5640

CITY OF BASTROP, TEXAS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
City By Fund:				
Operating	\$ 0.2292	\$ 0.2289	\$ 0.3202	\$ 0.3504
Debt service	0.3248	0.2651	0.2637	0.2336
Total Direct Rates	<u>0.5540</u>	<u>0.4940</u>	<u>0.5839</u>	<u>0.5840</u>
Basdrop Independent School District	1.4810	1.4810	1.4810	1.4810
Basdrop County/County Road	<u>0.6192</u>	<u>0.6192</u>	<u>0.6175</u>	<u>0.4259</u>
Total Direct and Overlapping Rates (1)	<u>\$ 2.6542</u>	<u>\$ 2.5942</u>	<u>\$ 2.6824</u>	<u>\$ 2.4909</u>
Other: Hunter's Crossing PID fixed amount	<u>\$ 238.00</u>	<u>\$ 271.00</u>	<u>\$ 289.52</u>	<u>\$ 308.16</u>

Tax rates per \$100 of assessed valuation
 Source: City of Bastrop Budget and County and BISD websites

(1) Overlapping rates are those of local and county governments that apply within the City of Bastrop.

TABLE 7

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 0.3638	\$ 0.3598	\$ 0.3596	\$ 0.3640	\$ 0.3643	\$ 0.3691
0.2202	0.2042	0.2044	0.2000	0.1997	0.1949
<u>0.5840</u>	<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>
1.4610	1.4410	1.4410	1.4410	1.4410	1.4410
<u>0.6290</u>	<u>0.6290</u>	<u>0.6190</u>	<u>0.5990</u>	<u>0.5897</u>	<u>0.5799</u>
<u>\$ 2.6740</u>	<u>\$ 2.6340</u>	<u>\$ 2.6240</u>	<u>\$ 2.6040</u>	<u>\$ 2.5947</u>	<u>\$ 2.5849</u>
<u>\$ 324.16</u>	<u>\$ 324.16</u>	<u>\$ 324.16</u>	<u>\$ 342.16</u>	<u>\$ 361.16</u>	<u>\$ 381.16</u>

CITY OF BASTROP, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Tax levy	\$ 3,404,859	\$ 3,609,482	\$ 3,915,501	\$ 3,977,570
Current tax collected	\$ 3,327,953	\$ 3,517,945	\$ 3,863,585	\$ 3,928,876
Percentage of current tax collections	97.74%	97.46%	98.67%	98.78%
Delinquent tax collections	<u>\$ 54,146</u>	<u>\$ 69,650</u>	<u>\$ 34,487</u>	<u>\$ 37,403</u>
Total tax collections	<u>\$ 3,382,099</u>	<u>\$ 3,587,595</u>	<u>\$ 3,898,072</u>	<u>\$ 3,966,279</u>
Total collections as a percentage of current levy	99.33%	99.39%	99.55%	99.72%

Source: Tax-Assessor/Collector Annual Report

TABLE 8

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 4,192,486	\$ 4,356,620	\$ 4,704,126	\$ 5,001,944	\$ 5,271,488	\$ 5,525,922
\$ 4,147,083	\$ 4,321,311	\$ 4,683,239	\$ 4,889,591	\$ 5,221,755	\$ 5,462,580
98.92%	99.19%	99.56%	97.75%	99.06%	98.85%
\$ 3,648	\$ 11,371	\$ 20,270	\$ 32,412	\$ 24,599	\$ 31,956
<u>\$ 4,150,731</u>	<u>\$ 4,332,682</u>	<u>\$ 4,703,509</u>	<u>\$ 4,922,003</u>	<u>\$ 5,246,354</u>	<u>\$ 5,494,536</u>
99.00%	99.45%	99.99%	98.40%	99.52%	99.43%

CITY OF BASTROP, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
 Last Ten Years

Fiscal Year	City Direct Rates			Overlapping Rates		Other Hunter's Crossing PID Fixed \$ amount
	Basic Rate	General Obligation Debt Service	Total Direct Rate	Bastrop Independent School District	Bastrop County/County Road	
2010	\$ 0.2292	\$ 0.3248	\$ 0.5540	\$ 1.4810	\$ 0.6192	\$ 238.00
2011	\$ 0.2889	\$ 0.2651	\$ 0.5540	\$ 1.4810	\$ 0.6192	\$ 271.00
2012	\$ 0.3203	\$ 0.2637	\$ 0.5840	\$ 1.4810	\$ 0.6175	\$ 289.52
2013	\$ 0.3504	\$ 0.2336	\$ 0.5840	\$ 1.4810	\$ 0.6314	\$ 308.16
2014	\$ 0.3638	\$ 0.2202	\$ 0.5840	\$ 1.4610	\$ 0.6290	\$ 324.16
2015	\$ 0.3598	\$ 0.2042	\$ 0.5640	\$ 1.4410	\$ 0.6290	\$ 324.16
2016	\$ 0.3596	\$ 0.2044	\$ 0.5640	\$ 1.4410	\$ 0.6190	\$ 324.16
2017	\$ 0.3640	\$ 0.2000	\$ 0.5640	\$ 1.4410	\$ 0.5990	\$ 342.16
2018	\$ 0.3643	\$ 0.1997	\$ 0.5640	\$ 1.4410	\$ 0.5897	\$ 361.16
2019	\$ 0.3691	\$ 0.1949	\$ 0.5640	\$ 1.4410	\$ 0.5799	\$ 381.16

(1) Source: City of Bastrop Budget and County and BISSD websites

(2) Basis for property tax rate is per \$100 of taxable valuation.

CITY OF BASTROP, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
 Current Year and Nine Years Ago

Property Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Taxable Assessed Value	Rank	% of Taxable Assessed Value
BCSC, LLC	\$ 32,314,586	1	3.71%	\$ 14,527,631	1	0.00%
Covert Chevrolet	30,511,822	2	1.85%	7,297,794	8	2.13%
The Lodge at Lost Pines LP	13,166,980	3	1.80%	-	-	0.00%
Buc-ee's LTD	12,892,136	4	1.23%	-	-	0.00%
Bastrop Walnut Ridge Apartments	12,477,573	5	1.51%	-	-	0.00%
Time Warner Cable Texas LLC	10,817,905	6	0.95%	-	-	0.00%
Walmart Real Estate Bus Trust	9,380,000	7	1.24%	12,704,175	2	2.66%
H E Butt Grocery Company	8,565,000	8	1.22%	9,460,824	3	1.88%
Lowe's Home Center Inc.	7,300,000	9	0.92%	7,727,382	7	1.73%
Matthews-Barnes Bros. Inv. LP	6,486,716	10	0.87%	-	-	0.00%
Total	143,912,718		15.30%	51,717,806		8.40%

Source: Central Appraisal District of Bastrop County

CITY OF BASTROP, TEXAS
TAXABLE SALES BY CATEGORY
 Last Ten Years

Function/Program	Fiscal Year			
	2010	2011	2012	2013
Agriculture/Forestry/Fishing/Hunting	\$ 38,325	\$ 49,464	\$ 51,436	\$ 49,046
Construction	548,569	2,529,176	612,692	733,996
Manufacturing	502,894	609,479	1,113,311	567,873
Wholesale trade	1,537,429	1,532,664	1,897,020	2,180,790
Retail trade	182,220,911	191,434,598	227,250,051	231,643,120
Transportation/warehousing	-	-	5,480	58,825
Information	1,435,657	1,451,985	1,886,983	2,268,905
Finance/insurance	1,251,733	1,277,053	1,334,575	1,430,714
Professional/scientific/technical	566,407	619,830	688,357	939,161
Real estate/rental/leasing	1,993,012	1,240,362	1,006,683	1,062,877
Admin/support/Waste Mgmt/Remediation Svcs	415,289	377,390	536,628	608,223
Educational Services	6,502	7,479	5,424	11,445
Health Care/Social Assistance	84,316	108,373	265,225	146,756
Arts/Entertainment/Recreation	884,721	868,901	819,934	817,189
Accommodation/Food Services	35,011,335	37,095,419	41,461,897	46,836,570
Other Services (except Public Admin)	4,787,520	5,338,783	5,448,774	5,089,936
Public Administration	-	1,361,039	2,728,196	2,959,497
Total	\$ 231,284,620	\$ 245,901,995	\$ 287,112,666	\$ 297,404,923
City direct sales tax rate	1%	1%	1%	1%

(1) Only three quarters are available.
 Source: Texas Comptroller

TABLE 11

Fiscal Year					
2014	2015	2016	2017	2018	2019 (1)
\$ 52,808	\$ 52,920	\$ 45,195	\$ 26,709	\$ 9,784	\$ -
813,098	761,185	1,086,071	1,276,755	1,434,533	1,109,685
1,038,367	1,205,357	750,211	2,195,084	4,946,984	3,275,466
2,151,794	1,822,898	2,153,299	3,242,142	3,280,963	2,665,064
238,982,499	277,256,866	297,431,573	305,663,642	321,199,539	253,084,764
64,042	42,575	54,272	44,023	17,747	5,130
5,165,014	6,285,357	6,069,450	6,121,756	6,762,369	4,888,333
1,441,582	1,499,365	1,583,797	1,759,048	1,785,962	1,376,465
586,683	600,935	707,937	594,742	537,783	485,994
894,945	1,284,457	1,342,905	1,314,416	1,191,412	966,464
546,942	552,963	603,347	653,077	608,736	466,776
33,522	24,482	92,677	38,465	81,573	102,384
134,592	155,984	180,685	137,808	155,674	110,749
660,179	487,662	748,173	977,423	1,104,683	841,334
51,668,983	60,429,758	65,489,245	66,899,175	71,666,231	59,239,920
5,622,266	6,609,898	7,480,169	7,607,821	7,398,503	5,779,195
2,987,696	3,160,468	2,954,206	2,947,905	3,264,103	2,399,522
<u>\$ 312,845,012</u>	<u>\$ 362,233,130</u>	<u>\$ 388,773,212</u>	<u>\$ 401,499,991</u>	<u>\$ 425,446,579</u>	<u>\$ 336,797,245</u>
1%	1%	1%	1%	1%	1%

CITY OF BASTROP, TEXAS
DIRECT AND OVERLAPPING SALES TAX RATES
Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
City direct rate	1.00%	1.00%	1.00%	1.00%
Bastrop Economic Development Corporation	0.50%	0.50%	0.50%	0.50%
Bastrop County	0.50%	0.50%	0.50%	0.50%
State of Texas	6.25%	6.25%	6.25%	6.25%

Source: Texas Comptroller

TABLE 12

Fiscal Year					
2014	2015	2016	2017	2018	2019
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
6.25%	6.25%	6.25%	6.25%	6.25%	6.25%

CITY OF BASTROP, TEXAS
GENERAL BONDED DEBT OUTSTANDING
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Primary Government				
Governmental Activities:				
General obligation bonds	\$ 17,797,138	\$ 15,710,244	\$ 14,430,240	\$ 13,197,037
Tax notes	473,072	349,047	218,856	92,754
Notes payable	-	642,839	688,171	570,384
Certificates of obligation	1,848,435	1,939,055	11,435,550	10,723,722
Subtotal	<u>20,118,645</u>	<u>18,641,185</u>	<u>26,772,817</u>	<u>24,583,897</u>
Business-Type Activities:				
General obligation bonds	2,965,593	2,755,453	4,862,938	4,499,232
Notes payable	-	-	-	-
Certificates of obligation	17,887,129	16,998,811	10,321,157	9,768,175
Subtotal	<u>20,852,722</u>	<u>19,754,264</u>	<u>15,184,095</u>	<u>14,267,407</u>
Total Primary Government	<u>\$ 40,971,367</u>	<u>\$ 38,395,449</u>	<u>\$ 41,956,912</u>	<u>\$ 38,851,304</u>
 Personal Income	 \$ 191,471,886	 \$ 208,272,142	 \$ 214,995,338	 \$ 221,930,814
Debt as a Percentage of Personal Income	21.40%	18.44%	19.52%	17.51%
Population	7,306	7,306	7,394	7,483
Debt per Capita	\$ 5,608	\$ 5,255	\$ 5,674	\$ 5,192

TABLE 13

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 12,218,133	\$ 13,495,677	\$ 10,787,319	\$ 13,332,897	\$ 11,480,719	\$ 10,308,719
-	-	-	-	-	465,000
960,513	819,821	388,915	341,547	294,179	257,227
22,663,741	19,327,660	13,010,913	8,888,001	12,832,674	12,201,171
<u>35,842,387</u>	<u>33,643,158</u>	<u>24,187,147</u>	<u>22,562,445</u>	<u>24,607,572</u>	<u>23,232,117</u>
4,132,955	4,599,140	2,621,276	3,141,477	2,734,277	2,482,080
600,000	540,000	480,000	420,000	360,000	1,100,000
24,096,343	22,114,323	16,763,677	15,293,897	14,425,594	13,358,026
<u>28,829,298</u>	<u>27,253,463</u>	<u>19,864,953</u>	<u>18,855,374</u>	<u>17,519,871</u>	<u>16,940,106</u>
<u>\$ 64,671,685</u>	<u>\$ 60,896,621</u>	<u>\$ 44,052,100</u>	<u>\$ 41,417,819</u>	<u>\$ 42,127,443</u>	<u>\$ 40,172,223</u>
\$ 205,628,067	\$ 240,025,700	\$ 266,519,676	\$ 281,676,710	\$ 295,304,478	\$ 344,404,620
31.45%	25.37%	16.53%	14.70%	14.27%	11.66%
7,649	7,900	8,600	8,600	8,911	9,159
\$ 8,455	\$ 7,708	\$ 5,122	\$ 4,816	\$ 4,728	\$ 4,386

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CITY OF BASTROP, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2019

	<u>Net Bonded Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Governmental Unit			
Debt Repaid with Property Taxes			
Bastrop County	\$ 44,580,000	16.17%	\$ 7,208,586
Bastrop Independent School District	\$ 150,082,298	24.40%	36,620,081
Subtotal, overlapping debt			43,828,667
City Direct Debt	\$ 38,350,000	100.00%	38,350,000
Total Direct and Overlapping Debt			\$ 82,178,667
Ratio of Direct and Overlapping Bonded Debt to Taxable Assessed Valuation			7.45%
Per Capita Direct and Overlapping Debt			\$ 8,724

Source: Texas Municipal Reports published by the Municipal Advisory Council of Texas

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the overlapping government taxable assessed value that is within the City's boundaries and dividing it by the City's total taxable assessed value.

CITY OF BASTROP, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Assessed valuation	\$ 567,446,546	\$ 607,077,994	\$ 627,256,816	\$ 635,808,461
Limit on amount designated for debt service:				
\$1.50 per \$100 assessed valuation	1.5	1.5	1.5	1.5
Legal Annual Maximum Debt Payment	<u>\$ 8,511,698</u>	<u>\$ 9,106,170</u>	<u>\$ 9,408,852</u>	<u>\$ 9,537,127</u>
Actual amount expended for general obligation debt service during the fiscal year	<u>\$ 1,900,868</u>	<u>\$ 1,871,190</u>	<u>\$ 2,508,842</u>	<u>\$ 2,147,495</u>
Legal Debt Margin for Annual Debt Service Requirements	<u>\$ 6,610,830</u>	<u>\$ 7,234,980</u>	<u>\$ 6,900,010</u>	<u>\$ 7,389,632</u>
Total net debt applicable to the limit as a percentage of debt limit	22.33%	20.55%	26.66%	22.52%

Source: Central Appraisal District of Bastrop County
 Audited Financial Statements of the City of Bastrop
 BCAD - Assessment Roll Grand Totals Report

TABLE 15

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 670,721,248	# 737,922,965	\$ 782,928,050	\$ 825,822,058	\$ 863,072,067	\$ 903,235,729
1.5	1.5	1.5	1.5	1.5	1.5
<u>\$ 10,060,819</u>	<u>\$ 11,068,844</u>	<u>\$ 11,743,921</u>	<u>\$ 12,387,331</u>	<u>\$ 12,946,081</u>	<u>\$ 13,548,536</u>
<u>\$ 2,437,909</u>	<u>\$ 2,277,309</u>	<u>\$ 2,244,952</u>	<u>\$ 2,700,160</u>	<u>\$ 2,337,664</u>	<u>\$ 2,690,968</u>
<u>\$ 7,622,910</u>	<u>\$ 8,791,535</u>	<u>\$ 9,498,969</u>	<u>\$ 9,687,171</u>	<u>\$ 10,608,417</u>	<u>\$ 10,857,568</u>
24.23%	20.57%	19.12%	21.80%	18.06%	19.86%

CITY OF BASTROP, TEXAS
PLEDGED-REVENUE COVERAGE
Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Gross Revenues (1)	\$ 3,071,126	\$ 3,445,382	\$ 3,610,941	\$ 3,986,051
Operating Expenses (2)	<u>2,603,978</u>	<u>2,524,850</u>	<u>2,443,648</u>	<u>2,818,231</u>
Net Revenues Available for Debt Service	<u>\$ 467,148</u>	<u>\$ 920,532</u>	<u>\$ 1,167,293</u>	<u>\$ 1,167,820</u>
Debt Service Requirements (3)				
Principal and Interest	<u>\$ 438,917</u>	<u>\$ 563,808</u>	<u>\$ 571,497</u>	<u>\$ 759,350</u>
Coverage	1.064	1.633	2.043	1.538

(1) Water and Wastewater Fund operating and nonoperating revenues.

(2) Water and Wastewater Fund operating expenses, less depreciation expense.

(3) Includes revenue bonds only

* Revenue bonds were issued in fiscal year 2018, however, no principal or interest payments were scheduled.

TABLE 16

Fiscal Year					
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018*</u>	<u>2019</u>
\$ 3,971,117	\$ 4,353,611	\$ 4,703,546	\$ 5,496,713	\$ 5,277,917	\$ 5,625,296
<u>2,469,599</u>	<u>2,513,833</u>	<u>3,347,215</u>	<u>3,076,631</u>	<u>3,343,534</u>	<u>2,876,846</u>
<u>\$ 1,501,518</u>	<u>\$ 1,839,778</u>	<u>\$ 1,356,331</u>	<u>\$ 2,420,082</u>	<u>\$ 1,934,383</u>	<u>\$ 2,748,450</u>
<u>\$ 928,595</u>	<u>\$ 1,475,046</u>	<u>\$ 1,424,776</u>	<u>\$ 1,425,350</u>	<u>\$ 1,440,212</u>	<u>\$ 1,441,890</u>
1.617	1.247	0.952	1.698	1.343	1.906

CITY OF BASTROP, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Population (1)	7,218	7,306	7,394	7,483
Median Household Income (1)	\$ 48,486	\$ 48,486	\$ 48,486	\$ 48,486
Per Capita Personal Income (4)	\$ 25,839	\$ 25,839	\$ 25,839	\$ 26,356
Median Age (1)	33.40	33.40	33.60	36.90
Education Level (18 and over) (2)				
Less than high school graduate	670	670	670	800
High school graduate (or equivalent)	1,291	1,291	1,291	1,285
Some college, no degree	1,626	1,626	1,626	1,570
Associate degree or higher	190	190	190	261
Bachelor's degree or higher	717	717	717	571
Graduate degree or higher	459	459	459	421
School Enrollment (3)	4,825	4,344	3,949	3,764
Unemployment Rate (3)	7.80%	8.60%	7.80%	6.40%

Data sources:

(1) Information from 2000 census, 2010 census and modified by City staff estimates.

BEDC Community Profile

(2) US Census Bureau - American Community Survey 2015

BEDC Community Profile

(3) Bastrop Independent School District - Only Schools located within City limits

not all enrolled live within the City limits

(4) Unemployment rates from TWC website (www.twc.state.tx.us). Bastrop County rate only one available.

TABLE 17

Fiscal Year					
2014	2015	2016	2017	2018	2019
7,557	7,900	8,600	8,911	9,159	9,420
\$ 49,456	\$ 52,886	\$ 53,889	\$ 48,178	\$ 63,936	\$ 63,936
\$ 26,356	\$ 28,930	\$ 29,509	\$ 31,610	\$ 32,242	\$ 36,561
36.90	38.90	38.70	36.00	40.50	41.00
800	987	881	781	979	979
1,285	1,410	1,479	1,680	1,654	1,654
1,570	1,273	1,462	1,358	1,771	1,771
261	378	387	413	398	398
571	679	679	843	802	802
421	302	325	296	497	497
3,663	3,942	4,123	4,114	4,690	4,809
4.20%	3.80%	3.40%	2.90%	3.10%	3.30%

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TABLE 18

CITY OF BASTROP, TEXAS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2019			2010		
	Employees	Rank	Total County Employment (%)	Employees	Rank	Total County Employment (%)
Bastrop ISD	1,427	1	3.93%	1,230	1	3.76%
Hyatt Regency Lost Pines Resort	650	2	1.79%	735	2	2.25%
Bastrop County	464	3	1.28%	483	3	1.48%
MD Anderson Cancer Center	439	4	1.21%	386	5	1.18%
HEB Food Stores	408	5	1.12%	280	7	0.86%
Walmart	311	6	0.86%	400	4	1.22%
Agilent/Stratagene	306	7	0.84%	120	9	0.37%
Bastrop FCI	276	8	0.76%	284	6	0.87%
Buc-ee's	169	9	0.47%	-	-	-
Bluebonnet Electric Co-op	168	10	0.46%	147	8	0.45%
Southside Market & BBQ	146	11	0.40%	-	-	-
City of Bastrop	144	12	0.40%	115	10	0.35%
Lowe's	128	13	0.35%	-	-	-
First National Bank	127	14	0.35%	-	-	-
Total	<u>5,163</u>		<u>14.22%</u>	<u>4,180</u>		<u>12.78%</u>
Total County Employment	36,309			32,713		

Source: Texas Workforce Commission, EDC Website, Chamber newsletter

CITY OF BASTROP, TEXAS

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
General Government				
City Manager's Office	2.00	2.60	2.60	2.63
City Secretary	1.00	1.00	1.00	1.00
Finance	4.00	4.30	4.30	4.30
Utility Billing	7.00	7.00	7.00	7.00
Human Resources	1.10	1.00	1.00	1.00
Information Technology	1.00	1.00	1.00	1.00
Filming/Broadcasting	-	-	-	-
Municipal Court	4.50	5.50	5.50	5.50
Building Maintenance	3.00	4.00	4.00	4.00
Police Department				
Officers	20.00	20.00	20.00	20.00
Civilian	2.50	2.50	2.50	2.50
Code Enforcement	1.00	1.00	1.00	1.00
Animal Control	1.00	1.00	1.00	1.00
Fire Department				
Chief	-	-	-	-
Firefighters-PT	-	-	-	-
Development Services				
Planning	4.00	4.00	4.00	5.00
Building Inspections	1.00	1.00	1.00	1.00
Public Works				
Administration	2.00	2.20	2.20	2.00
Streets	10.00	10.00	10.00	10.00
Other	0.40	-	-	-
Community Services				
Parks Department	9.60	11.00	11.00	11.00
Library	8.80	9.80	9.80	9.80
Proprietary Funds				
Water/Wastewater	12.00	13.00	13.00	13.00
Electric	9.00	9.00	9.00	9.00
Other Funds				
Convention Center	-	4.00	4.20	4.20
Special Events and Reservations	-	-	-	-
Economic Development Corp.	2.00	2.00	2.00	2.00
Fairview Cemetery	-	0.50	0.50	0.50
Main Street	1.00	1.00	1.00	1.00
Total	<u>107.90</u>	<u>118.40</u>	<u>118.60</u>	<u>119.43</u>

TABLE 19

Fiscal Year					
2014	2015	2016	2017	2018	2019
2.63	2.63	2.63	2.63	2.63	4.25
1.00	1.00	1.00	1.00	1.00	1.00
4.45	4.45	4.45	5.00	5.00	5.00
7.00	7.00	5.00	4.00	4.00	4.00
1.10	1.10	1.50	1.63	1.63	1.63
1.00	1.00	2.00	1.50	2.00	2.00
-	-	-	0.50	1.00	2.63
5.50	5.50	4.50	4.50	4.50	4.50
4.00	4.00	4.00	4.00	4.00	4.00
20.00	22.00	22.00	22.00	22.00	24.00
2.50	2.50	2.50	2.50	2.50	3.00
1.00	1.00	0.50	0.50	0.50	0.50
1.00	-	0.50	0.50	0.50	0.50
-	-	1.00	1.00	1.00	1.00
-	-	-	-	4.00	6.30
5.00	5.00	5.00	5.00	5.00	6.00
1.00	1.00	1.00	1.00	1.50	2.50
1.00	1.00	1.00	1.00	2.00	2.00
10.00	10.00	10.00	9.25	10.00	10.00
-	-	-	-	-	-
11.00	11.00	11.00	12.95	12.95	12.95
9.80	9.80	9.80	9.80	9.95	9.95
12.50	12.50	12.50	17.00	18.50	18.75
9.00	9.00	9.00	9.00	9.00	9.00
4.20	5.50	4.50	4.50	4.00	4.83
-	-	-	-	-	0.77
2.00	2.00	3.50	3.50	4.00	4.00
1.50	1.50	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	2.00	2.25
119.18	121.48	120.88	126.26	136.16	148.31

CITY OF BASTROP, TEXAS
OPERATING INDICATORS BY FUNCTION
 Last Ten Years

Function/Program	Fiscal Year			
	2010	2011	2012	2013
General Government				
Building permits issued	128	101	139	141
Building permits value (thousands)	\$ 16,408	\$ 3,429	\$ 3,857	\$ 3,649
Police				
Physical arrests	941	829	834	769
Violations issued	3,955	3,643	3,678	3,606
Accident investigations	253	304	383	316
Fire				
Incident volume	717	980	1,040	1,125
Priority calls answered	336	430	325	398
Court				
Cases filed	2,968	2,375	2,006	1,990
Warrants issued	1,261	1,398	1,097	924
Public Works				
Paved streets (miles)	52	53	53	54
Open drainage ditches (miles)	52	50	50	50
Storm sewer lines (miles)	66	67	67	67
Number of street signs	1,425	1,425	1,425	1,425
Parks and Recreation				
Pavilion rentals	90	95	95	96
New trees planted	120	75	75	50
Special events	22	16	22	24
Library				
Volumes in collection	50,093	50,211	50,504	50,157
Total circulation	205,177	193,529	163,577	165,667
Story time and program attendance	10,446	12,979	12,562	13,161
Water				
Treated water produced (millions of gallons)	495,344	445,269	454,174	476,704
Line leaks and breaks	206	210	69	254
Wastewater				
Millions of gallons treated	210.239	229.610	312.842	319.099
Sewer stops	90	92	45	176

TABLE 20

		Fiscal Year					
		2014	2015	2016	2017	2018	2019
	158		157		100		117
\$	4,522	\$	5,001	\$	4,647	\$	4,103
						5,127	\$
	816		700		781		547
	4,125		4,000		4,869		3,116
	448		450		552		528
	1,150		1,140		921		676
	450		530		444		213
	2,012		1,679		3,155		2,336
	1,063		802		1,673		2,277
	55		56		56		56
	50		50		50		50
	67		67		67		67
	1,425		1,435		1,435		1,435
	96		96		51		60
	50		50		7		3
	56		56		57		49
	50,765		52,132		53,566		54,322
	167,324		162,900		152,111		145,827
	13,500		12,000		11,748		14,349
	486.706		495.797		481.745		515.216
	259		118		133		111
	325.480		325.737		350.635		343.872
	180		53		55		54
						352.574	378.132
						52	81

CITY OF BASTROP, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
 Last Ten Years

Function/Program	Fiscal Year			
	2010	2011	2012	2013
Police Stations	1	1	1	1
Fire Stations	2	2	2	2
Bastrop Public Library	1	1	1	1
Other Public Works				
Paved Streets (miles)	52	53	53	54
Open Drainage Ditches (miles)	52	50	50	50
Storm Sewer Lines (miles)	66	67	67	67
Parks and Recreation				
Acreage (maintained)	120	120	120	120
Right of Ways	54	55	55	55
Playgrounds	4	3	4	3
Basketball Courts	4	3	4	6
Ball Fields	7	7	7	7
Sand Volleyball	1	1	1	1
Water				
Number of service connections	2,770	2,825	2,889	2,960
Wastewater				
Number of service connections	2,502	2,540	2,564	2,625
Number of Lift Stations	18	15	18	18

Source: Various City departments

TABLE 21

Fiscal Year					
2014	2015	2016	2017	2018	2019
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
55	56	56	56	59	59
50	50	50	50	50	50
67	67	67	67	67	67
120	120	120	123	123	123
55	55	55	55	55	55
4	4	4	4	5	5
6	4	4	4	4	4
7	7	7	7	7	7
1	1	1	1	1	1
3,029	3,091	3,140	3,306	3,393	3,469
2,678	2,754	2,781	2,941	3,006	3,029
18	18	18	18	19	21

CITY OF BASTROP, TEXAS
WATER USAGE (Millions of Gallons)
Last Ten Years

Fiscal Year Ended	Peak Day Usage (MGD)	Average Day Usage (MGD)	Total Usage (Acre Feet)
2010	2.238	1.195	1,338
2011	2.274	1.471	1,647
2012	2.119	1.292	1,448
2013	2.041	1.299	1,455
2014	2.082	1.235	1,383
2015	2.323	1.272	1,426
2016	2.314	1.322	1,482
2017	2.817	1.411	1,581
2018	2.546	1.485	1,664
2019	2.468	1.561	1,748

Source: City of Bastrop

CITY OF BASTROP, TEXAS
TEN LARGEST WATER CUSTOMERS
 September 30, 2019

<u>Customer</u>	<u>Revenue</u>	<u>% of Total Annual Revenue</u>
City of Bastrop	\$ 108,368	3.62%
BISD	59,151	1.98%
Bastrop County	43,216	1.45%
Walnut Ridge Apartments	38,926	1.30%
Buc-ee's	32,148	1.08%
Lodge at Lost Pines Apartments	27,961	0.94%
Silver Pines Nursing and Rehab	25,881	0.87%
Texas Parks & Wildlife	19,148	0.64%
The Arbors	16,241	0.54%
H.E. Butt Grocery Co.	15,035	0.50%
	<u>\$ 386,075</u>	<u>12.91%</u>

% of Total Annual Revenue is based on water utility billing only of \$ 2,989,906

Source: City of Bastrop Utility Customer Service

CITY OF BASTROP, TEXAS
MONTHLY AND VOLUMETRIC WATER RATES
 September 30, 2019

Residential and Commercial - Inside City Limits:

3/4" or smaller	\$	27.72
1" Meter	\$	47.13
1 1/2" Meter	\$	79.47
2" Meter	\$	118.28
3" Meter	\$	221.78
4" Meter	\$	255.07
6" Meter	\$	661.68

Plus charges per 1,000 gallons usage:

1-3,000 gal.	\$	2.85
3,001-5,000 gal.	\$	3.04
5,001-10,000 gal.	\$	3.22
10,001-20,000 gal.	\$	3.42
20,001-50,000 gal.	\$	3.69
over 50,001	\$	3.87

Residential and Commercial - Outside City Limits:

3/4" or smaller	\$	41.59
1" Meter	\$	70.69
1 1/2" Meter	\$	119.22
2" Meter	\$	177.43
3" Meter	\$	332.68
4" Meter	\$	507.34
6" Meter	\$	992.48

Plus charges per 1,000 gallons usage:

1-3,000 gal.	\$	4.13
3,001-5,000 gal.	\$	4.42
5,001-10,000 gal.	\$	4.70
10,001-20,000 gal.	\$	4.98
20,001-50,000 gal.	\$	5.39
over 50,001	\$	5.66

Wholesale Water

Monthly Fixed Charge	
Source Cost	\$45,000 per MGD
(subscribed capacity)	
Transmission Cost	\$4,243.70 per MGD
(subscribed capacity)	
Customer Charge	\$2.23 per wholesale meter

Plus charges per 1,000 gallons usage:

Volumetric Charge	\$	1.97
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Source: City of Bastrop
 Note: Rates effective June 25, 2019

CITY OF BASTROP, TEXAS
WATERWATER FLOW (Millions of Gallons)
 Last Ten Years

Average Daily Wastewater Flow	
Fiscal Year	Gallons
2010	0.773
2011	0.836
2012	0.854
2013	0.772
2014	0.819
2015	0.936
2016	0.952
2017	0.941
2018	0.965
2019	1.035

Source: City of Bastrop

CITY OF BASTROP, TEXAS
TEN LARGEST WASTEWATER CUSTOMERS
September 30, 2019

Customer	Revenue	% of Total Annual Revenue
Bastrop County WCID #2	\$ 128,995	5.20%
Walnut Ridge Apartments	106,219	4.28%
Lodge at Lost Pines Apartments	74,133	2.99%
Bastrop County	36,360	1.47%
City of Bastrop	28,686	1.16%
BISD	28,254	1.14%
Bastrop Housing Authority	25,540	1.03%
Buc-ee's	25,315	1.02%
Oak Grove Apts.	24,943	1.01%
Pine Point Apts.	20,277	0.82%
	<u>\$ 498,722</u>	<u>20.10%</u>

% of Total Annual Revenue is based on water utility billing only of \$ 2,481,378

Source: City of Bastrop Utility Customer Service

CITY OF BASTROP, TEXAS
MONTHLY AND VOLUMETRIC WASTEWATER RATES
 September 30, 2019

<u>Residential, Multifamily and Commercial - Inside City Limits:</u>		
Minimum Charge	\$	36.97
Plus charges per 1,000 gallons usage:		
1-5,000 gal.	\$	2.45
5,001-10,000 gal.	\$	2.77
10,001-20,000 gal.	\$	2.95
20,001-50,000 gal.	\$	3.18
over 50,001	\$	3.47
 <u>Wholesale Water</u>		
Monthly Fixed Customer Charge per wholesale meter	\$	2.23
Plus charges per 1,000 gallons usage:		
Volumetric Charge	\$	3.83

Source: City of Bastrop

Note: Rates effective June 25, 2019

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